CITY OF TEXARKANA

CITY COUNCIL

AGENDA ● OCTOBER 8, 2018

Council Chambers **Regular Meeting** **6:00 PM**

220 TEXAS BLVD.
TEXARKANA, TX 75501

Mayor

Bob Bruggeman

Ward 1	**Ward 3**	**Ward 5**
Jean H. Matlock	Betty Williams	Bill Harp
Ward 2	**Ward 4**	**Ward 6**
Mary Hart	Christie Alcorn	Josh Davis

The City Council reserves the right to convene into closed session on any agenda item or issue should the need arise and if applicable pursuant to authorization by the Texas Open Meetings Act (Title 5, Chapter 551 of the Texas Government Code).

If the City Council convenes into closed session, they will reconvene in one hour or less to take any final action, decision, or vote on a matter deliberated in closed session.

I. CALL TO ORDER, ROLL CALL, ESTABLISHMENT OF QUORUM

II. INVOCATION AND PLEDGE BY COUNCIL MEMBER BILL HARP

III. MAYOR'S REMARKS AND ITEMS OF COMMUNITY INTEREST

Upcoming City Council Meetings:

Monday, October 22, 2018 at 6:00 p.m.
Tuesday, November 13, 2018 at 6:00 p.m.
Monday, November 26, 2018 at 6:00 p.m. - Council Members Swearing-In Ceremony
Monday, December 10, 2018 at 6:00p.m. - Last meeting of the year

Parks & Recreation Events:

October 11th	Movies in the Park - “A Wrinkle in Time” *	Spring Lake Park
October 13th	Softball Showcase Tournament	Wallace Park
October 18th	Fall Festival	Spring Lake Park
October 18th	Movies in the Park - “Hotel Transylvania 3” **	Spring Lake Park
October 20th	Softball Tournament	Karrh Park
November 3rd	Bark at the Park **10:00 a.m. to 3:00 p.m.**	Spring Lake Park - Next to Kylee Sullivan Dog Park

Movies in the Park start times: * At dusk ** Following Fall Festival

Additional Parks & Recreation events can be found on the city’s website at <http://www.ci.texarkana.tx.us> or call (903) 798-3978 for more information.

Special Presentation

Texarkana Water Update - by Water Liaison Steve Mayo

Appointments to Boards & Commissions

IV. ITEMS FOR CONSIDERATION

Consent Items

1. Consider approval of the minutes of the Regular Meeting of the City Council held on September 24, 2018 at 6:00 PM.

2. Resolution No. 2018-113 authorizing City Manager to enter into a contract for the 42-inch water main painting on the Red River Bridge in an amount, with the Texas portion, not to exceed $49,933.95 and the total amount not to exceed $79,500.00.

   Public Hearing:
   Council Vote: October 8, 2018

3. Resolution No. 2018-114 authorizing the City Manager to enter into a contract for the Wright Patman Water Treatment Plant Filter Basin Troughs in an amount not to exceed $178,220.

   Public Hearing:
   Council Vote: October 8, 2018

4. Resolution No. 2018-115 authorizing the City Manager to enter into a contract for the Millwood WTP - Valve Replacement Project in an amount, with the Texas portion, not to exceed $147,703.37 and the total amount not to exceed $235,159.00.

   Public Hearing:
   Council Vote: October 8, 2018

Open Forum: Comments from the public (Limit 5 minutes each)

Per Council rules adopted April 9, 2018, agenda items scheduled for a public hearing or which have already had a public hearing are not to be addressed at the "Open Forum".

Action Items

5. Resolution No. 2018-117 providing for the redemption of certain outstanding "City of Texarkana, Texas General Obligation Refunding Bonds, Series 2012", and authorizing the City Manager to sign an escrow agreement with U.S. Bank National Association, as escrow agent, and to deposit an amount not to exceed $5,160,000.00 into the escrow fund to pay and defease such bonds.

Public Hearing:
Council Vote: October 8, 2018

V. FIRST BRIEFINGS

VI. PUBLIC HEARINGS

VII. ITEMS FOR DISCUSSION

Staff Updates - Texarkana Convention Center by Lisa Thompson

VIII. ADMINISTRATIVE COMMENTS

1. City Council
2. City Staff

IX. ADJOURNMENT

Jennifer Evans
City Secretary

This open meeting of a governmental entity is subject to the Texas Open Meetings Act (Chapter 551, Government Code). The "Council Chambers" is the room or property where the City Council will hold this meeting.

Pursuant to Section 46.035(c), Penal Code (unlawful carrying of handgun by license holder), a license holder commits an offense if the license holder intentionally, knowingly, or recklessly carries a handgun under the authority of Subchapter H, Chapter 411, Government Code, regardless of whether the handgun is concealed or carried in a shoulder or belt holster, in the room or rooms where a meeting of a governmental entity is held and if the meeting is an open meeting subject to Chapter 551, Government Code, and the entity provided notice as required by that chapter.

Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun.

Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly.

This meeting is being conducted in accordance with the Americans with Disabilities Act [42 USC 12101 (1991)]. The facility is wheelchair accessible and handicap parking is available. Requests for sign interpretive services are available upon requests received at least 48 hours prior to the meeting. To make arrangements for these services, please call 903.798.3917, Personnel or (TDD) 1.800.RELAY.TX (1.800.735.2989).

CITY OF TEXARKANA

CITY COUNCIL

MINUTES • SEPTEMBER 24, 2018

Council Chambers	Regular Meeting	6:00 PM

220 TEXAS BLVD.
TEXARKANA, TX 75501

I. CALL TO ORDER, ROLL CALL, ESTABLISHMENT OF QUORUM

ee Name	Title	Status	Arrived
uggeman	Mayor	Present	
Matlock	Ward 1	Present	
art	Ward 2	Present	
illiams	Ward 3	Present	
Alcorn	Ward 4	Present	
p	Ward 5	Present	
vis	Ward 6	Present	

Staff Present: Deputy City Manager Kyle Dooley, Jennifer Evans, Jodie Lee, Dusty Henslee, Sharon Moore, Karey Parker, Eric Schlotter, Sherry Jackson Hawkins, and David Orr.

Legal Counsel: Jeff Lewis.

II. INVOCATION BY COUNCIL MEMBER JEAN MATLOCK AND PLEDGE LED BY BOY SCOUTS OF TROOP 16

III. MAYOR'S REMARKS AND ITEMS OF COMMUNITY INTEREST

Upcoming City Council Meetings:

Monday, October 8, 2018 at 6:00 p.m.
Monday, October 22, 2018 at 6:00 p.m.
Tuesday, November 13, 2018 at 6:00 p.m.
Monday, November 26, 2018 at 6:00 p.m.

Parks & Recreation Events:

September 29th	Alzheimer's Walk	Spring Lake Park
September 29th	Live Fit Kickball Tournament	Wallace Park
October 4th	Movies in the Park - "Peter Rabbit" **	Spring Lake Park
October 6th	Texarkana Board of Realtors 5 K Run	Spring Lake Park

** Movies in the Park will Begin at dusk **

Additional Parks & Recreation events can be found on the city's website at <http://www.ci.texarkana.tx.us> or call (903) 798-3978 for more information.

On Saturday, September 29th, a special celebration will be held in honor of the late actor Burt Reynolds and the movie "Smokey and the Bandit". The movie premiered in 1977 and featured Texarkana, Texas! The Texarkana Convention Center will host several activities that include a joint city proclamation reading at noon. Also, a free concert and free comedy show will be held later in the evening.

On Sunday, September 30th, a convoy of truckers will depart from Texarkana to Atlanta, Georgia to re-enact the famous Bandit run portrayed in the movie. More information surrounding the events can be found at Truckers.com.

Kelly Mitchell, board member of the Sulphur River Basin Authority (SRBA), provided an update for council concerning recent SRBA activities. A few key items were discussed at the board meeting held on September 18th:

* Hiring an executive director independent of an entity. The job description is currently being formalized.
* Hiring a facilitator to lead the process of strategic planning. Regional stakeholders and the City of Texarkana will be invited to provide input at an upcoming strategic planning meeting.
* The funding agreement with the Joint Commission on Planning and Development was approved and passed. This agreement will extend for one more year. A future discussion of the funding agreement will be scheduled.
* SRBA received a letter from Riverbend Water Resources District requesting clarification on various items. SRBA is currently drafting a response.
* The feasibility study continues. The Tentatively Selected Plan will not be available by the deadline of September 28th.

More updates will be provided to the council as they become available.

Appointments to Boards & Commissions

There were no appointments made to any board or commission.

IV. ITEMS FOR CONSIDERATION

Consent Items

(6:22 p.m.)

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Betty Williams, Ward 3
SECONDER:	Jean H. Matlock, Ward 1
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

1. Consider approval of the minutes of the Special Meeting of the City Council held on September 5, 2018 at 12:15 PM.

2. Consider approval of the minutes of the Regular Meeting of the City Council held on September 10, 2018 at 6:00 PM.

3. Resolution No. 2018-108 authorizing the City Manager to enter into an annual contract for one year with four additional one-year renewal options for Seal Coat, One and Two Inch Overlay Paving Services with Gibson Asphalt Construction.

   Public Hearing:
   Council Vote: September 24, 2018

4. Resolution No. 2018-109 authorizing the City Manager to enter into an annual contract for one year with four additional one-year renewal options for auto body repair and painting services with Twin City Collision.

   Public Hearing:
   Council Vote: September 24, 2018

Open Forum: Comments from the public (Limit 5 minutes each)

There were no public comments made at Open Forum.

Action Items

5. Resolution No. 2018-112 authorizing the City Manager to enter into a contract with Tatum Excavating Company, Inc. in the amount of $86,350 for emergency drainage repair to the outlet structure for the lake at Skyline Boulevard.

   Public Hearing:
   Council Vote: September 24, 2018

   Dusty Henslee briefed this agenda item.
   (6:25 p.m.)

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Mary Hart, Ward 2
SECONDER:	Josh Davis, Ward 6
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

V. FIRST BRIEFINGS

1. Resolution No. 2018-110 approving a decrease in rates related to the April 2018 application by SWEPCO for authority to decrease rates, directing SWEPCO to provide a refund, and directing SWEPCO to reimburse the city's rate case expenses.

   Public Hearing:
   Council Vote: September 24, 2018

   Jeff Lewis briefed this agenda item.
   (6:27 p.m.)

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Mary Hart, Ward 2
SECONDER:	Christie Alcorn, Ward 4
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

2. Ordinance No. 2018-111 approving and adopting an amendment to the Purchasing Manual regarding donations of real property and personal property.

   Public Hearing:
   Council Vote: September 24, 2018

   Jeff Lewis briefed this agenda item.
   (6:30 p.m.)

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Betty Williams, Ward 3
SECONDER:	Mary Hart, Ward 2
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

VI. PUBLIC HEARINGS

1. Resolution No. 2018-106 authorizing the City Manager to execute an amendment which provides for the extension of the Perot Theatre Management Agreement.

Public Hearing: September 24, 2018
Council Vote: September 24, 2018

Brian Goesl, Executive Director of TRAHC, addressed council at this hearing.
(6:32 p.m.)

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Betty Williams, Ward 3
SECONDER:	Mary Hart, Ward 2
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

2. Ordinance No. 2018-107 amending the Code of Ordinances, Chapter 36, "Public Amusements and Special Events", Section 36-1 "Definitions", by amending Section 36-1, “Definitions”, deleting the word “parades” from the definition of “special events”.

Public Hearing: September 24, 2018
Council Vote: September 24, 2018

There were no public comments made at this hearing.
(6:33 p.m.)

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Josh Davis, Ward 6
SECONDER:	Jean H. Matlock, Ward 1
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

VII. ITEMS FOR DISCUSSION

Staff Updates - None

VIII. ADMINISTRATIVE COMMENTS

1. City Council

Mayor Bruggeman thanked Deputy City Manager Kyle Dooley for doing a great job for council and the city in the absence of City Manager Shirley Jaster.

The Mayor invited citizens to participate in this year's "National Night Out" event scheduled for Tuesday, October 2nd. Citizens can contact Shawn Vaughn at the Texarkana Police Department to schedule a block party. Citizens were reminded to turn on their porch lights for this special night.

2. City Staff - None

IX. ADJOURNMENT

A motion was made to adjourn the meeting.
(6:36 p.m.)

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Bill Harp, Ward 5
SECONDER:	Mary Hart, Ward 2
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

City of Texarkana, Texas

Version: A
Update Date: 10/5/2018 9:16 AM

Briefing Sheet

Lead Department: Water Utilities **Action Officer:** Pam White,

Subject: Resolution No. 2018-113 authorizing City Manager to enter into a contract for the 42-inch water main painting on the Red River Bridge in an amount, with the Texas portion, not to exceed $49,933.95 and the total amount not to exceed $79,500.00.

Briefing: 10/8/2018 **Public Hearing:** **Council Vote:** 10/8/2018

Item Schedule
Schedule 3: No briefing required (one week)

Updates/History of Briefing:
NOT APPLICABLE

Executive Summary and Background Information:
Bids were received Tuesday, September 18, 2018 for the Forty-Two-Inch Water Main Painting on The Red River Bridge. Four (4) contractors picked up bid packages for the project and four (4) contractors bid on the project. Champion Tank Services, LLC of Elko New Market, Minnesota was the apparent low bidder with a low Base Bid of $79,500.00. This project consists of cleaning and painting approximately 2,400 linear feet of forty-two-inch steel water main located on the Red River Bridge at US Highway 71 North. Champion Tank Services has successfully completed several jobs for the Utility including painting the interior of the Fourth Street and College Hill Elevated Water Tanks and the exterior of the Arkansas Boulevard Elevated Water Tank.

Potential Options:
- None

Fiscal Implications:
This project will clean and paint the existing forty-two-inch water main located on the Red River Bridge at US Highway 71 North. This project is budgeted in the Utility’s 2018-2019 Budget in the Millwood Water Treatment Plant Depreciation Fund at $225,000.

Staff Recommendation:
Utility staff recommends approval.

Advisory Board/Committee Review:
NONE

Board/Committee Recommendation:
NOT APPLICABLE

Advisory Board/Committee Meeting Date and Minutes:
NOT APPLICABLE

City of Texarkana, Texas

Attachments

a. 2018-113 RES 42 Inch WM Painting (DOCX)
b. 2018-113 ATTH 01 Bid Summary (DOC)
c. 2018-113 ATTH 02 Bid Tab (PDF)
d. 2018-113 Goals Perspectives (DOCX)

Staff Coordination

Water Utilities	Gary Smith	Department Head Review	Completed	09/27/2018 10:59 AM
Water Utilities	Jim Cornelius	Review	Completed	09/27/2018 2:44 PM
Water Utilities	JD Phillips	Water Utilities Review	Completed	09/27/2018 2:53 PM
Public Information Officer	Lisa Thompson	PIO Review	Completed	09/27/2018 2:54 PM
City Manager	Shirley Jaster	City Manager Review	Completed	09/27/2018 4:27 PM
City Council	Vicky Coopwood	Meeting	Pending	10/08/2018 6:00 PM

Meeting History

RESOLUTION NO. 2018-113

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AUTHORIZING THE CITY MANAGER TO ACCEPT THE BID AND ENTER INTO A CONTRACT WITH CHAMPION TANK SERVICES, LLC OF ELKO NEW MARKET, MINNESOTA, FOR THE CLEANING AND PAINTING OF THE FORTY-TWO INCH WATER MAIN ON THE RED RIVER BRIDGE IN AN AMOUNT WITH THE TEXAS PORTION NOT TO EXCEED $49,933.95 AND THE TOTAL AMOUNT NOT TO EXCEED $79,500; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, on September 18, 2018, four (4) bids were received, a copy of which is attached hereto as **ATTH01**, by Texarkana Water Utilities for the 42-inch water main painting on the Red River Bridge Project; and

WHEREAS, the project will consist of cleaning and painting the existing 42-inch steel water main across the Red River Bridge at U.S. Highway 71 North and related appurtenances; and

WHEREAS, the lowest and best bid by a responsible vendor for this project was submitted by Champion Tank Services, LLC of Elko New Market, Minnesota, a copy of which is attached hereto as **ATTH02,** in an amount not to exceed **$79,500**; and

WHEREAS, funds currently budgeted in the Texarkana Water Utilities 2018-2019 Millwood Water Treatment Plant Depreciation Fund are available in the amount of **$79,500** for the 42-inch steel water main painting on the Red River Bridge Project.

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

SECTION 1: That the lowest and best bid by a responsible vendor, submitted by Champion Tank Services, LLC of Elko New Market, Minnesota, a copy of which is attached hereto as **ATTH02,** be and is hereby approved for the Texas portion in an amount not to exceed **$49,933.95** for the cleaning and painting of the existing 42-inch steel water main, and related appurtenances, across the Red River Bridge at U.S. Highway 71 North.

SECTION 2: That the City Manager be and is authorized to contract with Champion Tank Services, LLC of Elko New Market, Minnesota, for the above-described services.

SECTION 3: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **8th day of October, 2018**.

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

RES 2018-113
ATTH 01

Bid Summary

42" WATER MAIN PAINTING ON THE RED RIVER BRIDGE Project 61/62-000-135112-A/T131901

2:00 P.M. Tuesday, September 18, 2018
;

		Base Bid
1	TEC Texarkana, Texas	$234,785.00
2	RBIS, LLC Texarkana, Arkansas	$250,800.00
3	TMI Coatings St. Paul, Minnesota	$536,000.00
4	Champion Tank Services Elko New Market, Minnesota	$79,500.00

Time First Bid Opened: 2:00 P.M.

Number of Bidders: Four

Apparent Low Bidder: Champion Tank Services, LLC

BIDTAB

RES 2018-113
ATTH 02

Bid Tabulation
Forty-Two-Inch Water Main Painting
on the Red River Bridge

Project No. 61/62-000-135112-A/T131901
September 18, 2018 @ 2:00

BASE BID:											
				CHAMPION TANK SVC.		TEC		RBIS, LLC		TMI Coatings	
				Elko New Market, MN		Texarkana, AR		Texarkana, AR		St. Paul, MN	
Item	Quantity	Unit	Description	Amount	Total	Amount	Total	Amount	Total	Amount	Total
1	1	LS	Mobilization, Bonds, and Submittals	$10,000.00	$10,000.00	$23,470.00	$23,470.00	$18,300.00	$18,300.00	$50,000.00	$50,000.00
2	1	LS	Clean & Paint the 42" Water Main	$69,500.00	$69,500.00	$211,315.00	$211,315.00	$232,500.00	$232,500.00	$486,000.00	$486,000.00
			TOTAL BASE BID		$79,500.00		$234,785.00		$250,800.00		$536,000.00

City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives		Goals
Serve the Community	☐	Promote an Environmentally Sensitive & Livable Community
	☐	Provide a Safe Community
	☑	Deliver Quality Services
	☐	Foster a Healthy Community
Run the Operations	☐	Enhance Community Preparedness & Responsiveness
	☐	Maximize Partnership Opportunities
	☐	Provide Courteous & Responsive Customer Service
	☐	Model a Positive City Image
	☑	Deliver Efficient Services
	☐	Cultivate Community Involvement & Access
Manage the Resources	☐	Maintain Fiscal Strength
	☐	Maximize Utilization & Resources
	☑	Invest in Infrastructure & Transportation
Develop Personnel	☐	Develop a Skilled & Diverse Workforce
	☐	Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

Staff time required if item is approved:	No Additional

Other Potential Impacts:

NONE APPLICABLE

Public Information Plan:

☑	Newspaper Notice (Required by Statute)	☐	Public Hearing (Required by Statute)
☐	Public Forum/Input Session	☐	Press Release
☐	E-News Distribution	☑	Website Notice
☐	Social Media (Twitter, Facebook, etc.)	☐	Special Mailing
☐	Flyers Posted	☐	Banners Posted
☐	Survey	☐	Automated Phone Call
☐	None Required	☐	

Other:

City of Texarkana, Texas

Version:

Briefing Sheet

Update Date: 10/1/2018 2:13 PM

Lead Department: Water Utilities **Action Officer:** Pam White,

Subject: Resolution No. 2018-114 authorizing the City Manager to enter into a contract for the Wright Patman Water Treatment Plant Filter Basin Troughs in an amount not to exceed $178,220.

Briefing: 10/8/2018 **Public Hearing:** **Council Vote:** 10/8/2018

Item Schedule
Schedule 3: No briefing required (one week)

Updates/History of Briefing:

NOT APPLICABLE

Executive Summary and Background Information:

Bids were received Tuesday, September 18, 2018 for the Wright Patman WTP Filter Basin Troughs. Two (2) contractors picked up bid packages for the project and one (1) contractor bid on the project. Heritage Constructors, Inc. of Texarkana, Texas was the apparent low bidder with a low Base Bid of $178,220.00. This project consists of the replacement of twelve filter troughs and the associated surface wash piping, as required by the Texas Commission on Environmental Quality Agreed Order. Heritage Constructors has successfully completed several jobs for the Utility including the Filter Media Replacement Project and the Filter Basin Trough Phase I Project at our Wright Patman WTP.

Potential Options:

- None

Fiscal Implications:

This project will remove and replace the existing filter troughs and surface wash piping in basins #5 and #6 at our Wright Patman WTP. This project is budgeted in the Utility's 2018-2019 Budget in the Lake Texarkana Water Supply Corporation Capital Improvement Fund at $200,000.

Staff Recommendation:

Utility staff recommends approval.

Advisory Board/Committee Review:

NONE

Board/Committee Recommendation:

NOT APPLICABLE

Advisory Board/Committee Meeting Date and Minutes:

NOT APPLICABLE

Attachments

City of Texarkana, Texas

a. 2018-114 RES WP WTP Filter Troughs (DOCX)
b. 2018-114 ATTH 01 Bid Summary (DOCX)
c. 2018-114 ATTH 02 Bid Tab (PDF)
d. 2018-114 Goals and Perspectives (DOCX)

Staff Coordination

Water Utilities Gary Smith Department Head Review Completed 09/27/2018 11:01 AM
Water Utilities Jim Cornelius Review Completed 09/27/2018 2:43 PM
Water Utilities JD Phillips Water Utilities Review Completed 09/27/2018 2:54 PM
Public Information Officer Lisa Thompson PIO Review Completed 09/27/2018 2:55 PM
City Manager Shirley Jaster City Manager Review Completed 09/27/2018 5:01 PM
City Council Vicky Coopwood Meeting Pending 10/08/2018 6:00 PM

Meeting History

RESOLUTION NO. 2018-114

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AUTHORIZING THE CITY MANAGER TO ACCEPT THE BID AND ENTER INTO A CONTRACT WITH HERITAGE CONSTRUCTORS, INC. OF TEXARKANA, TEXAS, IN AN AMOUNT NOT TO EXCEED $178,220 FOR THE WRIGHT PATMAN WTP FILTER BASIN TROUGHS PROJECT TO REMOVE AND REPLACE THE BACKWASH TROUGHS IN FILTER BASINS #5 AND #6; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, on September 18, 2018, one (1) bid was received, a copy of which is attached hereto as **ATTH01**, by Texarkana Water Utilities for the Wright Patman WTP – Filter Basin Troughs Project; and

WHEREAS, the project will consist of removing and installing 12 filter troughs and the associated surface wash piping and related appurtenances; and

WHEREAS, the lowest and best bid by a responsible vendor for this project was submitted by Heritage Constructors, Inc. of Texarkana, Texas, a copy of which is attached hereto as **ATTH02**, in an amount not to exceed **$178,220**; and

WHEREAS, funds currently budgeted in the Texarkana Water Utilities 2018-2019 Budget in the Lake Texarkana Water Supply Corporation Capital Improvement Fund are available in the amount of **$178,220** for the Wright Patman WTP Filter Basin Troughs Project.

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

SECTION 1: That the lowest and best bid by a responsible vendor, submitted by Heritage Constructors, Inc. of Texarkana, Texas, a copy of which is attached hereto as **ATTH02**, be and is hereby approved in an amount not to exceed **$178,220** for the removal and installation of 12 filter troughs and the associated surface wash piping and related appurtenances for the Wright Patman WTP – Filter Basin Troughs Project.

SECTION 2: That the City Manager be and is authorized to contract with Heritage Constructors, Inc. of Texarkana, Texas, for the above-described services.

SECTION 3: That this Resolution shall be in full force and effect from and after its passage and approval.

P**ASSED AND APPROVED** in Regular Council Session on this the **8th day of October, 2018.**

ATTEST:

______________________________ ______________________________

JENNIFER EVANS, CITY SECRETARY BOB BRUGGEMAN, MAYOR

Bid Summary

Wright Patman WTP
Filter Basin Troughs

3:30 P.M. Tuesday, September 18, 2018

		Base Bid	Deductive Alt. Bid A
1	Heritage Constructors, Inc. Texarkana, Texas	$ 178,220.00	$ 178,220.00
2	RBIS, LLC Texarkana, Arkansas	No Bid	No Bid

Time First Bid Opened: 3:30 P.M

Number of Bidders: 1

Apparent Low Bidder: Heritage Constructor, Inc.

2018-114 ATTH 02

Bid Tabulation
WRIGHT PATMAN WTP
FILTER BASIN TROUGHS
Project No. 63-000-135111-L121915
SEPTEMBER 18, 2018 @ 3:30

BASE BID:					
				HERITAGE CONTRUCTORS INC.	
				Texarkana, TX.	
Item	Quantity	Unit	Description	Amount	Total
1	1	LS	Mobilization, Bonds & Submittals	$4,500.00	$4,500.00
2	12	EA	Remove Existing Filter Troughs	$500.00	$6,000.00
3	12	EA	New Fiberglass Filter Troughs & Appurtenances	$12,560.00	$150,720.00
4	1	LS	Remove & Replace Exist. Surface Wash Piping & Appurtenances Basin #5	$8,500.00	$8,500.00
5	1	LS	Remove & Replace Exist. Surface Wash Piping & Appurtenances Basin #6	$8,500.00	$8,500.00
			Total Base Bid:		$178,220.00

City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives		Goals
Serve the Community	☐	Promote an Environmentally Sensitive & Livable Community
	☐	Provide a Safe Community
	☑	Deliver Quality Services
	☐	Foster a Healthy Community
Run the Operations	☐	Enhance Community Preparedness & Responsiveness
	☐	Maximize Partnership Opportunities
	☐	Provide Courteous & Responsive Customer Service
	☐	Model a Positive City Image
	☑	Deliver Efficient Services
	☐	Cultivate Community Involvement & Access
Manage the Resources	☐	Maintain Fiscal Strength
	☐	Maximize Utilization & Resources
	☑	Invest in Infrastructure & Transportation
Develop Personnel	☐	Develop a Skilled & Diverse Workforce
	☐	Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

Staff time required if item is approved:	No Additional

Other Potential Impacts:

NONE APPLICABLE

Public Information Plan:

☑	Newspaper Notice (Required by Statute)	☐	Public Hearing (Required by Statute)
☐	Public Forum/Input Session	☐	Press Release
☐	E-News Distribution	☑	Website Notice
☐	Social Media (Twitter, Facebook, etc.)	☐	Special Mailing
☐	Flyers Posted	☐	Banners Posted
☐	Survey	☐	Automated Phone Call
☐	None Required	☐	

Other:

City of Texarkana, Texas

Briefing Sheet

Version:
Update Date: 10/1/2018 2:24 PM

Lead Department: Water Utilities **Action Officer:** Pam White,

Subject: Resolution No. 2018-115 authorizing the City Manager to enter into a contract for the Millwood WTP - Valve Replacement Project in an amount, with the Texas portion, not to exceed $147,703.37 and the total amount not to exceed $235,159.00.

Briefing: 10/8/2018 **Public Hearing:** **Council Vote:** 10/8/2018

Item Schedule
Schedule 3: No briefing required (one week)

Updates/History of Briefing:

NOT APPLICABLE

Executive Summary and Background Information:

Bids were received Tuesday, September 25, 2018 for the Millwood WTP – Valve Replacement Project. Eight (8) contractors picked up bid packages for the project and five (5) contractors bid on the project. MVA Services of Quinlan, Texas was the apparent low bidder with a low Base Bid of $235,159.00. This project consists of removing and replacing the valves and actuators associated with Filter Basins #5 & #6 and the associated air piping with each valve at the Millwood Water Treatment Plant located in Ashdown, Arkansas.

Potential Options:

- None

Fiscal Implications:

This project will remove and replace the valves, actuators, and air piping associated with Filter Basins #5 & #6 at the Millwood WTP located in Ashdown, Arkansas. This project is budgeted in the Utility's 2018-2019 Budget in the Millwood Water Treatment Plant Depreciation Fund at $385,000.

Staff Recommendation:

Utility staff recommends approval.

Advisory Board/Committee Review:

NONE

Board/Committee Recommendation:

NOT APPLICABLE

Advisory Board/Committee Meeting Date and Minutes:

NOT APPLICABLE

Attachments

City of Texarkana, Texas

a. 2018-115 RES MillwoodWTPValve (DOCX)
b. 2018-115 ATTH 01 Bid Summary (DOC)
c. 2018-115 ATTH 02 Bid Tab (PDF)
d. 2018-115 Goals & Perspectives (DOCX)

Staff Coordination

Water Utilities Gary Smith Department Head Review Completed 09/27/2018 11:02 AM
Water Utilities Jim Cornelius Review Completed 09/27/2018 2:40 PM
Water Utilities JD Phillips Water Utilities Review Completed 09/27/2018 2:55 PM
Public Information Officer Lisa Thompson PIO Review Completed 09/27/2018 2:55 PM
City Manager Shirley Jaster City Manager Review Completed 09/27/2018 5:04 PM
City Council Vicky Coopwood Meeting Pending 10/08/2018 6:00 PM

Meeting History

RESOLUTION NO. 2018-115

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AUTHORIZING THE CITY MANAGER TO ACCEPT THE BID AND ENTER INTO A CONTRACT WITH MVA SERVICES OF QUINLAN, TEXAS, IN AN AMOUNT, WITH THE TEXAS PORTION, NOT TO EXCEED $147,703.37 AND THE TOTAL AMOUNT NOT TO EXCEED $235,159 FOR THE MILLWOOD WATER TREATMENT VALVE REPLACEMENT PROJECT; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, on September 25, 2018, five (5) bids were received, a copy of which is attached hereto as **ATTH01**, by Texarkana Water Utilities for the Millwood WTP – Valve Replacement Project; and

WHEREAS, the project will consist of removing and replacing the valves and actuators associated with Filter Basins #5 & #6 and the associated air piping with each valve at the Millwood Water Treatment Plant located in Ashdown, Arkansas; and

WHEREAS, the lowest and best bid by a responsible vendor for this project was submitted by MVA Services of Quinlan, Texas, a copy of which is attached hereto as **ATTH02,** in an amount not to exceed **$235,159**; and

WHEREAS, funds currently budgeted in the Texarkana Water Utilities 2018-2019 Budget in the Millwood Water Treatment Plant Depreciation Fund are available in the amount of **$235,159** for the Millwood WTP – Valve Replacement Project.

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

SECTION 1: That the lowest and best bid by a responsible vendor, submitted by MVA Services of Quinlan, Texas, a copy of which is attached hereto as **ATTH02,** be and is hereby approved for the Texas portion, in an amount not to exceed **$147,703.37**, for the removing and replacing of the valves and actuators associated with Filter Basins #5 & #6 and the associated air piping with each valve and related appurtenances at the Millwood Water Treatment Plant located in Ashdown, Arkansas.

SECTION 2: That the City Manager be and is authorized to contract with MVA Services of Quinlan, Texas, for the above-described services.

SECTION 3: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **8th day of October, 2018.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY	BOB BRUGGEMAN, MAYOR

2018-115
ATTH 01

Bid Summary

MILLWOOD WTP
VALVE REPLACEMENT
Project 61/62-000-135112-A/T131805

2:00 P.M. Tuesday, September 25, 2018

		Base Bid
1.	TEC Texarkana, Texas	$340,073.94
2.	RBIS, LLC Texarkana, Arkansas	$329,895.00
3.	Four Thirteen, Inc. Texarkana, Texas	$326,400.00
4.	J. S. Haren Company Athens, Texas	$259,000.00
5.	MVA Services Quinian, Texas	$235,159.00

Time First Bid Opened: 2:00 P.M.

Number of Bidders: Five

Apparent Low Bidder: MVA Services

Bid Tabulation
MILLWOOD WTP
VALVE REPLACEMENT
Project No. 61/62-000-135112-A/T131805
SEPTEMBER 25, 2018 @ 2:00

2018-115
ATTH 02

BASE BID:													
				MVA Services		***J.S. Haren Company***		***Four Thirteen, Inc.***		***RBIS, LLC***		***TEC, Inc.***	
				Quinlan, TX		*Athens, TN*		*Texarkana, TX*		*Texarkana, AR*		*Texarkana, TX*	
Item	**Quantity**	**Unit**	**Description**	**Amount**	**Total**	**Amount**	**Total**	**Amount**	**Total**	**Amount**	**Total**	**Amount**	**Total**
1	1	LS	Mobilization, Bonds, and Submittals	$9,250.00	$9,250.00	$15,000.00	$15,000.00	$15,000.00	$15,000.00	$18,515.00	$18,515.00	$25,879.01	$25,879.01
2	1	SF	36" Butterfly Drain Valve w/Actuator & Accessories	$45,144.00	$45,144.00	$50,000.00	$50,000.00	$56,300.00	$56,300.00	$59,675.00	$59,675.00	$63,806.02	$63,806.02
3	2	SF	24" Butterfly Backwash Valve w/Actuator & Accessories	$26,230.00	$52,460.00	$25,000.00	$50,000.00	$33,100.00	$66,200.00	$35,200.00	$70,400.00	$30,156.77	$60,313.54
4	1	SF	24" Butterfly Influent Valve w/Actuator & Accessories	$38,164.00	$38,164.00	$35,000.00	$35,000.00	$45,900.00	$45,900.00	$46,550.00	$46,550.00	$39,369.38	$39,369.38
5	2	SF	12" Butterfly Effluent Valve w/Actuator & Accessories	$14,490.00	$28,980.00	$15,000.00	$30,000.00	$18,400.00	$36,800.00	$22,200.00	$44,400.00	$18,385.72	$36,771.44
6	2	SF	8" Butterfly Re-Wash Valve w/Actuator & Accessories	$10,006.00	$20,012.00	$10,000.00	$20,000.00	$13,500.00	$27,000.00	$17,875.00	$35,750.00	$16,002.66	$32,005.32
7	2	SF	6" Butterfly Surface Wash Valve w/Actuator & Accessories	$9,763.00	$19,526.00	$9,000.00	$18,000.00	$13,500.00	$27,000.00	$17,560.00	$35,120.00	$14,247.65	$28,495.30
8	1	SF	Remove Existing 36" Drain Valve w/Actuator & Accessories	$3,056.00	$3,056.00	$8,000.00	$8,000.00	$7,200.00	$7,200.00	$1,800.00	$1,800.00	$3,556.78	$3,556.78
9	2	SF	Remove Existing 24" Backwash Valve w/Actuator & Accessories	$2,967.00	$5,934.00	$6,000.00	$12,000.00	$4,850.00	$9,700.00	$1,700.00	$3,400.00	$3,048.66	$6,097.32
10	1	SF	Remove Existing 24" Influent Valve w/Actuator & Accessories	$1,923.00	$1,923.00	$8,000.00	$8,000.00	$6,500.00	$6,500.00	$1,700.00	$1,700.00	$3,556.78	$3,556.78
11	2	SF	Remove Existing 12" Effluent Valve w/Actuator & Accessories	$1,525.00	$3,050.00	$3,000.00	$6,000.00	$3,200.00	$6,400.00	$1,200.00	$2,400.00	$1,778.39	$3,556.78
12	2	SF	Remove Existing 8" Re-Wash Valve w/Actuator & Accessories	$1,525.00	$3,050.00	$2,000.00	$4,000.00	$2,900.00	$5,800.00	$1,100.00	$2,200.00	$1,778.39	$3,556.78
13	2	SF	Remove Existing 6" Surface Wash Valve w/Actuator & Accessories	$1,525.00	$3,050.00	$1,000.00	$2,000.00	$2,850.00	$5,700.00	$1,100.00	$2,200.00	$1,778.39	$3,556.78
14	1	SF	Labor & Materials to Clean & Test Water Mains	$1,560.00	$1,560.00	$1,000.00	$1,000.00	$10,900.00	$10,900.00	$5,785.00	$5,785.00	$29,552.71	$29,552.71
			TOTAL BASE BID		**$235,159.00**		**$259,000.00**		**$326,400.00**		**$329,895.00**		**$340,073.94**

City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives		Goals
Serve the Community	☐	Promote an Environmentally Sensitive & Livable Community
	☐	Provide a Safe Community
	☑	Deliver Quality Services
	☐	Foster a Healthy Community
Run the Operations	☐	Enhance Community Preparedness & Responsiveness
	☐	Maximize Partnership Opportunities
	☐	Provide Courteous & Responsive Customer Service
	☐	Model a Positive City Image
	☑	Deliver Efficient Services
	☐	Cultivate Community Involvement & Access
Manage the Resources	☐	Maintain Fiscal Strength
	☐	Maximize Utilization & Resources
	☑	Invest in Infrastructure & Transportation
Develop Personnel	☐	Develop a Skilled & Diverse Workforce
	☐	Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

Staff time required if item is approved:	No Additional

Other Potential Impacts:

NONE APPLICABLE

Public Information Plan:

☑	Newspaper Notice (Required by Statute)	☐	Public Hearing (Required by Statute)
☐	Public Forum/Input Session	☐	Press Release
☐	E-News Distribution	☑	Website Notice
☐	Social Media (Twitter, Facebook, etc.)	☐	Special Mailing
☐	Flyers Posted	☐	Banners Posted
☐	Survey	☐	Automated Phone Call
☐	None Required	☐	

Other:

City of Texarkana, Texas

Version:

Briefing Sheet

Update Date: 10/5/2018 10:44 AM

Lead Department: Finance Department **Action Officer:** Jodie Lee, Assistant CFO

Subject: Resolution No. 2018-117 providing for the redemption of certain outstanding "City of Texarkana, Texas General Obligation Refunding Bonds, Series 2012", and authorizing the City Manager to sign an escrow agreement with U.S. Bank National Association, as escrow agent, and to deposit an amount not to exceed $5,160,000.00 into the escrow fund to pay and defease such bonds.

Briefing: 10/8/2018 **Public Hearing:** **Council Vote:** 10/8/2018

Item Schedule
Schedule 2: Brief once - vote once (two weeks)

Updates/History of Briefing:

NOT APPLICABLE

Executive Summary and Background Information:

An integral and critical component of the balanced FY 2019 budget approved by the City Council included the defeasance (paying off) of the 2012 Series GO refunding bonds issued pursuant to Ord. 84-2012. The FY '19 budget numbers are based on this defeasance occurring; and this resolution is proposed to authorize the defeasance to ensure the viability of the balanced budget.

The original issuance of the bonds called for maturation on February 15 in each of the years 2019 through 2023, inclusive. Texas law authorizes the City to discharge and pay in full these bonds by depositing sufficient funds into an escrow account.

The resolution, if approved, contains a finding and a determination that the form of an Escrow Agreement (Exhibit "A" to the resolution) submitted by bond counsel for the payment and defeasance of the bonds and the redemption of the bonds maturing on February 15, 2023, should be approved and execution should be authorized. Specific financial information to complete the form agreement will be supplied by the City's financial advisor, Hilltop Securities, at a later date. The resolution also contains a finding and determination that the bonds maturing on February 15, 2023, should be redeemed prior to maturity and that notice of redemption of such bonds should be approved and authorized (Exhibit "B" to the resolution).

Potential Options:

The balanced FY '19 budget is dependent on the defeasance of the Series 2012 bonds. Therefore, City staff submits the only viable option is to approve the resolution, which would be in accordance with and consistent with the City Council's approval of the FY '19 budget.

Fiscal Implications:

City of Texarkana, Texas

The overriding fiscal implication is to ensure a balanced FY '19 budget through the City Council authorizing an early discharge of the Series 2012 bonds. The City's financial advisor estimates that early discharge of the bonds will result in an annual debt service savings of $1 - $1.2 million.

Staff recommends using fund balance not to exceed $5,160,000 to fund the escrow account. This recommended amount includes a cushion to account for any market changes or fluctuations that may impact the final calculation of the needed escrow funding; only the necessary amount to fund the escrow agreement will be withdrawn from fund balance.

Staff Recommendation:

Staff recommends approval and adoption of the resolution.

Advisory Board/Committee Review:

NONE

Board/Committee Recommendation:

NOT APPLICABLE

Advisory Board/Committee Meeting Date and Minutes:

NOT APPLICABLE

Attachments

a. 2018-117 RES Bond Series 2012 escrow redemption defeasance (DOCX)
b. 2018-117 EXH A Escrow Agreement (PDF)
c. 2018-117 EXH B Notice of Redemption (PDF)
d. 2018-117 EXH C Budget Slide Presentation 7.09.2018 (PDF)
e. 2018-117 Goals & Perspectives (DOCX)

Staff Coordination

Finance Department Jennifer Evans Department Head Review Skipped 10/04/2018 11:36 AM
Deputy City Manager - Kyle Dooley Kyle Dooley Deputy City Manager Review Completed 10/04/2018 1:11 PM
Public Information Officer Lisa Thompson PIO Review Completed 10/04/2018 1:21 PM
City Manager Shirley Jaster City Manager Review Completed 10/05/2018 11:20 AM
City Council Vicky Coopwood Meeting Pending 10/08/2018 6:00 PM

Meeting History

RESOLUTION NO. 2018 - 117

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, PROVIDING FOR THE REDEMPTION OF CERTAIN OUTSTANDING "CITY OF TEXARKANA, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012"; AUTHORIZING THE CITY MANAGER TO SIGN AN ESCROW AGREEMENT WITH U.S. BANK NATIONAL ASSOCIATION, AS ESCROW AGENT, AND TO DEPOSIT INTO THE ESCROW FUND THE SUM NOT TO EXCEED $5,160,000.00 TO PAY AND DEFEASE SUCH BONDS; RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Texarkana, Texas (the "City"), pursuant to the City Council's authorization in Ordinance No. 84-2012, has heretofore issued and there is currently outstanding certain bonds more particularly described as follows: "City of Texarkana, Texas General Obligation Refunding Bonds, Series 2012," dated August 1, 2012, maturing on February 15 in each of the years 2019 through 2023, inclusive, and aggregating in principal amount $4,845,000 (the "Defeased Bonds"); and

WHEREAS, in accordance with the provisions of Texas Government Code, Chapter 1207, as amended, the City is authorized and empowered to deposit funds directly with the place of payment for the Defeased Bonds, or other authorized depository, and entered into an escrow or similar agreement for the safekeeping, investment, reinvestment, administration and disbursement of such deposit of funds, and such deposit, when made in accordance with said statute, shall constitute the making of firm banking and financial arrangements for the discharge and full payment of the Defeased Bonds; and

WHEREAS, an Escrow Agreement, attached hereto as **Exhibit "A"** and incorporated herein by reference as a part of this Resolution for all purposes, has been prepared for the deposit of funds with U.S. Bank National Association, as escrow agent, to provide for the full payment and discharge of the Defeased Bonds; and

WHEREAS, the City Council hereby finds and determines that such Escrow Agreement for the payment and defeasance of the Defeased Bonds and the redemption of the Defeased Bonds maturing on February 15, 2023, should be approved and authorization for its execution provided; and

WHEREAS, the City Council further finds and determines that the Defeased Bonds maturing on February 15, 2023, should be redeemed prior to maturity on the date and in the manner hereinafter provided and in accordance with the requirements prescribed therefor and notice of redemption of such bonds should be approved and authorized to be given at this time by the City Council.

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

SECTION 1: The "Escrow Agreement" attached hereto as **Exhibit "A"** and incorporated herein by reference as part of this Resolution for all purposes, is hereby approved as to form and content, and such Agreement in substantially the form and substance attached hereto, with the additon of financial information to be provided by the City's financial advisor to complete the agreement, is hereby authorized to be executed by the City Manager and attested by the City Secretary for and on behalf of the City as the act and deed of the City Council; and such Agreement as executed by said officials shall be deemed the Agreement approved by the City Council.

SECTION 2: To provide for the full payment and discharge of the Defeased Bonds in accordance with the terms of the Escrow Agreement, the City Manager or Chief Financial Officer of the City are hereby authorized and directed (a) to cause the sum not exceed $5,160,000.00 to be deposited with U.S. Bank National Association, as escrow agent, from funds legally available for such purpose, and (b) to make the necessary arrangements for the purchase of any federal securities to be acquired and deposited in the Escrow Fund pursuant to the Escrow Agreement and such other arrangements as may be necessary for the deposit of moneys in accordance with the terms of the Escrow Agreement for the final payment and discharge of the Defeased Bonds on their respective maturity dates and the Defeased Bonds maturing on February 15, 2023, on February 15, 2022.

SECTION 3: The Defeased Bonds maturing on February 15, 2023, shall be redeemed and the same are hereby called for redemption on February 15, 2022, at the price of par and accrued interest to the date of redemption. The City Secretary is hereby authorized and directed to file a copy of this Resolution, together with a suggested form of notice of redemption to be sent to bondholders, with U.S. Bank National Association, the paying agent/registrar for the Defeased Bonds, in accordance with the redemption provisions applicable to such bonds; such suggested form of notice of redemption being attached hereto as **Exhibit "B"** and incorporated herein by reference as a part of this Resolution for all purposes.

SECTION 4: The City Secretary or Chief Financial Officer of the City are hereby authorized and directed to make all arrangements necessary to notify the holders of such Defeased Bonds maturing on February 15, 2023, of the City's decision to redeem such bonds on the date and in the manner herein provided and in accordance with the ordinance and pricing certificate authorizing the issuance of the Defeased Bonds.

SECTION 5: It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 6: This Resolution shall be in full force and effect from and after its passage on the date shown below.

PASSED AND APPROVED in Regular Council Session on this the **8th day of October, 2018**.

ATTEST:

JENNIFER EVANS, CITY SECRETARY	BOB BRUGGEMAN, MAYOR

EXHIBIT A

APPROVED FORM OF ESCROW AGREEMENT

SPECIAL ESCROW AGREEMENT

THIS SPECIAL ESCROW AGREEMENT (the "Agreement"), made and entered into as of October 25, 2018, by and between City of Texarkana, Texas (the "City"), and U.S. Bank National Association or its successors or assigns hereunder (the "Escrow Agent"), a national banking association organized and existing under the laws of the United States of America,

W I T N E S S E T H :

WHEREAS, the City Council of the City has heretofore issued, sold, and delivered and there is currently outstanding obligations of the following issue or series (hereinafter referred to as the "Defeased Bonds"), to wit: "City of Texarkana, Texas General Obligation Refunding Bonds, Series 2012," dated August 1, 2012, maturing on February 15 in each of the years 2019 through 2023, inclusive, and aggregating in principal amount $4,845,000; and

WHEREAS, in accordance with the provisions of Texas Government Code, Chapter 1207, as amended (the "Act"), the City is authorized to deposit funds with any place of payment for the obligations being defeased, or other authorized depository, and enter into an escrow or similar agreement with such place of payment for the safekeeping, investment, reinvestment, administration and disposition of such deposit, upon such terms and conditions as the parties may agree, provided such deposits may be invested only in (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and on the date of their acquisition or purchase by the City are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent (hereinafter called "Governmental Securities") that mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment of the Defeased Bonds; and

WHEREAS, the Defeased Bonds are scheduled to mature, or be redeemed, and interest thereon is payable on the dates and in the manner set forth in **Exhibit A** attached hereto and incorporated herein by reference as a part of this Agreement for all purposes; and

WHEREAS, the City on October 8, 2018, pursuant to a resolution (the "Resolution") finally passed and adopted by the City Council, authorized the defeasance of the Defeased Bonds and the redemption of the Defeased Bonds maturing on February 15, 2023; and

WHEREAS, upon the delivery of funds of the City for the defeasance, such funds are to be used in part to purchase the Governmental Securities listed and identified in Exhibit B attached hereto and incorporated herein by reference as a part of this Agreement for all purposes (together with substituted securities therefor in accordance with the provisions of Section 11 hereof hereinafter referred to as the "Escrowed Securities"); and

WHEREAS, the Escrowed Securities shall be held and deposited to the credit of the "Escrow Fund" to be established and maintained by the Escrow Agent in accordance with this Agreement; and

WHEREAS, the Escrowed Securities, together with the beginning cash balance in the Escrow Fund, shall mature and the interest thereon shall be payable at such times to insure the existence of monies sufficient to pay the principal amount of the Defeased Bonds and the accrued interest thereon, as the same shall become due in accordance with the terms of the ordinance and pricing certificate authorizing the issuance of the Defeased Bonds and as set forth in Exhibit A attached hereto; and

WHEREAS, the City has completed all arrangements for the purchase of the Escrowed Securities listed in Exhibit B and the deposit and credit of the same to the Escrow Fund as provided herein; and

WHEREAS, the Escrow Agent is a banking association organized and existing under the laws of the United States of America, possessing trust powers and is fully qualified and empowered to enter into this Agreement; and

WHEREAS, in Section 1 of the Resolution, the City Council duly approved and authorized the execution of this Agreement; and

WHEREAS, the City and the Escrow Agent, as the case may be, shall take all action necessary to pay and retire said Defeased Bonds and call, pay, redeem and retire the Defeased Bonds maturing on February 15, 2023 in accordance with the provisions thereof, including, without limitation, all actions required by the ordinance and pricing certificate authorizing the Defeased Bonds, the Act, the Resolution and this Agreement;

NOW, THEREFORE, in consideration of the mutual agreements herein contained, and to secure the payment of the principal of and the interest on the Defeased Bonds as the same shall become due, the City and the Escrow Agent hereby mutually undertake, promise and agree as follows:

SECTION 1: Receipt of Defeased Bonds Ordinance and Resolution. Receipt of true and correct copies of the ordinance and pricing certificate authorizing the issuance of the Defeased Bonds and the Resolution are hereby acknowledged by the Escrow Agent. Reference herein to or citation herein of any provision of said documents shall be deemed an incorporation of such provision as a part hereof in the same manner and with the same effect as if it were fully set forth herein.

SECTION 2: Escrow Fund Creation/Funding. There is hereby created by the City with the Escrow Agent a special segregated and irrevocable trust fund designated "CITY OF TEXARKANA, TEXAS, GENERAL OBLIGATION REFUNDING BONDS SERIES 2012 ESCROW FUND" (hereinafter called the "Escrow Fund") for the benefit of the holders of the Defeased Bonds, and, immediately following ____________, the City agrees and covenants to cause to be deposited with the Escrow Agent the following:

$_________	for the purchase of the Escrowed Securities listed in Exhibit B to be held for the account of the Escrow Fund;
$________	for deposit in the Escrow Fund as a beginning cash balance.

The Escrow Agent hereby accepts the Escrow Fund and further agrees to receive said moneys, apply the same as set forth herein, and to hold the cash and Escrowed Securities deposited and credited to the Escrow Fund for application and disbursement for the purposes and in the manner provided in this Agreement.

SECTION 3: Escrow Fund Sufficiency Warranty. The City hereby represents that the cash and Escrowed Securities, together with the interest to be earned thereon, deposited to the credit of the Escrow Fund will be sufficient to pay the principal of and premium and interest on the Defeased Bonds as the same shall become due and payable, and such Defeased Bonds, and the interest thereon, are to mature or be redeemed and shall be paid at the times and in the amounts set forth and identified in Exhibit A attached hereto.

FURTHERMORE, the Escrow Agent acknowledges receipt of a copy of the Resolution which provides for the redemption of the Defeased Bonds maturing on February 15, 2023 on February 15, 2022 at the price of par plus accrued interest to the date of redemption; all in accordance with the provisions of the notice requirements applicable to said Defeased Bonds and the notice requirements contained in the ordinance and pricing certificate authorizing the issuance of the Defeased Bonds.

As required by the ordinance and pricing certificate authorizing the issuance of the Defeased Bonds, the Escrow Agent, as paying agent/registrar for the Defeased Bonds, agrees to cause a notice of redemption pertaining to the Defeased Bonds maturing on February 15, 2023 to be sent to the registered owners thereof appearing on the registration books at least thirty (30) days prior to the redemption date therefor.

SECTION 4: Pledge of Escrow. The Escrow Agent agrees that all cash and Escrowed Securities, together with any income or interest earned thereon, held in the Escrow Fund shall be and is hereby irrevocably pledged to the payment of the principal of and interest on the Defeased Bonds which will mature and become due on and after the date of this Agreement, and such funds initially deposited and to be received from maturing principal and interest on the Escrowed Securities in the Escrow Fund shall be applied solely in accordance with the provisions of this Agreement.

SECTION 5: Escrow Insufficiency-City Warranty to Cure. If, for any reason, the funds on hand in the Escrow Fund shall be insufficient to make the payments set forth in Exhibit A attached hereto, as the same becomes due and payable, the City shall make timely deposits to the Escrow Fund, from lawfully available funds, of additional funds in the amounts required to make such payments. Notice of any such insufficiency shall be immediately given by the Escrow Agent to the City by the fastest means possible, but the Escrow Agent shall in no manner be responsible for the City's failure to make such deposits.

SECTION 6: Escrow Fund Securities/Segregation. The Escrow Agent shall hold said Escrowed Securities and moneys in the Escrow Fund at all times as a special and separate trust fund for the benefit of the holders of the Defeased Bonds, wholly segregated from other moneys and securities on deposit with the Escrow Agent; shall never commingle said Escrowed Securities and moneys with other moneys or securities of the Escrow Agent; and shall hold and dispose of the assets therein only as set forth herein. Nothing herein contained shall be construed as requiring the Escrow Agent to keep the identical moneys, or any part thereof, in said Escrow Fund, if it is impractical, but moneys of an equal amount, except to the extent such are represented by the Escrowed Securities, shall always be maintained on deposit in the Escrow Fund by the Escrow Agent and a special account evidencing such facts shall at all times be maintained on the books of the Escrow Agent.

SECTION 7: Escrow Fund Collections/Payments. The Escrow Agent shall from time to time collect and receive the principal of and interest on the Escrowed Securities as they respectively mature and become due and credit the same to the Escrow Fund. On or before each principal and/or interest payment date or redemption date, as the case may be, for the Defeased Bonds shown in Exhibit A attached hereto, the Escrow Agent, without further direction from anyone, including the City, shall cause to be withdrawn from the Escrow Fund the amount required to pay the accrued interest on the Defeased Bonds due and payable on said payment date and the principal of the Defeased Bonds due and payable on said payment date or redemption date, as the case may be, and the amount withdrawn from the Escrow Fund shall be immediately transmitted and deposited with the appropriate paying agent for the Defeased Bonds to be paid with such amount. The paying agent for the Defeased Bonds is the Escrow Agent.

If any Defeased Bond shall not be presented for payment when the principal thereof or interest thereon shall have become due, and if cash shall at such times be held by the Escrow Agent in trust for that purpose sufficient and available to pay the principal of such Defeased Bond and interest thereon it shall be the duty of the Escrow Agent to hold said cash without liability to the holder of such Defeased Bond for interest thereon after such maturity or redemption date, in trust for the benefit of the holder of such Defeased Bond, who shall thereafter be restricted exclusively to said cash for any claim of whatever nature on his part on or with respect to said Defeased Bond, including for any claim for the payment thereof and interest thereon. All cash required by the provisions hereof to be set aside or held in trust for the payment of the Defeased Bonds, including interest thereon, shall be applied to and used solely for the payment of the Defeased Bonds and interest thereon with respect to which such cash has been so set aside in trust.

Subject to the provisions of the last sentence of Section 25 hereof, cash held by the Escrow Agent in trust for the payment and discharge of any of the Defeased Bonds and interest thereon which remains unclaimed for a period of three (3) years after the stated maturity date or redemption date of such Defeased Bonds shall be returned to the City. Notwithstanding the above and foregoing, any remittance of funds from the Escrow Agent to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

SECTION 8: Disposal of Defeased Bonds. The Escrow Agent, as paying agent for the Defeased Bonds shall cancel all securities surrendered for transfer, payment or cancellation and shall dispose of such securities in a manner deemed appropriate by the Escrow Agent as the paying agent for the Defeased Bonds.

SECTION 9: Escrow Fund Encumbrance. The escrow created hereby shall be irrevocable and the holders of the Defeased Bonds shall have an express lien on all moneys and Escrowed Securities in the Escrow Fund until paid out, used and applied in accordance with this Agreement.

Unless disbursed in payment of the Defeased Bonds, all funds and the Escrowed Securities received by the Escrow Agent for the account of the City hereunder shall be and remain the property of the Escrow Fund and the City and the owners of the Defeased Bonds shall be entitled to a preferred claim and shall have a first lien upon such funds and Escrowed Securities enjoyed by a trust beneficiary. The funds and Escrowed Securities received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the City and the Escrow Agent and the City shall have no right or title with respect thereto, except as otherwise provided herein. Such funds and Escrowed Securities shall not be subject to checks or drafts drawn by the City.

SECTION 10: Absence of Claim/Lien on Escrow Fund. The Escrow Agent shall have no lien whatsoever upon any of the moneys or Escrowed Securities in the Escrow Fund for payment of services rendered hereunder, services rendered as paying agent/registrar for the Defeased Bonds, or for any costs or expenses incurred hereunder and reimbursable from the City.

SECTION 11: Substitution/Reinvestments. The Escrow Agent shall be authorized to accept initially and temporarily cash and/or substituted Governmental Securities pending the delivery of the Escrowed Securities identified in the Exhibit B attached hereto, or shall be authorized to redeem the Escrowed Securities and reinvest the proceeds thereof, together with other moneys held in the Escrow Fund in Governmental Securities, provided such early redemption and reinvestment of proceeds does not change the repayment schedule of the Defeased Bonds appearing in Exhibit A and the Escrow Agent receives the following:

(1) an opinion by an independent certified public accountant to the effect that (i) the initial and/or temporary substitution of cash and/or securities for one or more of the Escrowed Securities identified in Exhibit B pending the receipt and delivery thereof to the Escrow Agent or (ii) the redemption of one or more of the Escrowed Securities and the reinvestment of such funds in one or more substituted Governmental Securities, together with the interest thereon and other available moneys then held in the Escrow Fund, will, in either case, be sufficient without reinvestment to pay, as the same become due in accordance with Exhibit A, the principal of, and interest on, the Defeased Bonds which have not previously been paid, and

(2) with respect to an early redemption of Escrowed Securities and the reinvestment of the proceeds thereof, an unqualified opinion of nationally recognized municipal bond counsel to the effect that (a) such investment will not cause interest on the Bonds or Defeased Bonds to be included in the gross income for federal income tax purposes, under the Code and related regulations as in effect on the date of such investment, or otherwise make the interest on the Bonds or the Defeased Bonds subject to Federal income taxation and (b) such reinvestment complies with the Constitution and laws of the State of Texas and with all relevant documents relating to the issuance of the Defeased Bonds and the Bonds.

(b) If on the date and in the amount shown in Exhibit C attached hereto there exists cash in the Escrow Fund, the Escrow Agent and the City agree at least fifteen (15) days prior to such date, to subscribe for the purchase of United States Treasury Securities - State and Local Government Series (SLGS) bearing zero interest (0%) and on such date, in the amount and scheduled to mature as provided in Exhibit C and subscription forms prepared therefor as may be then required by the United States Department of the Treasury; provided that the then existing rules and regulations and policy of United States Department of the Treasury permit and authorize such investments. Should the policy, rules and regulations of the United States Department of Treasury not permit or authorize the purchase of such SLGS at such time or times, such cash balance or balances shall remain uninvested and held in trust for the benefit of the holders of the Defeased Bonds and used for the payment of the Defeased Bonds on the dates and in the amount such moneys would have been expended had such SLGS been acquired and matured.

SECTION 12: Restriction Re: Escrow Fund Investments/ Re-investment. Except as provided in Section 11 hereof, moneys in the Escrow Fund will be invested only in the Escrowed Securities listed in Exhibit B and neither the City nor the Escrow Agent shall reinvest any moneys deposited in the Escrow Fund except as specifically provided by this Agreement.

SECTION 13: Excess Funds. If at any time through redemption or cancellation of the Defeased Bonds there exists or will exist excesses of interest on or maturing principal of the Escrowed Securities in excess of the amounts necessary hereunder for the Defeased Bonds, the Escrow Agent may transfer such excess amounts to or on the order of the City, provided that the City delivers to the Escrow Agent the following:

(1) an opinion by an independent certified public accountant that after the transfer of such excess, the principal amount of securities in the Escrow Fund, together with the interest thereon and other available monies then held in the Escrow Fund, will be sufficient to pay, as the same become due, in accordance with Exhibit A, the principal of, and interest on, the Defeased Bonds which have not previously been paid, and

(2) an unqualified opinion of nationally recognized municipal bond counsel to the effect that (a) such transfer will not cause interest on the Bonds or the Defeased Bonds to be included in gross income for federal income tax purposes, under the Code and related regulations as in effect on the date of such transfer, or otherwise make the interest on the Bonds or the Defeased Bonds subject to Federal income taxation, and (b) such transfer complies with the Constitution and laws of the State of Texas and with all relevant documents relating to the issuance of the Defeased Bonds or the Bonds.

SECTION 14: Collateralization. The Escrow Agent shall continuously secure the monies in the Escrow Fund not invested in Escrowed Securities by securities or obligations which qualify and are eligible under both the laws of the State of Texas, including Section 2257, Texas Government Code, as amended, and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation.

SECTION 15: Absence of Escrow Agent's Liability Re: Investments. The Escrow Agent shall not be liable or responsible for any loss resulting from any investment made in the Escrowed Securities or substitute securities as provided in Section 11 hereof.

SECTION 16: Escrow Agent's Compensation - Escrow Administration Settlement of Paying Agents' Charges. The City agrees to pay the Escrow Agent for the performance of services hereunder and as reimbursement for anticipated expenses to be incurred hereunder the amount of a $____ acceptance fee and $______ annual escrow administration fee, and, except for reimbursement of costs and expenses incurred by the Escrow Agent pursuant to Sections 3, 11, and 19 hereof, the Escrow Agent hereby agrees said amount is full and complete payment for the administration of this Agreement.

The City also agrees to deposit with the Escrow Agent on the effective date of this Agreement, the sum of $300, which represents the total redemption fee charges due the Escrow Agent as paying agent for the Defeased Bonds and the Escrow Agent, as paying agent for the Defeased Bonds acknowledges and agrees that such amount is and represents the total amount of compensation due the Escrow Agent for the redemption services rendered as paying agent for the Defeased Bonds.

SECTION 17: Escrow Agent's Duties/Responsibilities/Liability. The Escrow Agent shall not be responsible for any recital herein, except with respect to its organization and its powers and authority. As to the existence or nonexistence of any fact relating to the City or as to the sufficiency or validity of any instrument, paper or proceedings relating to the City, the Escrow Agent shall be entitled to rely upon a certificate signed on behalf of the City by its Mayor, Mayor Pro Tem or City Manager and Chief Financial Officer as sufficient evidence of the facts therein contained. The Escrow Agent may accept a certificate of the City Secretary under the City's seal, to the effect that a resolution or other instrument in the form therein set forth has been adopted by the City Council, as conclusive evidence that such resolution or other instrument has been duly adopted and is in full force and effect.

The duties and obligations of the Escrow Agent shall be determined solely by the express provisions of this Agreement and the Escrow Agent shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Escrow Agent.

In the absence of bad faith on the part of the Escrow Agent, the Escrow Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to the Escrow Agent, conforming to the requirements of this Agreement; but notwithstanding any provision of this Agreement to the contrary, in the case of any such certificate or opinion or any evidence which by any provision hereof is specifically required to be furnished to the Escrow Agent, the Escrow Agent shall be under a duty to examine the same to determine whether it conforms to the requirements of this Agreement.

The Escrow Agent shall not be liable for any error of judgment made in good faith by a Responsible Officer or Officers of the Escrow Agent unless it shall be proven that the Escrow Agent was negligent in ascertaining or acting upon the pertinent facts.

The Escrow Agent shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of not less than a majority in aggregate principal amount of all said Defeased Bonds at the time outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Escrow Agent not in conflict with the intent and purpose of this Agreement. For the purposes of determining whether the holders of the required principal amount of said Defeased Bonds have concurred in any such direction, Defeased Bonds owned by any obligor upon the Defeased Bonds, or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with such obligor, shall be disregarded, except that for the purposes of determining whether the Escrow Agent shall be protected in relying on any such direction only Defeased Bonds which the Escrow Agent actually knows are so owned shall be so disregarded unless all Defeased Bonds are so owned.

The term “Responsible Officers” of the Escrow Agent, as used in this Agreement, shall mean and include the Chairman of the Board of Directors, the President, any Vice President and any Second Vice President, the Secretary and any Assistant Secretary, the Treasurer and any Assistant Treasurer, and every other officer and assistant officer of the Escrow Agent customarily performing functions similar to those performed by the persons who at the time shall be officers, respectively, or to whom any corporate trust matter is referred, because of his knowledge of and familiarity with a particular subject; and the term “Responsible Officer” of the Escrow Agent, as used in this Agreement, shall mean and include any of said officers or persons.

The Escrow Agent may consult with “independent legal counsel” (such term does not include an attorney who is an employee of the Escrow Agent) and the Escrow Agent shall be entitled to conclusively rely on such advice of such independent legal counsel in good faith. Such advice or opinion of independent legal counsel, relied upon in good faith, shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it in accordance with such advice. The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through its agents or attorneys and may in all cases pay reasonable compensation to any agent or attorney retained or employed by it in connection therewith. The Escrow Agent may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, written investment direction, statement, instrument, opinion, notice or other paper or document believed by it to be genuine and to have been signed or presented by the proper party. The Escrow Agent need not investigate any fact or matter stated in the document. None of the provisions of this Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder.

To the extent permitted by law, the City shall indemnify, defend and hold harmless the Escrow Agent and its officers, directors, employees, representatives and agents, from and against and reimburse the Escrow Agent for any and all claims, obligations, liabilities, losses, damages, actions, suits, judgments, reasonable costs and expenses (including reasonable attorneys' and agents' fees and expenses) of whatever kind or nature regardless of their merit, demanded, asserted or claimed against the Escrow Agent directly or indirectly relating to, or arising from, claims against the Escrow Agent by reason of its participation in the transactions contemplated hereby, except to the extent caused by the Escrow Agent's negligence or willful misconduct. The foregoing indemnity shall survive the termination of this Agreement or the earlier resignation or removal of the Escrow Agent.

Any bank, corporation or association into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any bank, corporation or association resulting from any merger, conversion or consolidation to which the Escrow Agent shall be a party, or any bank, corporation or association succeeding to all or substantially all of the corporate trust business of the Escrow Agent shall be the successor of the Escrow Agent hereunder without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except on the part of any of the parties hereto where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

SECTION 18: Limitation Re: Escrow Agent's Duties/Responsibilities/Liabilities to Third Parties. The Escrow Agent shall not be responsible or liable to any person in any manner whatever for the sufficiency, correctness, genuineness, effectiveness, or validity of this Agreement with respect to the City, or for the identity or authority of any person making or executing this Agreement for and on behalf of the City. The Escrow Agent is authorized by the City to rely upon the representations of the City with respect to this Agreement and the deposits made pursuant hereto and as to the City's right and power to execute and deliver this Agreement, and the Escrow Agent shall not be liable in any manner as a result of such reliance. The duty of the Escrow Agent hereunder shall only be to the City and the holders of the Defeased Bonds. Neither the City nor the Escrow Agent shall assign or attempt to assign or transfer any interest hereunder or any portion of any such interest; provided, however, that such assignment or transfer by the Escrow Agent shall be permitted if such assignment or transfer is due to a merger, consolidation, conversion, or business sale of the Escrow Agent as described in the last paragraph of Section 17 hereof. Any such assignment or attempted assignment shall be in direct conflict with this Agreement and be without effect.

SECTION 19: Interpleader. In the event conflicting demands or notices are made upon the Escrow Agent growing out of or relating to this Agreement or the Escrow Agent in good faith is in doubt as to what action should be taken hereunder, the Escrow Agent shall have the right at its election to:

(a) Withhold and stop all further proceedings in, and performance of, this Agreement with respect to the issue in question and of all instructions received hereunder in regard to such issue; and

(b) File a suit in interpleader and obtain an order from a court of appropriate jurisdiction in the State of Texas requiring all persons involved to interplead and litigate in such court their several claims and rights among themselves.

In the event the Escrow Agent becomes involved in litigation in connection with this Section, the City to the extent permitted by law agrees to indemnify and save the Escrow Agent harmless from all loss, cost, damages, expenses and attorney fees suffered or incurred by the Escrow Agent as a result thereof. The obligations of the Escrow Agent under this Agreement shall be performable at the corporate office of the Escrow Agent in the City of Dallas, Texas. To the extent permitted by law, and subject to any applicable statutes of limitation, the foregoing indemnification shall survive the resignation or removal of the Escrow Agent or the termination of this Agreement.

The Escrow Agent may advise with legal counsel in the event of any dispute or question regarding the construction of any of the provisions hereof or its duties hereunder, and in the absence of negligence or bad faith on the part of the Escrow Agent, no liability shall be incurred by the Escrow Agent for any action taken pursuant to this Section and the Escrow Agent shall be fully protected in acting in accordance with the opinion and instructions of legal counsel that is knowledgeable and has expertise in the field of law addressed in any such legal opinion or with respect to the instructions given.

SECTION 20: Accounting - Annual Report. Promptly after June 30 of each year, commencing with the year 2019, so long as the Escrow Fund is maintained under this Agreement, the Escrow Agent shall forward by letter to the City, to the attention of the Chief Financial Officer, or other designated official of the City, a statement in detail of the Escrowed Securities and monies held, and the current income and maturities thereof, and the withdrawals of money from the Escrow Fund for the preceding 12 month period ending June 30th of each year.

SECTION 21: Notices. Any notice, authorization, request or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid addressed as follows:

CITY OF TEXARKANA, TEXAS
220 Texas Blvd.
Texarkana, Texas 75501
Attention: Chief Financial Officer

U.S. BANK NATIONAL ASSOCIATION
13737 Noel Rd Suite 800
Dallas, Texas 75240
Attention: Corporate Trust Services

The United States Post Office registered or certified mail receipt showing delivery of the aforesaid shall be conclusive evidence of the date and fact of delivery.

Any party hereto may change the address to which notices are to be delivered by giving to the other parties not less than ten (10) days prior notice thereof.

SECTION 22: Performance Date. Whenever under the terms of this Agreement the performance date of any provision hereof, including the date of maturity of interest on or principal of the Defeased Bonds, shall be a Sunday or a legal holiday or a day on which the Escrow Agent is authorized by law to close, then the performance thereof, including the payment of principal of and interest on the Defeased Bonds, need not be made on such date but may be performed or paid, as the case may be, on the next succeeding business day of the Escrow Agent with the same force and effect as if made on the date of performance or payment and with respect to a payment, no interest shall accrue for the period after such date.

SECTION 23: Warranty of Parties Re: Power to Execute and Deliver Escrow Agreement. The City covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Agreement, in any and every said Refunded Bond as executed, authenticated and delivered and in all proceedings pertaining thereto as said Defeased Bonds shall have been modified as provided in this Agreement. The City covenants that it is duly authorized under the Constitution and laws of the State of Texas to execute and deliver this Agreement, that all actions on its part for the payment of said Defeased Bonds as provided herein and the execution and delivery of this Agreement have been duly and effectively taken and that said Defeased Bonds and coupons in the hands of the holders and owners thereof are and will be valid and enforceable obligations of the City according to the import thereof as provided in this Agreement.

SECTION 24: Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the parties to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement. In the event any covenant or agreement contained in this Agreement is declared to be severable from the other provisions of this Agreement, written notice of such event shall immediately be given to each national rating service (Moody's Investors Service ["Moody's], S&P Global Ratings, a division of S&P Global Inc. ["S&P"], or Fitch Investors Service [Fitch]) which has rated the Defeased Bonds on the basis of this Agreement.

SECTION 25: Termination. This Agreement shall terminate when the Defeased Bonds, including interest due thereon, have been paid and discharged in accordance with the provisions of this Agreement. If any Defeased Bonds are not presented for payment when due and payable, the nonpayment thereof shall not prevent the termination of this Agreement. Funds for the payment of any nonpresented Defeased Bonds and accrued interest thereon shall upon termination of this Agreement be held by the Escrow Agent for such purpose in accordance with Section 7 hereof. Any moneys or Escrowed Securities held in the Escrow Fund at termination and not needed for the payment of the principal of or interest on any of the Defeased Bonds shall be paid or transferred to the City.

SECTION 26: Time of the Essence. Time shall be of the essence in the performance of obligations from time to time imposed upon the Escrow Agent by this Agreement.

SECTION 27: Successors/Assigns.

(a) Should the Escrow Agent not be able to legally serve or perform the duties and obligations under this Agreement, or should the Escrow Agent be declared to be insolvent or closed for any reason by federal or state regulatory authorities or a court of competent jurisdiction, the City, upon being notified or discovering the Escrow Agent's inability or disqualification to serve hereunder, shall forthwith appoint a successor to replace the Escrow Agent, and upon being notified of such appointment, the Escrow Agent shall (i) transfer all funds and securities held hereunder, together with all books, records and accounts relating to the Escrow Fund and the Defeased Bonds, to such successor and (ii) assign all rights, duties and obligations under this Agreement to such successor. If the City should fail to appoint such a successor within sixty (60) days from the date the City discovers, or is notified of, the event or circumstance causing the Escrow Agent's inability or disqualification to serve hereunder, the Escrow Agent, or a bondholder of the Defeased Bonds, may apply, at the expense of the City, to a court of competent jurisdiction to appoint a successor or assigns of the Escrow Agent and such court, upon determining the Escrow Agent is unable to continue to serve, shall appoint a successor to serve under this Agreement and the amount of compensation, if any, to be paid to such successor for the remainder of the term of this Agreement for services to be rendered both for administering the Escrow Fund and for paying agent duties and responsibilities for the Defeased Bonds.

(b) Furthermore, the Escrow Agent may resign and be discharged from performing its duties and responsibilities under this Agreement upon notifying the City in writing of its intention to resign and requesting the City to appoint a successor. No such resignation shall take effect until a successor has been appointed by the City and such successor has accepted such appointment and agreed to perform all duties and obligations hereunder for a total compensation equal to the unearned proportional amount paid the Escrow Agent under Section 16 hereof for the administration of this Agreement and the unearned proportional amount of the paying agents fees for the Defeased Bonds due the Escrow Agent. If the City does not make such appointment within sixty (60) days of the date that such resignation notice is sent to the City, the Escrow Agent shall be entitled to petition of a court of competent jurisdiction for the appointment of a successor.

Any successor to the Escrow Agent shall be a bank, trust company or other financial institution that is duly qualified under applicable law (the Act, or other appropriate statute) to serve as escrow agent hereunder and authorized and empowered to perform the duties and obligations contemplated by this Agreement and organized and doing business under the laws of the United States or the State of Texas, having an office and place of business in the State of Texas, having a combined capital and surplus of at least $50,000,000 and be subject to the supervision or examination by Federal or State authority.

Any successor or assigns to the Escrow Agent shall execute, acknowledge and deliver to the City and the Escrow Agent, or its successor or assigns, an instrument accepting such appointment hereunder, and the Escrow Agent shall execute and deliver an instrument transferring to such successor, subject to the terms of this Agreement, all the rights, powers and trusts created and established and to be performed under this Agreement. Upon the request of any such successor Escrow Agent, the City shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor Escrow Agent all such rights, powers and duties. The term "Escrow Agent" as used herein shall be the Escrow Agent and its legal assigns and successor hereunder.

SECTION 28: Escrow Agreement - Amendment/Modification. This Agreement shall be binding upon the City and the Escrow Agent and their respective successors and legal representatives and shall inure solely to the benefit of the holders of the Defeased Bonds, the City, the Escrow Agent and their respective successors and legal representatives. Furthermore, no alteration, amendment or modification of any provision of this Agreement (1) shall alter the firm financial arrangements made for the payment of the Refunded Bonds or (2) shall be effective unless (i) prior written consent of such alteration, amendment or modification shall have been obtained from the holders of all Defeased Bonds outstanding at the time of such alteration, amendment or modification and (ii) such alteration, amendment or modification is in writing and signed by the parties hereto; provided, however, the City and the Escrow Agent may, without the consent of the holders of the Defeased Bonds, amend or modify the terms and provisions of this Agreement to cure in a manner not materially adverse to the holders of the Defeased Bonds as evidenced by an opinion of counsel delivered to the Escrow Agent any ambiguity, formal defect or omission in this Agreement. If the parties hereto agree to any amendment or modification to this Agreement, prior written notice of such amendment or proposed modification, together with the legal documents amending or modifying this Agreement, shall be furnished to each national rating service (S&P, Moody's or Fitch) which has rated the Defeased Bonds on the basis of this Agreement, prior to such amendment or modification being executed.

SECTION 29: No Boycott of Israel (H.B. 89 85th Texas Legislature). The Escrow Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Escrow Agent understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Escrow Agent and exists to make a profit.

SECTION 30: Contracts with Companies Engaged in Business with Iran, Sudan or Foreign Terrorist Organizations Prohibited (S.B. 252 85th Texas Legislature). The Escrow Agent represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or
https://comptroller.texas.gov/purchasing/docs/fto-list.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Escrow Agent and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Escrow Agent understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Escrow Agent and exists to make a profit.

SECTION 31: Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 32: Executed Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

SECTION 33: Governing Law. This Agreement shall be governed by the laws of the State of Texas and shall be effective as of the date of the delivery of the Bonds.

[remainder of page left blank intentionally]

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officers as of the date first above written.

CITY OF TEXARKANA, TEXAS

____

Mayor

ATTEST:

____

City Secretary

[*signature page to Special Escrow Agreement – signatures continue on next page*]

U.S. BANK NATIONAL ASSOCIATION,
as Escrow Agent

____

Title: ________________________________

ATTEST:

____

Title: ____________________________

[*signature page to Special Escrow Agreement*]

EXHIBIT A
DEBT SERVICE REQUIREMENTS FOR DEFEASED BONDS

EXHIBIT B

ESCROWED SECURITIES

EXHIBIT C

ZERO REINVESTMENTS

None.

EXHIBIT B

NOTICE OF REDEMPTION
CITY OF TEXARKANA, TEXAS
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2012
Dated August 1, 2012

NOTICE IS HEREBY GIVEN that the bonds of the above series maturing on February 15, 2023 and aggregating in principal amount $1,025,000 have been called for redemption on February 15, 2022 at the redemption price of par and accrued interest to the date of redemption.

ALL SUCH BONDS shall become due and payable on February 15, 2022, and interest thereon shall cease to accrue from and after said redemption date and payment of the redemption price of said bonds shall be paid to the registered owners thereof only upon presentation and surrender of such bonds to U.S. Bank National Association, Attention: Bond Operations, 111 Fillmore Avenue East, St. Paul, Minnesota 55107-1402.

THIS NOTICE is issued and given pursuant to the terms and conditions prescribed for the redemption of said bonds and pursuant to a Resolution by the City Council of the City of Texarkana, Texas.

U.S. BANK NATIONAL ASSOCIATION
13737 Noel Rd Suite 800
Dallas, Texas 75240

Expenditure Highlights

- Additional $50,000 in demolition for a total of $250,000
  - This will return to $200,000 in future years
- $500,000 budgeted for major maintenance program
  - One-time use of fund balance in FY 2019
- Payoff of 2012 GO Refunding Bond $5,121,614
  - One-time use of fund balance in FY 2019
  - Annual debt service savings of $1-$1.2 million
  - Originally scheduled for payoff at the end of FY 2023

City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives		Goals
Serve the Community	☐	Promote an Environmentally Sensitive & Livable Community
	☐	Provide a Safe Community
	☑	Deliver Quality Services
	☐	Foster a Healthy Community
Run the Operations	☐	Enhance Community Preparedness & Responsiveness
	☐	Maximize Partnership Opportunities
	☑	Provide Courteous & Responsive Customer Service
	☑	Model a Positive City Image
	☑	Deliver Efficient Services
	☐	Cultivate Community Involvement & Access
Manage the Resources	☑	Maintain Fiscal Strength
	☐	Maximize Utilization & Resources
	☐	Invest in Infrastructure & Transportation
Develop Personnel	☐	Develop a Skilled & Diverse Workforce
	☐	Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

Staff time required if item is approved:	No Additional

Other Potential Impacts:

NONE APPLICABLE

Public Information Plan:

☐	Newspaper Notice (Required by Statute)	☐	Public Hearing (Required by Statute)
☐	Public Forum/Input Session	☐	Press Release
☐	E-News Distribution	☐	Website Notice
☐	Social Media (Twitter, Facebook, etc.)	☐	Special Mailing
☐	Flyers Posted	☐	Banners Posted
☐	Survey	☐	Automated Phone Call
☑	None Required	☐	

Other:

Attachment: 2018-117 Goals & Perspectives (1944 : 2018-117 RES Defeasance of the City's Series 2012 GO Refunding Bond)