SEABROOK

SEABROOK CITY COUNCIL
NOTICE OF REGULAR CITY COUNCIL MEETING
TUESDAY, MARCH 19, 2024 - 6:00 PM

For city information visit www.seabrooktx.gov
For Agenda Center visit www.seabrooktx.gov/agendacenter

NOTICE IS HEREBY GIVEN THAT THE SEABROOK CITY COUNCIL WILL MEET ON **TUESDAY MARCH 19, 2024 AT 6:00 PM** IN THE CITY HALL CITY COUNCIL CHAMBERS, 1700 1ST STREET, SEABROOK, TEXAS, **TO DISCUSS, CONSIDER, AND IF APPROPRIATE, TAKE ACTION** WITH RESPECT TO THE ITEMS LISTED BELOW.

PLEDGE OF ALLEGIANCE

1. PUBLIC COMMENTS AND ANNOUNCEMENTS

At this time we would like to listen to any member of the audience on any subject matter, whether or not that item is on the agenda. All comments are limited to a maximum of four minutes for each speaker, shall be limited to City business or City-related business or matters of general public interest, and shall not include any personal attacks. In accordance with the Texas Open Meetings Act, members may not discuss or take action on any item that has not been posted on the agenda. When your name is called, please come to the podium and state your name and address clearly into the microphone before making your comments. Thank you.
REGISTER ONLINE TO SPEAK IN PERSON DURING PUBLIC COMMENTS:
www.seabrooktx.gov/speaker - registration

1.1 Mayor, City Council and/or members of the City staff may make announcements about City/Community events. *City Council*

2. PRESENTATIONS

2.1 Presentation of the Quarterly Update of the Seabrook Volunteer Fire Department. *Chief Nathan Douglas*

2.2 Introduce and hold a badge ceremony for newly promoted Seabrook Police Lieutenant, Jason Smith *Rolf Nelson, Police Chief*

3. CONSENT AGENDA

3.1 Approve the minutes of the March 5, 2024 meeting. *City Council*

3.2 Approve the quarterly investment report for the period of October 2023 through December 2023. *Michael Gibbs, Director of Finance*

3.3 Consider and take all appropriate action on Resolution 2024-09, Suspending the Effective Date of a CenterPoint Rate Change. *Gayle Cook, City Manager*

RESOLUTION OF THE CITY OF SEABROOK, TEXAS SUSPENDING THE APRIL 10, 2024 EFFECTIVE DATE OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S REQUESTED RATE CHANGE TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING CONTINUED COOPERATION WITH THE GULF COAST COALITION OF CITIES; HIRING LLOYD GOSSELINK ATTORNEYS AND CONSULTING SERVICES TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; REQUIRING REIMBURSEMENT OF CITIES' RATE CASE EXPENSES; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL FOR THE GULF COAST COALITION OF CITIES

3.4 Consider and take all appropriate action of Resolution 2024-10, Authorizing the City Manager to submit an application for the US Department of Homeland Security State and Local Cybersecurity Grant Program (SLCGP) *Gayle Cook, City Manager*

A RESOLUTION OF THE CITY OF SEABROOK, TEXAS AUTHORIZING THE CITY MANAGER OF THE CITY OF SEABROOK, TEXAS TO SUBMIT AN APPLICATION FOR THE US DEPARTMENT OF HOMELAND SECURITY STATE AND LOCAL CYBERSECURITY GRANT (SLCGP) PROGRAM AND PROVIDING FOR AN EFFECTIVE DATE.

4. SPECIFIC PUBLIC HEARING

4.1 Conduct a public hearing to take all appropriate action on an amendment to the Seabrook City Code, Appendix A, "Comprehensive Zoning", Article 3, "Establishment of Zoning Districts and Associated Regulations", Section 3.02 "R-LD Low Density Single-Family Residential District", Section 3.03 "R-1 Single-Family Detached Residential District, Section 3.04 "R-2 Single-Family Detached Residential District (Small Lots)", Section. 3.05 "R-3 Medium Density Residential District", Section 3.06 "C-1 Light Commercial District", Section 3.07 "C-2 Medium Commercial District", Section 3.08 "C-3 Heavy Commercial District", Section 3.09 "SH 146 South Commercial District (146-S)", Section 3.10 "WAD Waterfront Activity District", Section 3.11 "MMU Marine Oriented Mixed-Use District", Section 3.12 "OS Old Seabrook District", Section 3.13 "MH Mobile Home-Manufactured Housing District", Section 3.14 "LI Light Industrial District", and Section 3.16 "SH 146 Main Commercial District (146-M)", by modifying the "Supplementary Regulations", to include, the addition of tents and lean-tos as prohibited temporary structures to be used for on-site dwelling purposes.

5. NEW BUSINESS

5.1 Discuss, consider, and take all appropriate action on first reading of Ordinance 2024-06, a request to amend the Seabrook City Code, Appendix A, "Comprehensive Zoning", Article 3, "Establishment of Zoning Districts and Associated Regulations" by modifying the "Supplementary Regulations", to include, the addition of tents and lean-to as prohibited temporary structures to be used for on-site dwelling purposes. *Sean Landis, Deputy City Manager | Planning and Zoning Director*

AN AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, SECTIONS 3.02 THROUGH 3.14 AND SECTION 3.16, BY AMENDING THE "SUPPLEMENTARY REGULATIONS", TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ON-SITE DWELLING PURPOSES; PROVIDING A PENALTY IN AN AMOUNT NOT TO EXCEED $2000 FOR VIOLATION OF ANY PROVISION HEREOF BY INCLUSION INTO THE CODE; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

5.2 Consider and take all appropriate action upon the first and final reading of Ordinance 2024-07 Authorizing and Ordering the Issuance of City of Seabrook, Texas General Obligation Bonds, Series 2024; Prescribing the Terms and Form Thereof; Making Other Provisions Regarding Such Bonds, Including Use of Proceeds Thereof, and Matters Incident Thereto. *Gayle Cook, City Manager*

AN ORDINANCE AUTHORIZING AND ORDERING THE ISSUANCE OF CITY OF SEABROOK, TEXAS GENERAL OBLIGATION BONDS, SERIES 2024; PRESCRIBING THE TERMS AND FORM THEREOF; MAKING OTHER PROVISIONS REGARDING SUCH BONDS, INCLUDING USE OF THE PROCEEDS THEREOF, AND MATTERS INCIDENT THERETO

5.3 Consider and take all appropriate action upon the first and final reading of Ordinance 2024-08 Authorizing and Ordering the Issuance of City of Seabrook, Texas Certificates of Obligation, Series 2024 in the Maximum Aggregate Principal Amount of $10,000,000; Awarding the Sale Thereof; and Containing Matters Incident Thereto. *Gayle Cook, City Manager*

ORDINANCE AUTHORIZING AND ORDERING THE ISSUANCE OF CITY OF SEABROOK, TEXAS CERTIFICATES OF OBLIGATION, SERIES 2024 IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF $10,000,000; AWARDING THE SALE THEREOF; AND CONTAINING MATTERS INCIDENT THERETO

5.4 Consider and take all appropriate action on the first and final reading of Ordinance 2024-09, Amending the Operating, Enterprise and Public Safety Vehicle and Equipment Replacement Fund Budgets for Fiscal Year 2024. *Michael Gibbs, Director of Finance*

AN ORDINANCE AMENDING THE AMOUNT OF APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023 AND ENDING SEPTEMBER 30, 2024 BY AUTHORIZING CERTAIN ADDITIONS IN THE AMOUNT OF $259,857 FOR GENERAL FUND, PUBLIC SAFETY VEHICLE AND EQUIPMENT REPLACEMENT FUND AND ENTERPRISE FUND, AUTHORIZING THE CITY MANAGER TO TAKE ALL ACTIONS NECESSARY TO FACILITIATE THE CHANGES IDENTIFIED; AND FINDING AVAILABLE UNENCUMBERED FUNDS FOR THE SUPPLEMENTAL APPROPRIATION AND/OR RESERVE REDUCTION.

5.5 Consider and take all appropriate action on the first reading of Ordinance 2024-10, modifying the Civil Service Classification System for the Seabrook Police Department *Yesenia Garza, Director of Human Resources*

AN ORDINANCE MODIFYING AND CONTINUING A CIVIL SERVICE CLASSIFICATION SYSTEM CONSISTING OF CLASSES, POSITIONS, PAY GRADES AND COMPENSATION LEVELS IN THE CLASSIFIED SERVICE OF THE SEABROOK POLICE DEPARTMENT; PROVIDING FOR A REPEAL WITH LIMITED EXTENSION; PROVIDING A SEVERABILITY CLAUSE, AN EFFECTIVE DATE, CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT AND REPLACING PREVIOUSLY ADOPTED ORDINANCES 2023-32

6. OLD BUSINESS

6.1 Consider and take all appropriate action on a six (6) month Trap-Neuter-Release (TNR) Pilot Program for the Waterfront Targeted Zone. *Rolf Nelson, Police Chief*

6.2 Discuss, consider and take all appropriate action on replacing a section of wooden fence with chain-link fence at 502A Pine Gully, within the Community Garden project at an amount not to exceed $4,400.00, and consider source of funding. *Gayle Cook, City Manager*

6.3 Consider and take all appropriate action on the approval of a Carothers Community Garden Operations and Maintenance Agreement between the City of Seabrook and Carothers Coastal Gardens 501(c)(3) for a term of three (3) years as amended by previously discussed items.

1. Utilities for Project
2. Facility Maintenance for Project
3. Project Funding by City

Gayle Cook, City Manager

7. CLOSED EXECUTIVE SESSION

7.1 Section 551.071
Conduct a Closed Executive Session to consult with the City Attorney for legal matters related to agenda items.

8. OPEN SESSION

8.1 Council will reconvene in Open Session to allow for possible action on any of the agenda items listed above under "Closed Executive Session"

9. DISCUSSION

9.1 Discussion and possible action regarding a project with Galveston Bay Foundation to reintroduce oysters into the City's lagoon located West of Main Street, East of Highway 146, and North of Todville Road, with all activity to take place on City-owned land. *Buddy Hammann, Mayor Pro Tem, At-Large Position 5*

10. ROUTINE BUSINESS

10.1 City Manager update and report to City Council on various items that require no action, including Seabrook Boards and Commissions, Transportation Projects, City of Seabrook CIP Projects, Economic Development Updates, and any City of Seabrook active grants. *Gayle Cook, City Manager*

10.2 Strategic Plan update *Gayle Cook, City Manager*

10.3 Establish future meeting dates and agenda items. *Rachel Lewis, City Secretary*

THE CITY COUNCIL RESERVES THE RIGHT TO HEAR ANY OF THE ABOVE DESCRIBED AGENDA ITEMS THAT QUALIFY FOR AN EXECUTIVE SESSION IN AN EXECUTIVE SESSION BY PUBLICLY ANNOUNCING THE APPLICABLE SECTION NUMBER OF THE OPEN MEETINGS ACT, (CHAPTER 551 OF THE TEXAS GOVERNMENT CODE) THAT JUSTIFIES EXECUTIVE SESSION TREATMENT.

THIS FACILITY IS WHEELCHAIR ACCESSIBLE AND ACCESSIBLE PARKING SPACES ARE AVAILABLE. REQUESTS FOR OTHER ACCOMMODATIONS OR INTERPRETIVE SERVICES, MUST BE MADE, 48 HOURS PRIOR TO THIS MEETING. PLEASE CONTACT THE CITY SECRETARY'S OFFICE AT (281) 291-5663 OR CITYSEC@SEABROOKTX.GOV FOR FURTHER INFORMATION.

I certify that this notice was posted on the bulletin board on or before Friday, March 15, 2024 no later than 6:00 p.m. and that this notice will remain posted until the meeting has ended.

Rachel Lewis, TRMC

MEETING MINUTES
March 5, 2024

Regular Seabrook City Council Meeting

Mayor Thom Kolupski called the Seabrook Council Meeting to order at 6:00 p.m. in the Council Chambers in Seabrook City Hall. Present were City Councilmembers Jackie Rasco, Rob Hefner, Mike Giangrosso, Buddy Hammann, and Joe Machol. Also in attendance were City Manager Gayle Cook, City Secretary Rachel Lewis, and Deputy City Manager Sean Landis. Mayor Thom Kolupski declared a quorum and pledges were conducted.

1. Public Comments and Announcements

The following citizens gave public comments:

NAME	ADDRESS	TOPIC
Charlene Gilbert	2317 Todville Road	Carothers Community Gardens
Rhonda Thompson	1601 Carefree Circle	Carothers Community Gardens
Lain Porter	Legue City, Texas	City Pool
Prairie Tarrien	206 Whispering Oaks	Carothers Community Gardens
Natalie Barry	2225 Water Wau	Carothers Community Gardens

1.1 Mayor, City Council and/or City Staff Announcements

Councilmember Rob Hefner announced the following events:

- Crafts With a Cop on March 13, 2024
- Trail Run Event March 15, 2024 through March 17, 2024
- Trash Bash on March 23, 2024
- Easter Excursion on March 30, 2024
- Splash Pad opening on April 1, 2024
- DF95 Championships April 19, 2024 through April 21, 2024

2. Presentations

2.1 Presentation of Quarterly Update of the Seabrook Volunteer Fire Department

Nathan Douglas was not present and Mayor Kolupski stated this presentation would be moved to the next meeting.

3. Consent Agenda

3.1 Approve the minutes of the February 20, 2024 meeting.

3.2 Consider and take all appropriate action on Resolution 2024-08 Authorizing a Grant Application to the Harris County Precinct 2 Partnership 2024 Program.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEABROOK, AUTHORIZING THE

SUBMISSION OF APPLICATION TO 2024 HARRIS COUNTY PRECINCT 2 PARTNERSHIP PROJECTS PROGRAM

3.3 **Consider and take all appropriate action on the second reading of Ordinance 2024-04, arequest to amend the Seabrook City Code of Ordinance by revising Chapter 18 “Building andBuilding Regulations”, more specifically, Section 18-121 “Building Code-Adoption”, Section 18-122 “Same-Amendments”, Subsection Ten (10) “Windstorm Standard”; and Section 18-123 “One-Family and Two Family Dwelling Code-Adopted”, Section 18-124 "Same-Amendments”, SubsectionSix (6) “Windspeed”, by modifying, the wind design standard from 155 miles per hour (Ultimate Design Wind Speed), to 150 miles per hour (Ultimate Design Wind Speed).**

AN ORDINANCE AMENDING THE SEABROOK CITY CODE OF ORDINANCE BY REVISING CHAPTER 18 “BUILDINGS AND BUILDING REGULATIONS", MORE SPECIFICALLY, SECTION 18-121 “BUILDING CODE – ADOPTED”, SECTION 18-122 “SAME - AMENDMENTS”, SUBSECTION TEN (10) “WINDSTORM STANDARD”; AND SECTION 18-123 “ONE-FAMILY AND TWO FAMILY DWELLING CODE – ADOPTED”, SECTION 18-124 “SAME – AMENDMENTS”, SUBSECTION SIX (6) “WINDSPEED”, BY MODIFING, THE WIND DESIGN STANDARD FROM 155 MILES PER HOUR (ULTIMATE DESIGN WIND SPEED), TO 150 MILES PER HOUR (ULTIMATE DESIGN WIND SPEED); PROVIDING A PENALTY IN AN AMOUNT NOT TO EXCEED $2000 FOR VIOLATION OF ANY PROVISION HEREOF BY INCLUSION INTO THE CODE; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

3.4 **Consider and take all appropriate action on the second reading of Ordinance 2024-01, a request to amend the Code of Ordinances of the City of Seabrook, Appendix A, “Comprehensive Zoning”, Article 4, “Special Use Regulation”, by creating a new Section 4.27 entitled “Portable On- Demand Storage Container” to establish associated regulations.**

AN AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE IV, “SPECIAL USE REGULATIONS". BY CREATING A NEW SECTION 4.27 ENTITLED “PORTABLE ON-DEMAND STORAGE CONTAINER” ESTABLISHING ASSOCIATED REGULATIONS; PROVIDING A PENALTY IN AN AMOUNT NOT TO EXCEED $2000 FOR VIOLATION OF ANY PROVISION HEREOF BY INCLUSION INTO THE CODE; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE

3.5 **Consider, and take all appropriate action on the second reading of Ordinance 2024-05, an amendment to the Seabrook City Code, Appendix A, “Comprehensive Zoning”, Article 3, “Establishment of Zoning Districts and Associated Regulations”, Section 3.02 “R-LD Low Density Single-Family Residential District”, Section 3.03 “R-1 Single-Family Detached Residential District”, Section 3.04 “R-2 Single-Family Detached Residential District (Small Lots)”, Section. 3.05 “R-3 Medium Density Residential District”, and Section**

3.12 "OS Old Seabrook District" by creating a new Section titled "Outside Storage", establishing regulations concerning the outside placement of an item within the front yard of a residential use for a period more than seventy-two (72) hours during a twelve-month period.
AN AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, "ESTABLISHMENT OF ZONING DISTRICTS AND ASSOCIATED REGULATIONS", SECTION 3.02 "R-LD LOW DENSITY SINGLE-FAMILY RESIDENTIAL DISTRICT", SECTION 3.04 "R-2 SINGLE FAMILY DETACHED RESIDENTIAL DISTRICT (SMALL LOTS)", SECTION 3.05 "R-3 MEDIUM DENSITY RESIDENTAL DISTRICT", AND SECTION 3.12 "OS OLD SEABROOK DISTRICT", BY CREATING, A NEW SECTION TITLED "OUTSIDE STORAGE", ESTABLISHING REGULATIONS CONCERNING THE OUTSIDE PLACEMENT OF AN ITEM WITHIN THE FRONT YARD OF A RESIDENTIAL USE FOR A PERIOD OF MORE THAT SEVERNTY-TWO (72) HOURS DURING A TWELVE (12) MONTH PERIOD; PROVIDING A PENALTY IN AN AMOUNT NOT TO EXCEED $2000 FOR VIOLATION OF ANY PROVISION HEREOF BY INCLUSION INTO THE CODE; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Motion:	To approve the Consent Agenda
Made By:	Councilmember Hammann
Seconded By:	Councilmember Hefner
Vote:	**Motion carried** unanimously by all present

4. New Business

4.1 Consider and take all appropriate action on a recommendation by the Open Space and Trails Committee for the addition of Solar Lighting at Meador Park to the City's Capital Improvement Program under Park Projects, with an estimated project cost of $77,000.00.

Motion:	To approve to place on the CIP list to review in 2025
Made By:	Councilmember Hefner
Seconded By:	Councilmember Hammann
Vote:	**Motion carried** unanimously by all present

Closed Executive Session
Pursuant to the provisions of Chapter 551 of the Texas Government Code, Mayor Kolupski called a Closed Executive Session to consult with the City Attorney. He adjourned the meeting into Executive Session at 6:36 pm.

Open Session
Mayor Kolupski reconvened the regular meeting into open session at 6:47 pm.

5. Old Business

5.1 Discuss, consider and take all appropriate action on establishing a new annual amount in the City's budget for Carothers Community Garden project from the City's Fiscal Year 2024 General Fund, including this as an item within the Operating and Management Agreement between the City of Seabrook and 501(c)(3) Carothers Coastal Gardens, and consideration of its uses.

Motion:	To Approve
Made By:	Councilmember Hefner
Seconded By:	Councilmember Rasco
Vote:	**Motion carried** with Councilmembers Hefner, Rasco, Giangrosso, Machol, and Mayor Kolupski voting in favor, and Councilmember Hammann voting opposed.

Motion:	To Amend original motion to include an amount not to exceed $5000
Made By:	Councilmember Hefner
Seconded By:	Councilmember Rasco
Vote:	**Motion carried** with Councilmembers Hefner, Rasco, Giangrosso, Machol, and Mayor Kolupski voting in favor, and Councilmember Hammann voting opposed.

5.2 Discuss, consider and take all appropriate action on expanding the Carothers Community Garden to include the use of 502 Pine Gully, Carothers Guest House (Insurance TML# 118 Property and Contents), consideration of including this as an item within the Operating and Maintenance Agreement between the City of Seabrook and 501(c)(3), Carothers Coastal Gardens, for covered properties and contents, and consideration of its uses, days and times for the volunteers and the public, and any expenditures for bringing structure to code.

Councilmember Rasco explained that this was for use of the "Casita" for restroom use.

Motion:	To table for cost estimate to make restroom ADA compliant
Made By:	Councilmember Rasco
Seconded By:	Councilmember Giangrosso
Vote:	**Motion carried** unanimously by all present

5.3 Discuss, consider and take all appropriate action on expanding the Carothers Community Garden project area to include the entire use of 502A Pine Gully, Yellow Parks Building (Insurance TML#231 Property and Contents), consideration of including this as an item within the Operating and Maintenance Agreement between the City of Seabrook and 501(c)(3),

Carothers Coastal Gardens, and consideration of insurance coverage for contents and any limitations to city coverage requirements.

Councilmember Rasco presented pictures of the current garage and storage. See attachment A.

Motion:	To Approve excluding "contents" in coverage by insurance
Made By:	Councilmember Rasco
Seconded By:	Councilmember Machol
Vote:	**Motion carried** unanimously by all present
Motion:	To Amend original motion to include the removal of all pelicans and other city property from the storage area
Made By:	Councilmember Rasco
Seconded By:	Councilmember Machol
Vote:	**Motion carried** unanimously by all present

5.4 Discuss, consider and take all appropriate action on replacing a section of wooden fence with chain-link fence at 502A Pine Gully, within the Community Garden project and consider source of funding.

Councilmember Rasco presented pictures of the current fence. See Attachment A.

Motion:	To Table to get cost estimate
Made By:	Councilmember Rasco
Seconded By:	Councilmember Hammann
Vote:	**Motion carried** unanimously by all present

5.5 Discuss, consider and take all appropriate action on the approval and cost of installation of new fiber internet directly to 502A Pine Gully, Yellow Parks Building (Insurance TML#231), for Carothers Community Garden project for 501(c)(3), Carothers Coastal Gardens to develop and lead classes.

Motion:	To Table to get cost estimate
Made By:	Councilmember Rasco
Seconded By:	Councilmember Hammann
Vote:	**Motion carried** unanimously by all present

5.6 Discuss, consider and take all appropriate action on any and all requests from 501(c)(3), Carothers Coastal Garden, for amending the Operation and Maintenance Agreement previously heard by City Council on February 20, 2024.
1. Section 8a – Citizen Gardening Plots
2. Section 8b – Public Access to Community Garden
3. Section 8i - Facility Maintenance Responsibility

4. Section 8l – Facility Utilities Responsibility
5. Section 8r – Background Requirements for Volunteers

Motion:	Regarding **8a –** Approve that at least 80% of the plots are available to Seabrook residents
Made By:	Councilmember Hefner
Seconded By:	Councilmember Hammann
Vote:	**Motion carried** unanimously by all present

Motion:	Regarding **8b –** Approve with a combination locked gate and posted contact information for entry
Made By:	Councilmember Hefner
Seconded By:	Councilmember Rasco
Vote:	**Motion carried** unanimously by all present

Motion:	Regarding **8i –** Table to clarify that City staff will not be at the direction of a 501 (c)(3)
Made By:	Councilmember Hefner
Seconded By:	Councilmember Giangrosso
Vote:	**Motion carried** unanimously by all present

Motion:	Regarding **8l –** Table to obtain information on costs
Made By:	Councilmember Hefner
Seconded By:	Councilmember Giangrosso
Vote:	**Motion carried** unanimously by all present

Motion:	Regarding **8r –** Approve as written
Made By:	Councilmember Hefner
Seconded By:	Councilmember Hammann
Vote:	**Motion carried** with Councilmembers Rasco, Hefner, Hammann, Giangrosso, and Mayor Kolupski voting in favor, and Councilmember Machol voting opposed.

5.7 Consider and take all appropriate action on the approval of a Carothers Community Garden Operations and Maintenance Agreement between the City of Seabrook and Carothers Coastal Gardens 501(c)(3) with consideration of inclusion of previously heard items. This item was previously heard on February 20, 2024.

Motion:	To Table
Made By:	Councilmember Hammann
Seconded By:	Councilmember Giangrosso
Vote:	**Motion carried** unanimously by all present

6. Discussion

6.1 Discussion and possible action regarding the appointment of a Charter Review Commission for recommendations to be considered by Council in 2024.

City Administrator Cook recommended that Mayor and Council each contact a volunteer to serve on the Charter Review Commission and have them apply using the online application.

6.2 Discussion and possible action regarding flying the existing PVC pole American flags all year long on Main Street at the Bay Area Veterans Memorial.

Councilmember Machol presented the request by residents Marcy and Jack Fryday. He stated he would research the costs associated with the request.

6.3 Discussion and possible action regarding raising the concrete sign at the Bay Area Veterans Memorial.

Councilmember Machol presented the request by residents Marcy and Jack Fryday and stated he would research the costs associated, as well as how this request would fit into the future plans for the area.

7. Routine Business

7.1 City Manager update and report to City Council on various items that require no action, including Seabrook Boards and Commissions, SH 146 Expansion Projects, Port of Houston Rail Spur, City of Seabrook CIP Projects, Short-Term Rentals, and any City of Seabrook Grant Administration.

City Manager Gayle Cook presented the update. See attachment B.

Councilmember Rasco requested the following for the next meeting:

Full-Time position for an EDC Director
Special Permitting for non-charity events

7.2 Establish future meeting dates and agenda items.

City Secretary Rachel Lewis stated the next meeting was scheduled for March 19, 2024 at 6:00 pm.

Mayor Kolupski declared the meeting adjourned at 8:31 pm.

Signature Page

APPROVED: ______________________________ DATE: ____________________
Thom Kolupski, Mayor

ATTEST: ______________________________
Rachel Lewis City Secretary

TEXPOOL REPORT

MONTH OF OCTOBER 31, 2023
5.3589%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted Oct)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	6,056,988.99	61,521.84	35,503.71	6,154,014.54	Working capital
GENERAL FUND - RESTRICTED	1,600,000.00	0.00	incl in above	1,600,000.00	
SEIZURE	50,887.29	0.00	231.61	51,118.90	Soley to purchase equipment for Law Enforcement
CHILD SAFETY PROGRAMS	2,045.51	0.00	9.32	2,054.83	Reserved for Child Safety/School Zones
DEBT SERVICE FUND	2,118,625.37	0.00	9,642.46	2,128,267.83	Restricted for General fund reserves & yearly debt service
FEDERAL SEIZURE	6,217.76	0.00	28.30	6,246.06	Criminal Investigation - Federal Funds
STEP FUND	47,172.91	0.00	214.70	47,387.61	
PUBLIC SAFETY	238,110.86	(15,000.00)	1,083.73	224,194.59	Public Safety Needs
HOTEL/MOTEL FUND	1,379,858.55	(13,443.50)	6,224.20	1,372,639.25	Restricted for promotion of tourism
CAPITAL IMPACT FEES	4,439,404.16	0.00	20,205.30	4,459,609.46	Water & sewer lines extensions & expansions
ENTERPRISE FUND - UNRESTRICT	1,645,423.22	79,609.01	8,049.54	1,733,081.77	Working capital
ENTERPRISE FUND - RESTRICTED	300,000.00	0.00	incl in above	300,000.00	Customer liability
GENERAL CAPITAL PROJECTS	5,832,304.88	(200,000.00)	26,515.43	5,658,820.31	General Fund CIP
CAPITAL PROJECT BONDS	2,772,668.07	0.00	12,619.39	2,785,287.46	2016A CO WW Plant, Clarifier & Todville 2016 Sewer
WTR/SWR BONDS	317,292.48	0.00	1,444.11	318,736.59	Funds transferred from Bond Mkt Acct to allow liquidity
IT BONDS	0.00	0.00	0.00	0.00	Fiber Optics
PD & GF BONDS	0.00	0.00	0.00	0.00	Public Wokrks Facility
PD & GF BONDS (GEN FUND Reserve)	(0.00)	0.00	0.00	(0.00)	Public Wokrks Facility funds provided by GF Reserve
FIRE BONDS	0.00	0.00	0.00	0.00	Fire Engine
DRAINAGE BONDS	1,010,581.10	0.00	4,599.51	1,015,180.61	Drainage CO Funds 50/50 Split County Projects
CAROTHERS	242,731.98	0.00	1,104.76	243,836.74	Carother Facility & Park
PARK FEES	7,904.39	0.00	35.98	7,940.37	Reserved for acquisition & development of park land
ANIMAL	7,946.13	0.00	36.17	7,982.30	Animal Shelter Needs - Donation
CRIME DISTRICT	1,192,327.68	(22,695.37)	5,323.56	1,174,955.87	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	3,563,181.66	66,060.18	17,176.01	3,646,417.85	Seabrook Economic Development Corporation II
SEDC II - RESTRICT FOR EMERGENCY	180,000.00	0.00	incl in above	180,000.00	Emergency Reserve
MUNI COURT - SECURITY FUND	19,054.66	0.00	86.72	19,141.38	Funds from fines to be used for security
COURT - TIME PAYMENT FEES	19,999.54	0.00	91.02	20,090.56	Funds from fines to be used to improve court
MUNI COURT - TECHNOLOGY FUND	1,056.02	0.00	4.81	1,060.83	Fund court on technology
PUBLIC SAFETY VERF	833,702.28	22,695.37	3,897.77	860,295.42	Public Safety Vehicle Equipment Replacement
PEG Fund	155,153.38	0.00	706.16	155,859.54	Public Education and Government Access
GE VERF	1,059,603.94	21,252.47	4,919.36	1,085,775.77	
STABILIZATION FUND	895,365.18	0.00	4,075.12	899,440.30	Highway 146 Project
WATER RATE STABILIZATION	0.00	0.00	0.00	0.00	
TOTAL TEXPOOL FUND	35,995,607.99	(0.00)	163,828.75	$36,159,436.74	

The investment portfolio of the City of Seabrook is in compliance with the investment strategies expressed in the City's Investment Policy and relevant provisions of Chapter 2256 of the Local Government Code.

Michael Gibbs

Finance Director

TEXPOOL
AN INVESTMENT SERVICE FOR PUBLIC FUNDS

Monthly Newsletter: November 2023

ANNOUNCEMENTS

We welcome the following entities who joined TexPool in October 2023:

TexPool

Kaufman County MUD 10
East Montgomery County MUD 7
Harris County MUD 565
Washington County
City of Pattison
Shell Road MUD
Jasper County Appraisal District
Williamson County ESD 6
City of El Cenizo
McMullen GCD

TexPool *Prime*

Kaufman County MUD 10
East Montgomery County MUD 7
Harris County MUD 565
City of Haltom City
Washington County
City of Pattison
Shell Road MUD
Jasper County Appraisal District
Williamson County ESD 6
City of El Cenizo
McMullen GCD

Upcoming Events

There are currently no events.

TexPool Advisory Board Members

Patrick Krishock
Belinda Weaver
Deborah Laudermilk
Valarie Van Vlack
David Landeros
Sharon Matthews
David Garcia
Dina Edgar

Overseen by the State of Texas Comptroller of Public Accounts Glenn Hegar

Operated under the supervision of the Texas Treasury Safekeeping Trust Company

Economic and Market Commentary: Wait and see

November 1, 2023

Patience may be a virtue, but investors have little choice following the Nov. 1 Federal Reserve policy-setting meeting. It again left rates unchanged in the 5.25-50% range, pushing the fate of its inflation-fighting campaign to at least December. "Given how far we have come along with the uncertainty and risks we face, the committee is proceeding carefully," said Chair Jerome Powell. The beleaguered central bank seems finally to have caught a break, with two factors aiding its cause and buying it time.

First, the bond market is doing the Fed a favor with its ferocious backup in yields from the belly of the yield curve outward. In theory, this acts like policy tightening as it discourages borrowing, business planning and a host of reactions that could dampen activity. However, Powell said policymakers want to see if the tighter financial conditions continue and don't think the rise in long-term yields is due to near-term shifts in policy expectations.

Then there's the economy itself, a case study in mixed signals. As stunning as the September jobs report was with an addition of 336,000 jobs—the largest monthly gain since January—temporary help fell, household employment barely rose and two other labor-market reports (ADP and Challenger) were weak.

Likewise, a consumer-fueled jump in third-quarter gross domestic product growth of 4.9%—the biggest gain since the fourth quarter of 2021—has been tempered by mediocre

(continued page 6)

Performance as of October 31, 2023

	TexPool	TexPool *Prime*
Current Invested Balance	$29,544,897,823	$12,278,015,001
Weighted Average Maturity**	31 Days	42 Days
Weighted Average Life**	90 Days	78 Days
Net Asset Value	0.99989	1.00002
Total Number of Participants	2,814	529
Management Fee on Invested Balance	0.0450%	0.0550%
Interest Distributed	$131,904,347.68	$58,536,479.88
Management Fee Collected	$892,582.10	$501,730.47
Standard & Poor's Current Rating	AAAm	AAAm
Month Averages		
Average Invested Balance	$28,999,182,843	$12,355,956,264
Average Monthly Rate*	5.36%	5.59%
Average Weighted Average Maturity**	28	43
Average Weighted Average Life**	90	77

**This average monthly rate for TexPool Prime for each date may reflect a waiver of some portion or all of each of the management fees.*
***See page 2 for definitions.*
Past performance is no guarantee of future results.

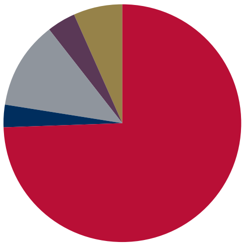
Phone: 1-866-TEXPOOL (839-7665) · Fax: 1-866-839-3291 · TexPool.com

G35884-24 (11/23)

Managed and Serviced by Federated Hermes

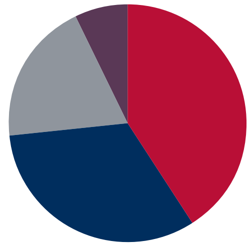
Portfolio by Maturity (%)

As of October 31, 2023



Portfolio by Type of Investment (%)

October 31, 2023



Portfolio Asset Summary as of October 31, 2023

	Book Value	Market Value
Uninvested Balance	$801.03	$801.03
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	108,226,127.80	108,226,127.80
Interest and Management Fees Payable	-131,905,499.27	-131,905,499.27
Payable for Investments Purchased	-676,593,288.21	-676,593,288.21
Accrued Expenses & Taxes	-32,248.97	-32,248.97
Repurchase Agreements	12,389,309,000.00	12,389,309,000.00
Mutual Fund Investments	2,112,085,200.00	2,112,085,200.00
Government Securities	9,799,888,096.69	9,795,432,933.98
US Treasury Bills	4,359,112,053.66	4,359,204,515.51
US Treasury Notes	1,584,807,580.51	1,586,127,053.30
Total	**$29,544,897,823.24**	**$29,541,854,595.17**

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool. The only source of payment to the Participants is the assets of TexPool. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

Participant Summary

	Number of Participants	Balance
School District	618	$9,073,910,213.55
Higher Education	60	$1,510,154,722.20
County	198	$3,257,257,415.56
Healthcare	92	$1,848,190,922.82
Utility District	922	$4,492,564,802.11
City	498	$7,631,719,846.34
Emergency Districts	105	$366,794,195.52
Economic Development Districts	89	$193,750,206.70
Other	232	$1,170,558,730.18

****Definition of Weighted Average Maturity and Weighted Average Life**

WAM is the mean average of the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid, (b) would be repaid upon a demand by TexPool, or (c) are scheduled to have their interest rate readjusted to reflect current market rates. Securities with adjustable rates payable upon demand are treated as maturing on the earlier of the two dates set forth in (b) and (c) if their scheduled maturity is 397 days or less; and the later of the two dates set forth in (b) and (c) if their scheduled maturity is more than 397 days. The mean is weighted based on the percentage of the amortized cost of the portfolio invested in each period.

WAL is calculated in the same manner as WAM, but is based solely on the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid or (b) would be repaid upon a demand by TexPool, without reference to when interest rates of securities within TexPool are scheduled to be readjusted.

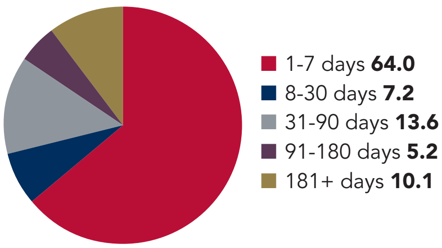
Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Invested Balance	NAV	WAM Days	WAL Days
10/1	5.3547%	0.000146704	$28,702,334,857.22	0.99987	28	93
10/2	5.3085%	0.000145438	$29,098,117,297.52	0.99984	26	90
10/3	5.3562%	0.000146744	$29,020,350,009.97	0.99984	27	90
10/4	5.3527%	0.000146650	$29,051,880,231.00	0.99985	27	90
10/5	5.3451%	0.000146442	$28,948,717,990.70	0.99986	27	91
10/6	5.3466%	0.000146483	$28,777,064,248.73	0.99985	28	93
10/7	5.3466%	0.000146483	$28,777,064,248.73	0.99985	28	93
10/8	5.3466%	0.000146483	$28,777,064,248.73	0.99985	28	93
10/9	5.3466%	0.000146483	$28,777,064,248.73	0.99985	28	93
10/10	5.3433%	0.000146393	$28,873,326,690.37	0.99986	26	90
10/11	5.3589%	0.000146819	$28,852,024,328.79	0.99986	26	90
10/12	5.3596%	0.000146838	$28,674,865,511.03	0.99985	27	89
10/13	5.3642%	0.000146964	$28,749,229,915.69	0.99986	28	89
10/14	5.3642%	0.000146964	$28,749,229,915.69	0.99986	28	89
10/15	5.3642%	0.000146964	$28,749,229,915.69	0.99986	28	89
10/16	5.3645%	0.000146972	$28,942,754,703.55	0.99987	26	86
10/17	5.3681%	0.000147070	$28,935,242,069.42	0.99988	27	89
10/18	5.3677%	0.000147059	$28,955,558,345.07	0.99987	29	90
10/19	5.3668%	0.000147035	$28,904,868,873.15	0.99989	29	90
10/20	5.3685%	0.000147081	$28,837,996,403.00	0.99990	30	91
10/21	5.3685%	0.000147081	$28,837,996,403.00	0.99990	30	91
10/22	5.3685%	0.000147081	$28,837,996,403.00	0.99990	30	91
10/23	5.3698%	0.000147117	$28,827,574,916.30	0.99989	29	90
10/24	5.3692%	0.000147102	$28,818,292,613.86	0.99989	30	90
10/25	5.3599%	0.000146847	$29,512,784,871.57	0.99990	30	88
10/26	5.3613%	0.000146886	$29,494,061,894.73	0.99990	30	88
10/27	5.3644%	0.000146970	$29,479,321,935.27	0.99992	30	90
10/28	5.3644%	0.000146970	$29,479,321,935.27	0.99992	30	90
10/29	5.3644%	0.000146970	$29,479,321,935.27	0.99992	30	90
10/30	5.3664%	0.000147024	$29,509,113,357.45	0.99992	29	88
10/31	5.3742%	0.000147237	$29,544,897,823.24	0.99989	31	90
Average:	**5.3589%**	**0.000146818**	**$28,999,182,843.28**	**0.99988**	**28**	**90**

TexPool *Prime*

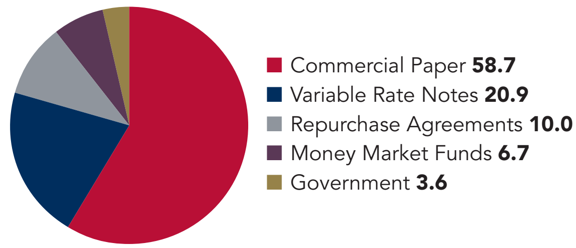
Portfolio by Maturity (%)

As of October 31, 2023



Portfolio by Type of Investment (%)

As of October 31, 2023



Portfolio Asset Summary as of October 31, 2023

	Book Value	Market Value
Uninvested Balance	$1,339.69	$1,339.69
Receivable for Investments Sold	198,922,000.00	198,922,000.00
Accrual of Interest Income	24,996,559.37	24,996,559.37
Interest and Management Fees Payable	-58,536,468.95	-58,536,468.95
Payable for Investments Purchased	-196,698,333.32	-196,698,333.32
Accrued Expenses & Taxes	-16,222.06	-16,222.06
Repurchase Agreements	1,233,597,000.00	1,233,597,000.00
Commercial Paper	7,221,765,823.18	7,221,361,244.91
Mutual Fund Investments	830,153,483.22	829,943,055.05
Government Securities	446,829,819.57	446,850,481.50
Variable Rate Notes	2,577,000,000.00	2,577,922,980.85
Total	**$12,278,015,000.70**	**$12,278,343,637.04**

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool Prime. The assets of TexPool Prime are the only source of payments to the Participants. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services

Participant Summary

	Number of Participants	Balance
School District	147	$3,844,904,322.85
Higher Education	19	$792,398,569.65
County	51	$929,617,512.13
Healthcare	20	$498,721,943.76
Utility District	64	$443,023,808.79
City	104	$2,662,704,193.73
Emergency Districts	26	$60,640,004.87
Economic Development Districts	19	$32,537,408.33
Other	79	$3,013,415,946.09

TEXPOOL

TexPool *Prime*

Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool *Prime* Invested Balance	NAV	WAM Days	WAL Days
10/1	5.5872%	0.000153075	$12,442,523,147.40	0.99992	46	79
10/2	5.5804%	0.000152888	$12,464,756,958.34	0.99998	43	76
10/3	5.5667%	0.000152511	$12,528,828,384.25	0.99997	43	75
10/4	5.5703%	0.000152612	$12,473,804,753.29	0.99998	43	75
10/5	5.5722%	0.000152663	$12,435,884,207.43	1.00000	43	75
10/6	5.5679%	0.000152544	$12,262,454,713.70	0.99978	44	76
10/7	5.5679%	0.000152544	$12,262,454,713.70	0.99978	44	76
10/8	5.5679%	0.000152544	$12,262,454,713.70	0.99978	44	76
10/9	5.5679%	0.000152544	$12,262,454,713.70	0.99978	44	76
10/10	5.5692%	0.000152582	$12,305,736,363.60	1.00002	41	73
10/11	5.5742%	0.000152719	$12,347,516,836.35	1.00002	41	73
10/12	5.5836%	0.000152976	$12,313,634,458.00	1.00001	42	76
10/13	5.5826%	0.000152948	$12,256,929,405.22	0.99985	43	76
10/14	5.5826%	0.000152948	$12,256,929,405.22	0.99985	43	76
10/15	5.5826%	0.000152948	$12,256,929,405.22	0.99985	43	76
10/16	5.5814%	0.000152915	$12,389,704,210.09	1.00000	40	73
10/17	5.5844%	0.000152997	$12,438,836,348.78	0.99999	43	75
10/18	5.5918%	0.000153201	$12,460,406,743.08	0.99998	43	78
10/19	5.5905%	0.000153164	$12,398,278,751.54	0.99997	43	77
10/20	5.5925%	0.000153220	$12,277,112,963.93	0.99985	44	78
10/21	5.5925%	0.000153220	$12,277,112,963.93	0.99985	44	78
10/22	5.5925%	0.000153220	$12,277,112,963.93	0.99985	44	78
10/23	5.5949%	0.000153286	$12,262,732,835.63	1.00001	42	79
10/24	5.5958%	0.000153309	$12,363,625,495.21	1.00001	42	80
10/25	5.5950%	0.000153287	$12,546,311,716.76	1.00000	43	79
10/26	5.6010%	0.000153451	$12,512,007,794.63	1.00001	43	79
10/27	5.6065%	0.000153604	$12,385,245,522.38	0.99988	44	80
10/28	5.6065%	0.000153604	$12,385,245,522.38	0.99988	44	80
10/29	5.6065%	0.000153604	$12,385,245,522.38	0.99988	44	80
10/30	5.6109%	0.000153722	$12,264,357,658.76	1.00003	42	78
10/31	5.6115%	0.000153741	$12,278,015,000.70	1.00002	42	78
Average:	**5.5864%**	**0.000153051**	**$12,355,956,264.30**	**0.99993**	**43**	**77**

Participant Services
1001 Texas Ave. Suite 1150
Houston, TX 77002

manufacturing reports, poor affordability for homebuyers and vanishing corporate spending.

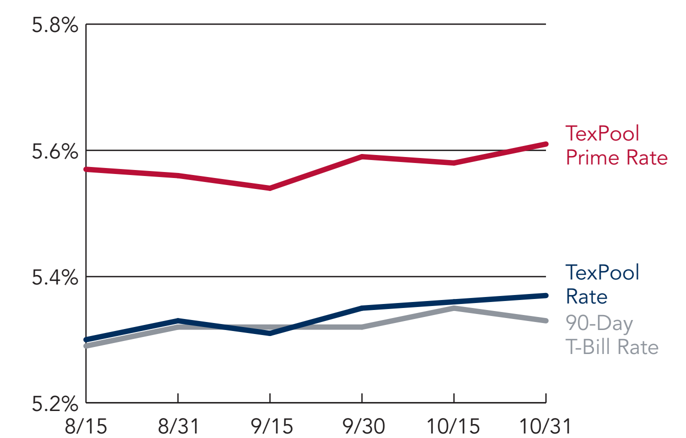
Most important, of course, is inflation, which continues to repel the Fed's aggressiveness. The two main measures remain well above the 2% target: the core Personal Consumption Expenditures and core Consumer Price Index had annualized rates of 3.7% and 4.1%, respectively, in September. All told, we think the December Federal Open Market Committee meeting is an active one, meaning a quarter-point hike is possible. More data releases and a new Summary of Economic Projections should provide clarity. If the Fed forgoes action, we can't rule out a hike in 2024.

Capital news

With the GOP finally electing its speaker in the House of Representatives, we can turn our focus to…more turmoil. Specifically, the potential for a federal government shutdown on Nov. 17, the date the short-term extension from October ends. While new Speaker Mike Johnson has made avoiding one a priority, it certainly could happen. As a reminder, a government shutdown has little impact on the markets because the issuance and repayment of U.S. debt obligations are considered essential, so they continue as usual. Also, these affairs typically end quickly.

The Treasury Department released its quarterly refunding plans Nov. 1. Increases to auction sizes for coupon securities out the yield curve were a little smaller than anticipated. All told the Treasury intends to auction $112 billion in coupon securities next week to meet financing needs. The supply of Treasury bills is expected to remain robust, although the Dept. may modestly reduce auction sizes in December.

TexPool & TexPool *Prime* vs. 90-Day Treasury Bill



90-Day Treasury Bill is a short-term debt instrument backed by the national government. These are used to collect immediate cash to meet outstanding obligations.

Any private investor can invest in a Treasury bill. The 90-Day Treasury Bill is a weighted average rate of the weekly auctions of 90-Day Treasury Bills.

Past performance is no guarantee of future results.

At the end of the month, yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 5.39%, 5.47%, 5.57% and 5.42%, respectively; the 1-, 3-, 6- and 12-month Bloomberg Short-Term Bank Yield Index rates (BSBY) were 5.39%, 5.63%, 5.79% and 5.89%, respectively.

TEXPOOL REPORT

MONTH OF NOVEMBER 30, 2023
5.3724%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted Nov)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	6,154,014.54	(711,318.06)	34,881.22	5,477,577.70	Working capital
GENERAL FUND - RESTRICTED	1,600,000.00	0.00	incl in above	1,600,000.00	
SEIZURE	51,118.90	0.00	225.72	51,344.62	Soley to purchase equipment for Law Enforcement
CHILD SAFETY PROGRAMS	2,054.83	0.00	9.08	2,063.91	Reserved for Child Safety/School Zones
DEBT SERVICE FUND	2,128,267.83	0.00	9,397.73	2,137,665.56	Restricted for General fund reserves & yearly debt service
FEDERAL SEIZURE	6,246.06	0.00	27.58	6,273.64	Criminal Investigation - Federal Funds
STEP FUND	47,387.61	0.00	209.25	47,596.86	
PUBLIC SAFETY	224,194.59	0.00	989.97	225,184.56	Public Safety Needs
HOTEL/MOTEL FUND	1,372,639.25	185,000.00	6,088.40	1,563,727.65	Restricted for promotion of tourism
CAPITAL IMPACT FEES	4,459,609.46	100,000.00	19,706.91	4,579,316.37	Water & sewer lines extensions & expansions
ENTERPRISE FUND - UNRESTRICT	1,733,081.77	514,609.09	8,262.00	2,255,952.86	Working capital
ENTERPRISE FUND - RESTRICTED	300,000.00	0.00	incl in above	300,000.00	Customer liability
GENERAL CAPITAL PROJECTS	5,658,820.31	0.00	24,987.48	5,683,807.79	General Fund CIP
CAPITAL PROJECT BONDS	2,785,287.46	(90,000.00)	12,285.64	2,707,573.10	2016A CO WW Plant, Clarifier & Todville 2016 Sewer
WTR/SWR BONDS	318,736.59	0.00	1,407.44	320,144.03	Funds transferred from Bond Mkt Acct to allow liquidity
IT BONDS	0.00	0.00	0.00	0.00	Fiber Optics
PD & GF BONDS	0.00	0.00	0.00	0.00	Public Wokrks Facility
PD & GF BONDS (GEN FUND Reserve)	(0.00)	0.00	0.00	(0.00)	Public Wokrks Facility funds provided by GF Reserve
FIRE BONDS	0.00	0.00	0.00	0.00	Fire Engine
DRAINAGE BONDS	1,015,180.61	0.00	4,482.70	1,019,663.31	Drainage CO Funds 50/50 Split County Projects
CAROTHERS	243,836.74	0.00	1,076.70	244,913.44	Carother Facility & Park
PARK FEES	7,940.37	0.00	35.06	7,975.43	Reserved for acquisition & development of park land
ANIMAL	7,982.30	0.00	35.25	8,017.55	Animal Shelter Needs - Donation
CRIME DISTRICT	1,174,955.87	117,304.67	5,108.64	1,297,369.18	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	3,646,417.85	(4,543.28)	16,849.17	3,658,723.74	Seabrook Economic Development Corporation II
SEDC II - RESTRICT FOR EMERGENCY	180,000.00	0.00	incl in above	180,000.00	Emergency Reserve
MUNI COURT - SECURITY FUND	19,141.38	0.00	84.52	19,225.90	Funds from fines to be used for security
COURT - TIME PAYMENT FEES	20,090.56	0.00	88.71	20,179.27	Funds from fines to be used to improve court
MUNI COURT - TECHNOLOGY FUND	1,060.83	0.00	4.68	1,065.51	Fund court on technology
PUBLIC SAFETY VERF	860,295.42	22,695.33	3,899.00	886,889.75	Public Safety Vehicle Equipment Replacement
PEG Fund	155,859.54	(60,000.00)	679.38	96,538.92	Public Education and Government Access
GE VERF	1,085,775.77	(38,747.75)	4,879.42	1,051,907.44	
STABILIZATION FUND	899,440.30	(35,000.00)	3,966.47	868,406.77	Highway 146 Project
WATER RATE STABILIZATION	0.00	0.00	0.00	0.00	
TOTAL TEXPOOL FUND	36,159,436.74	(0.00)	159,668.12	$36,319,104.86	

The investment portfolio of the City of Seabrook is in compliance with the investment strategies expressed in the City's Investment Policy and relevant provisions of Chapter 2256 of the Local Government Code.

Michael Gibbs

Finance Director

TEXPOOL
AN INVESTMENT SERVICE FOR PUBLIC FUNDS

Monthly Newsletter: December 2023

ANNOUNCEMENTS

TexPool Direct Check Purchase Acceptance

Based on participant feedback, effective December 1, 2023, TexPool now offers direct check purchases into TexPool and TexPool Prime. Please send checks to one of the addresses below or contact TexPool Participant Services to learn more.

Regular Mail:
TexPool Participant Services
PO Box 219198
Kansas City, MO 64121-9198

Overnight Delivery:
TexPool Participant Services
430 W 7th Street Suite 219198
Kansas City, MO 64105-1407

We welcome the following entities who joined TexPool in November 2023:

TexPool

Bexar County ESD 5
Hale Center ISD
Carthage ISD
Kemah Volunteer Fire Department
Bee Groundwater Conservation District
City of Little River - Academy
Nasa Area Management District

TexPool *Prime*

Bexar County ESD 5
Hale Center ISD
Carthage ISD
Kemah Volunteer Fire Department
Bee Groundwater Conservation District
Quinlan ISD
Winters ISD
City of Little River - Academy
Nasa Area Management District

TexPool Advisory Board Members

Overseen by the State of Texas Comptroller of Public Accounts Glenn Hegar

Operated under the supervision of the Texas Treasury Safekeeping Trust Company

Economic and Market Commentary: Cutting through the noise

December 1, 2023

Perhaps Bloomberg should create a Fickle Index. Or an Overreaction Indicator. The Volatility Index (VIX) and the Merrill Lynch Option Volatility Estimate (MOVE) capture market turbulence, but November brought yet another case of the capriciousness of the financial markets during this Federal Reserve tightening cycle.

It seemed sanguine investors had finally capitulated in early fall after the Fed's September Summary of Economic Projections (SEP) showed an additional quarter-point hike by year-end and raised the median rate for 2024 (5.1%) and 2025 (3.9%). In October, gloom pervaded. A surge in long-term Treasury yields indicated markets felt that the Fed's push to vanquish inflation would send the U.S. economy into recession.

Then came the November Federal Open Market Committee (FOMC) meeting, in which the policymakers again held the target range at 5.25-50%. Investors viewed this as dovish, even though Chair Jerome Powell stated they would not consider the rise in long-term yields a substitute for policy action. After further declines of the major measures of inflation, softening tone of some Fed speakers and deteriorating employment data, investors completed their sharp shift. Fed funds futures went from anticipating modest easing in 2024 to predicting four quarter-point cuts. Stocks and bonds rallied. Perhaps a Whiplash Index is also in order.

(continued page 6)

Performance as of November 30, 2023

	TexPool	TexPool *Prime*
Current Invested Balance	$28,564,822,439	$12,289,888,272
Weighted Average Maturity**	40 Days	48 Days
Weighted Average Life**	104 Days	79 Days
Net Asset Value	1.00003	1.00024
Total Number of Participants	2,821	538
Management Fee on Invested Balance	0.0450%	0.0550%
Interest Distributed	$128,194,286.20	$56,062,844.71
Management Fee Collected	$954,926.77	$485,010.02
Standard & Poor's Current Rating	AAAm	AAAm
Month Averages		
Average Invested Balance	$29,046,035,270	$12,159,314,463
Average Monthly Rate*	5.37%	5.61%
Average Weighted Average Maturity**	37	46
Average Weighted Average Life**	98	81

**This average monthly rate for TexPool Prime for each date may reflect a waiver of some portion or all of each of the management fees.*
***See page 2 for definitions.*
Past performance is no guarantee of future results.

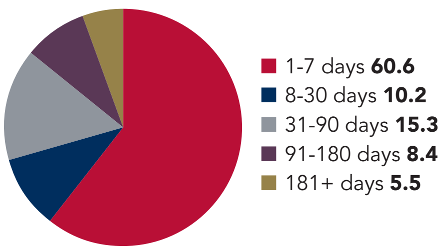
Phone: 1-866-TEXPOOL (839-7665) · Fax: 1-866-839-3291 · TexPool.com

G35884-24 (12/23)

Managed and Serviced by Federated Hermes

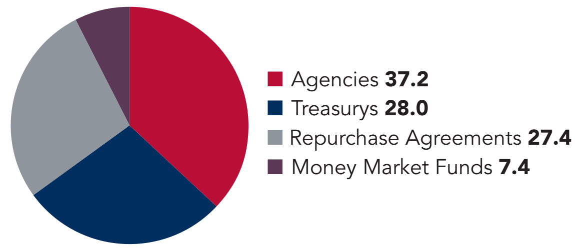
Portfolio by Maturity (%)

As of November 30, 2023



Portfolio by Type of Investment (%)

As of November 30, 2023



Portfolio Asset Summary as of November 30, 2023

	Book Value	Market Value
Uninvested Balance	-$181.11	-$181.11
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	99,606,461.76	99,606,461.76
Interest and Management Fees Payable	-128,194,440.27	-128,194,440.27
Payable for Investments Purchased	-45,000,000.00	-45,000,000.00
Accrued Expenses & Taxes	-36,209.83	-36,209.83
Repurchase Agreements	7,851,886,000.00	7,851,886,000.00
Mutual Fund Investments	2,112,085,200.00	2,112,085,200.00
Government Securities	10,647,036,993.16	10,646,311,014.88
US Treasury Bills	6,342,671,890.58	6,343,482,534.33
US Treasury Notes	1,684,761,589.56	1,685,467,410.35
Total	**$28,564,817,303.85**	**$28,565,607,790.11**

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool. The only source of payment to the Participants is the assets of TexPool. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

Participant Summary

	Number of Participants	Balance
School District	620	$8,744,178,377.10
Higher Education	60	$1,388,936,839.10
County	198	$3,228,521,232.61
Healthcare	92	$1,460,549,019.21
Utility District	922	$4,525,668,493.00
City	499	$7,535,340,295.02
Emergency Districts	106	$335,360,402.47
Economic Development Districts	89	$193,944,978.32
Other	235	$1,152,242,209.33

****Definition of Weighted Average Maturity and Weighted Average Life**

WAM is the mean average of the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid, (b) would be repaid upon a demand by TexPool, or (c) are scheduled to have their interest rate readjusted to reflect current market rates. Securities with adjustable rates payable upon demand are treated as maturing on the earlier of the two dates set forth in (b) and (c) if their scheduled maturity is 397 days or less; and the later of the two dates set forth in (b) and (c) if their scheduled maturity is more than 397 days. The mean is weighted based on the percentage of the amortized cost of the portfolio invested in each period.

WAL is calculated in the same manner as WAM, but is based solely on the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid or (b) would be repaid upon a demand by TexPool, without reference to when interest rates of securities within TexPool are scheduled to be readjusted.

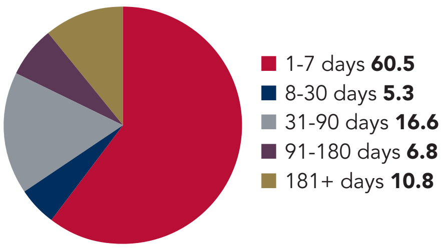
Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Invested Balance	NAV	WAM Days	WAL Days
11/1	5.3633%	0.000146941	$29,726,433,690.91	0.99993	30	89
11/2	5.3634%	0.000146943	$29,717,028,865.25	0.99994	32	91
11/3	5.3667%	0.000147033	$29,723,165,109.81	0.99997	33	92
11/4	5.3667%	0.000147033	$29,723,165,109.81	0.99997	33	92
11/5	5.3667%	0.000147033	$29,723,165,109.81	0.99997	33	92
11/6	5.3647%	0.000146978	$29,667,920,756.47	0.99997	31	92
11/7	5.3630%	0.000146932	$29,669,105,470.06	0.99997	33	93
11/8	5.3641%	0.000146963	$29,560,845,504.18	0.99997	33	94
11/9	5.3644%	0.000146971	$29,488,524,407.64	0.99994	33	94
11/10	5.3662%	0.000147018	$29,574,824,238.54	0.99997	36	95
11/11	5.3662%	0.000147018	$29,574,824,238.54	0.99997	36	95
11/12	5.3662%	0.000147018	$29,574,824,238.54	0.99997	36	95
11/13	5.3681%	0.000147072	$29,594,474,452.83	0.99996	34	93
11/14	5.3699%	0.000147120	$29,512,187,714.47	1.00000	37	94
11/15	5.3718%	0.000147173	$29,151,657,177.72	1.00000	40	99
11/16	5.3727%	0.000147197	$29,063,218,832.33	0.99999	39	98
11/17	5.3758%	0.000147282	$28,466,956,255.54	1.00001	40	100
11/18	5.3758%	0.000147282	$28,466,956,255.54	1.00001	40	100
11/19	5.3758%	0.000147282	$28,466,956,255.54	1.00001	40	100
11/20	5.3773%	0.000147322	$28,350,234,146.34	1.00001	40	101
11/21	5.3758%	0.000147281	$28,265,328,683.01	1.00002	41	106
11/22	5.3769%	0.000147313	$28,177,273,448.94	1.00001	41	106
11/23	5.3769%	0.000147313	$28,177,273,448.94	1.00001	41	106
11/24	5.3776%	0.000147331	$28,579,656,891.49	1.00001	41	105
11/25	5.3776%	0.000147331	$28,579,656,891.49	1.00001	41	105
11/26	5.3776%	0.000147331	$28,579,656,891.49	1.00001	41	105
11/27	5.3813%	0.000147432	$28,594,234,961.21	1.00001	40	103
11/28	5.3836%	0.000147495	$28,534,420,026.58	1.00003	41	104
11/29	5.3940%	0.000147782	$28,532,266,598.20	1.00002	41	104
11/30	5.3819%	0.000147449	$28,564,822,439.07	1.00003	40	104
Average:	**5.3724%**	**0.000147189**	**$29,046,035,270.34**	**0.99999**	**37**	**98**

TexPool *Prime*

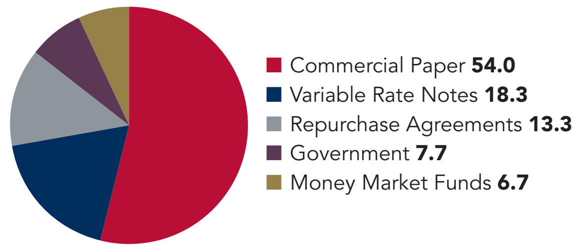
Portfolio by Maturity (%)

As of November 30, 2023



Portfolio by Type of Investment (%)

As of November 30, 2023



Portfolio Asset Summary as of November 30, 2023

	Book Value	Market Value
Uninvested Balance	$762.23	$762.23
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	20,047,967.83	20,047,967.83
Interest and Management Fees Payable	-56,062,844.54	-56,062,844.54
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	-20,783.16	-20,783.16
Repurchase Agreements	1,640,755,000.00	1,640,755,000.00
Commercial Paper	6,660,435,264.56	6,662,451,512.50
Mutual Fund Investments	830,153,483.22	830,192,037.96
Government Securities	942,574,847.85	942,617,307.00
Variable Rate Notes	2,252,000,000.00	2,252,893,417.10
Total	**$12,289,883,697.99**	**$12,292,874,376.92**

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool Prime. The assets of TexPool Prime are the only source of payments to the Participants. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services

Participant Summary

	Number of Participants	Balance
School District	151	$3,574,131,270.50
Higher Education	19	$848,886,172.85
County	51	$925,790,460.37
Healthcare	20	$488,079,133.47
Utility District	64	$482,379,213.36
City	105	$2,734,150,291.60
Emergency Districts	27	$89,667,293.46
Economic Development Districts	19	$32,256,139.11
Other	82	$3,114,535,916.55

TexPool *Prime*

Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool *Prime* Invested Balance	NAV	WAM Days	WAL Days
11/1	5.5976%	0.000153360	$12,360,779,932.93	1.00002	41	77
11/2	5.6039%	0.000153531	$12,361,450,540.66	1.00005	44	79
11/3	5.6059%	0.000153585	$12,392,492,010.28	0.99992	45	81
11/4	5.6059%	0.000153585	$12,392,492,010.28	0.99992	45	81
11/5	5.6059%	0.000153585	$12,392,492,010.28	0.99992	45	81
11/6	5.6096%	0.000153687	$12,316,202,778.53	1.00009	43	80
11/7	5.6085%	0.000153657	$12,335,084,072.77	1.00008	42	78
11/8	5.6108%	0.000153721	$12,310,333,742.22	1.00008	42	78
11/9	5.6131%	0.000153784	$12,147,598,837.52	1.00009	45	81
11/10	5.6149%	0.000153834	$12,159,777,200.67	0.99993	45	82
11/11	5.6149%	0.000153834	$12,159,777,200.67	0.99993	45	82
11/12	5.6149%	0.000153834	$12,159,777,200.67	0.99993	45	82
11/13	5.6135%	0.000153795	$12,195,565,123.56	1.00007	43	79
11/14	5.6149%	0.000153833	$12,125,350,737.67	1.00013	43	79
11/15	5.6138%	0.000153804	$12,075,428,406.78	1.00015	43	79
11/16	5.6060%	0.000153589	$12,086,019,658.19	1.00014	43	78
11/17	5.6180%	0.000153918	$12,007,544,464.13	0.99999	49	83
11/18	5.6180%	0.000153918	$12,007,544,464.13	0.99999	49	83
11/19	5.6180%	0.000153918	$12,007,544,464.13	0.99999	49	83
11/20	5.6194%	0.000153956	$12,007,378,780.43	1.00016	48	81
11/21	5.6190%	0.000153944	$12,007,826,847.55	1.00016	49	82
11/22	5.6200%	0.000153972	$11,931,695,303.12	1.00010	49	82
11/23	5.6200%	0.000153972	$11,931,695,303.12	1.00010	49	82
11/24	5.6204%	0.000153984	$11,989,473,600.20	1.00003	51	84
11/25	5.6204%	0.000153984	$11,989,473,600.20	1.00003	51	84
11/26	5.6204%	0.000153984	$11,989,473,600.20	1.00003	51	84
11/27	5.6191%	0.000153948	$12,073,180,556.87	1.00016	48	81
11/28	5.6156%	0.000153852	$12,230,467,273.63	1.00016	48	80
11/29	5.6164%	0.000153873	$12,345,625,908.42	1.00023	48	79
11/30	5.6159%	0.000153859	$12,289,888,272.44	1.00024	48	79
Average:	**5.6138%**	**0.000153803**	**$12,159,314,463.41**	**1.00006**	**46**	**81**

Participant Services
1001 Texas Ave. Suite 1150
Houston, TX 77002

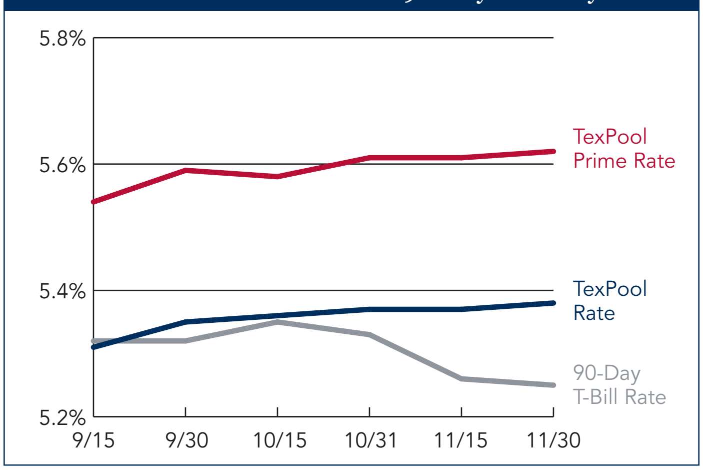
We don't think the about-face is justified. Again and again, policymakers have pushed back on wishful thinking. At the Jackson Hole symposium, Powell even took the time to squash the notion that they secretly adjusted their inflation target from 2% to 3%. The markets are hoping for a Grand Teton-like peak in rates; we think it will resemble Mesa Verde. So, we are positioning our portfolios for a higher-for-longer scenario, expecting a rate cut only in late 2024. The strength of the economy—recently the Commerce Department revised third-quarter gross domestic product (GDP) growth up to a robust 5.2%—supports that stance.

The November jobs report will be crucial. Not so much for the FOMC decision on Dec. 13, which will almost certainly result in no change, but for the updated SEP, which forecasts rates, GDP, labor and inflation. Our positioning will be based on that critical release, regardless of whether or not the markets ignore it.

Let's not forget that the ongoing reduction of the Fed's balance sheet is contractionary. This consistent collateral, combined with the Treasury Department's vast bill issuance of late, is offering cash managers attractive yields.

At the end of the month, yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 5.39%, 5.40%, 5.40% and 5.13%, respectively; the 1-, 3-, 6- and 12-month Bloomberg Short-Term Bank Yield Index rates (BSBY) were 5.37%, 5.57%, 5.65% and 5.70%, respectively.

TexPool & TexPool *Prime* vs. 90-Day Treasury Bill



90-Day Treasury Bill is a short-term debt instrument backed by the national government. These are used to collect immediate cash to meet outstanding obligations.

Any private investor can invest in a Treasury bill. The 90-Day Treasury Bill is a weighted average rate of the weekly auctions of 90-Day Treasury Bills.

Past performance is no guarantee of future results.

TEXPOOL REPORT

MONTH OF DECEMBER 31, 2023
5.3694%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted Dec)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	5,477,577.70	(184,069.89)	32,817.29	5,326,325.10	Working capital
GENERAL FUND - RESTRICTED	1,600,000.00	0.00	incl in above	1,600,000.00	
SEIZURE	51,344.62	0.00	234.15	51,578.77	Soley to purchase equipment for Law Enforcement
CHILD SAFETY PROGRAMS	2,063.91	0.00	9.42	2,073.33	Reserved for Child Safety/School Zones
DEBT SERVICE FUND	2,137,665.56	294,400.25	9,791.93	2,441,857.74	Restricted for General fund reserves & yearly debt service
FEDERAL SEIZURE	6,273.64	0.00	28.61	6,302.25	Criminal Investigation - Federal Funds
STEP FUND	47,596.86	0.00	217.06	47,813.92	
PUBLIC SAFETY	225,184.56	0.00	1,026.92	226,211.48	Public Safety Needs
HOTEL/MOTEL FUND	1,563,727.65	0.00	7,131.15	1,570,858.80	Restricted for promotion of tourism
CAPITAL IMPACT FEES	4,579,316.37	0.00	20,883.30	4,600,199.67	Water & sewer lines extensions & expansions
ENTERPRISE FUND - UNRESTRICT	2,255,952.86	(185,390.91)	10,810.60	2,081,372.55	Working capital
ENTERPRISE FUND - RESTRICTED	300,000.00	0.00	incl in above	300,000.00	Customer liability
GENERAL CAPITAL PROJECTS	5,683,807.79	(465,814.40)	25,795.64	5,243,789.03	General Fund CIP
CAPITAL PROJECT BONDS	2,707,573.10	(350,000.00)	10,295.84	2,367,868.94	2016A CO WW Plant, Clarifier & Todville 2016 Sewer
WTR/SWR BONDS	320,144.03	0.00	1,459.97	321,604.00	Funds transferred from Bond Mkt Acct to allow liquidity
IT BONDS	0.00	0.00	0.00	0.00	Fiber Optics
PD & GF BONDS	0.00	0.00	0.00	0.00	Public Wokrks Facility
PD & GF BONDS (GEN FUND Reserve)	(0.00)	0.00	0.00	(0.00)	Public Wokrks Facility funds provided by GF Reserve
FIRE BONDS	0.00	0.00	0.00	0.00	Fire Engine
DRAINAGE BONDS	1,019,663.31	15,814.40	4,708.18	1,040,185.89	Drainage CO Funds 50/50 Split County Projects
CAROTHERS	244,913.44	0.00	1,116.89	246,030.33	Carother Facility & Park
PARK FEES	7,975.43	0.00	36.37	8,011.80	Reserved for acquisition & development of park land
ANIMAL	8,017.55	0.00	36.56	8,054.11	Animal Shelter Needs - Donation
CRIME DISTRICT	1,297,369.18	(22,695.33)	5,812.96	1,280,486.81	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	3,658,723.74	53,808.30	17,670.02	3,730,202.06	Seabrook Economic Development Corporation II
SEDC II - RESTRICT FOR EMERGENCY	180,000.00	0.00	incl in above	180,000.00	Emergency Reserve
MUNI COURT - SECURITY FUND	19,225.90	0.00	87.68	19,313.58	Funds from fines to be used for security
COURT - TIME PAYMENT FEES	20,179.27	0.00	92.02	20,271.29	Funds from fines to be used to improve court
MUNI COURT - TECHNOLOGY FUND	1,065.51	0.00	4.86	1,070.37	Fund court on technology
PUBLIC SAFETY VERF	886,889.75	22,695.33	4,148.03	913,733.11	Public Safety Vehicle Equipment Replacement
PEG Fund	96,538.92	0.00	440.25	96,979.17	Public Education and Government Access
GE VERF	1,051,907.44	21,252.25	4,893.99	1,078,053.68	
STABILIZATION FUND	868,406.77	0.00	3,960.24	872,367.01	Highway 146 Project
WATER RATE STABILIZATION	0.00	0.00	0.00	0.00	
TOTAL TEXPOOL FUND	36,319,104.86	(800,000.00)	163,509.93	$35,682,614.79	

The investment portfolio of the City of Seabrook is in compliance with the investment strategies expressed in the City's Investment Policy and relevant provisions of Chapter 2256 of the Local Government Code.

Michael Gibbs

Finance Director

TEXPOOL
AN INVESTMENT SERVICE FOR PUBLIC FUNDS

Monthly Newsletter: January 2024

ANNOUNCEMENTS

TexPool Direct Check Purchase Acceptance

Based on participant feedback, effective December 1, 2023, TexPool now offers direct check purchases into TexPool and TexPool Prime. Please send checks to one of the addresses below or contact TexPool Participant Services to learn more.

Regular Mail:
TexPool Participant Services
PO Box 219198
Kansas City, MO 64121-9198

Overnight Delivery:
TexPool Participant Services
430 W 7th Street Suite 219198
Kansas City, MO 64105-1407

We welcome the following entities who joined TexPool in December 2023:

TexPool

City of Van
Mission Redevelopment Authority
American Can dba Texans Can Academies
University Health System Foundation

TexPool *Prime*

City of Van
Mission Redevelopment Authority
American Can dba Texans Can Academies
University Health System Foundation

Upcoming Events

February 19, 2024
Texas Association of School Business Officials (TASBO) Annual Conference
San Antonio, TX

TexPool Advisory Board Members

Economic and Market Commentary: A year of intrigue

January 1, 2024

So much for trying to control the markets.

Taking the podium after the Federal Open Market Committee (FOMC) meeting in mid December, Federal Reserve Chair Jerome Powell had the chance to push back against investor optimism that policymakers will issue around five quarter-point cuts next year. FOMC voters essentially admitted the tightening cycle is over by holding rates at 5.25-5.5% and penciling in 75 basis points of rate cuts in 2024, per the new dot plot in its Summary of Economic Projects. But a significant gap remained between the Wall Street and Washington. Had Powell used the Q&A with reporters to tell the markets cool their jets, their expectations might have met Fed projections.

Instead, he said monetary policy likely had reached its peak and even acknowledged the FOMC had discussed when it might ease. Because Powell said that participants had the time to take the relatively unchanged Consumer Price Index numbers for November into account, the markets were jubilant. Despite later attempts by other Fed officials—including the influential New York Fed President John Williams—traders reacted even more optimistically by pricing in nearly six quarter-point cuts in 2024, exacerbating the disconnect.

In contrast, we take Chair Powell's word "cautiously" at face value and anticipate only 75 basis points of easing in in 2024. We just don't see inflation declining enough to satisfy

(continued page 6)

Performance as of December 31, 2023

	TexPool	TexPool *Prime*
Current Invested Balance	$31,950,119,976	$12,905,533,293
Weighted Average Maturity**	38 Days	44 Days
Weighted Average Life**	92 Days	68 Days
Net Asset Value	1	1.00030
Total Number of Participants	2,825	542
Management Fee on Invested Balance	0.0450%	0.0550%
Interest Distributed	$134,749,254.83	$58,869,087.25
Management Fee Collected	$995,197.80	$506,956.75
Standard & Poor's Current Rating	AAAm	AAAm
Month Averages		
Average Invested Balance	$29,562,359,862	$12,388,400,416
Average Monthly Rate*	5.37%	5.60%
Average Weighted Average Maturity**	39	46
Average Weighted Average Life**	98	74

**This average monthly rate for TexPool Prime for each date may reflect a waiver of some portion or all of each of the management fees.*
***See page 2 for definitions.*
Past performance is no guarantee of future results.

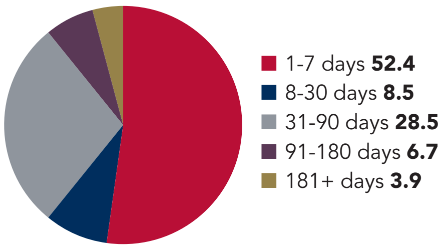
Phone: 1-866-TEXPOOL (839-7665) · Fax: 1-866-839-3291 · TexPool.com

G35884-24 (1/24)

Managed and Serviced by Federated Hermes

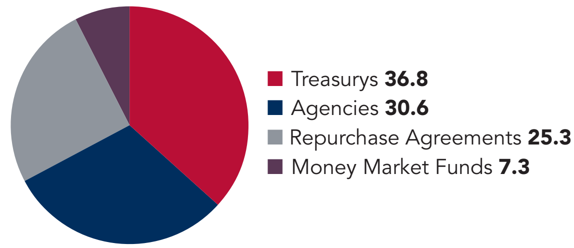
Portfolio by Maturity (%)

As of December 31, 2023



Portfolio by Type of Investment (%)

As of December 31, 2023



Portfolio Asset Summary as of December 31, 2023

	Book Value	Market Value
Uninvested Balance	$1,284.78	$1,284.78
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	99,368,657.24	99,368,657.24
Interest and Management Fees Payable	-134,749,268.51	-134,749,268.51
Payable for Investments Purchased	-991,778,890.00	-991,778,890.00
Accrued Expenses & Taxes	-103,811.31	-103,811.31
Repurchase Agreements	8,341,959,000.00	8,341,959,000.00
Mutual Fund Investments	2,402,085,200.00	2,402,085,200.00
Government Securities	10,081,407,563.89	10,079,881,612.70
US Treasury Bills	10,202,815,205.51	10,205,183,035.03
US Treasury Notes	1,949,115,034.13	1,948,379,475.45
Total	**$31,950,119,975.73**	**$31,950,226,295.38**

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool. The only source of payment to the Participants is the assets of TexPool. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

Participant Summary

	Number of Participants	Balance
School District	621	$10,466,575,237.53
Higher Education	60	$1,304,723,098.66
County	198	$3,847,841,846.21
Healthcare	93	$1,615,820,075.16
Utility District	922	$4,787,543,956.19
City	500	$8,150,002,493.97
Emergency Districts	106	$353,297,890.20
Economic Development Districts	89	$193,861,281.24
Other	236	$1,230,428,980.13

****Definition of Weighted Average Maturity and Weighted Average Life**

WAM is the mean average of the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid, (b) would be repaid upon a demand by TexPool, or (c) are scheduled to have their interest rate readjusted to reflect current market rates. Securities with adjustable rates payable upon demand are treated as maturing on the earlier of the two dates set forth in (b) and (c) if their scheduled maturity is 397 days or less; and the later of the two dates set forth in (b) and (c) if their scheduled maturity is more than 397 days. The mean is weighted based on the percentage of the amortized cost of the portfolio invested in each period.

WAL is calculated in the same manner as WAM, but is based solely on the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid or (b) would be repaid upon a demand by TexPool, without reference to when interest rates of securities within TexPool are scheduled to be readjusted.

TEXPOOL

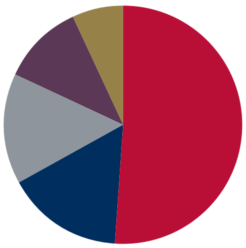
Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Invested Balance	NAV	WAM Days	WAL Days
12/1	5.3634%	0.000146942	$28,698,602,362.31	1.00006	40	104
12/2	5.3634%	0.000146942	$28,698,602,362.31	1.00006	40	104
12/3	5.3634%	0.000146942	$28,698,602,362.31	1.00006	40	104
12/4	5.3797%	0.000147390	$28,671,058,716.02	1.00000	38	101
12/5	5.3794%	0.000147382	$28,597,824,154.10	0.99999	38	102
12/6	5.3702%	0.000147129	$28,661,213,455.23	1.00000	38	101
12/7	5.3741%	0.000147235	$28,642,544,484.94	1.00000	38	100
12/8	5.3697%	0.000147115	$28,886,670,769.40	0.99995	39	98
12/9	5.3697%	0.000147115	$28,886,670,769.40	0.99995	39	98
12/10	5.3697%	0.000147115	$28,886,670,769.40	0.99995	39	98
12/11	5.3713%	0.000147160	$28,927,701,035.59	0.99995	37	96
12/12	5.3724%	0.000147190	$28,940,080,880.23	0.99996	38	99
12/13	5.3717%	0.000147169	$28,742,320,966.57	1.00000	39	100
12/14	5.3706%	0.000147141	$28,581,602,940.81	1.00000	40	99
12/15	5.3627%	0.000146922	$28,479,165,145.75	0.99997	40	100
12/16	5.3627%	0.000146922	$28,479,165,145.75	0.99997	40	100
12/17	5.3627%	0.000146922	$28,479,165,145.75	0.99997	40	100
12/18	5.3600%	0.000146849	$29,545,386,988.33	1.00000	37	93
12/19	5.3660%	0.000147014	$29,591,710,857.56	1.00000	41	98
12/20	5.3635%	0.000146945	$29,621,174,693.46	1.00001	40	97
12/21	5.3643%	0.000146967	$29,362,002,501.70	1.00000	41	99
12/22	5.3637%	0.000146952	$30,316,523,811.33	0.99997	41	96
12/23	5.3637%	0.000146952	$30,316,523,811.33	0.99997	41	96
12/24	5.3637%	0.000146952	$30,316,523,811.33	0.99997	41	96
12/25	5.3637%	0.000146952	$30,316,523,811.33	0.99997	41	96
12/26	5.3628%	0.000146927	$30,779,608,142.15	1.00001	38	93
12/27	5.3720%	0.000147179	$30,981,302,042.31	0.99998	37	94
12/28	5.3818%	0.000147446	$31,477,853,844.32	0.99996	37	90
12/29	5.3836%	0.000147495	$31,950,119,975.73	1.00000	38	92
12/30	5.3836%	0.000147495	$31,950,119,975.73	1.00000	38	92
12/31	5.3836%	0.000147495	$31,950,119,975.73	1.00000	38	92
Average:	**5.3694%**	**0.000147108**	**$29,562,359,861.56**	**0.99999**	**39**	**98**

TEXPOOL *Prime*

Portfolio by Maturity (%)

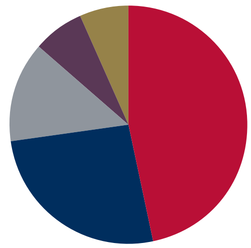
As of December 31, 2023



- 1-7 days **51.1**
- 8-30 days **15.9**
- 31-90 days **14.9**
- 91-180 days **11.1**
- 181+ days **6.9**

Portfolio by Type of Investment (%)

As of December 31, 2023



- Commercial Paper **46.9**
- Variable Rate Notes **26.1**
- Government **13.5**
- Repurchase Agreements **7.1**
- Money Market Funds **6.4**

Portfolio Asset Summary as of December 31, 2023

	Book Value	Market Value
Uninvested Balance	$169.55	$169.55
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	21,348,142.17	21,348,142.17
Interest and Management Fees Payable	-58,869,110.00	-58,869,110.00
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	-51,386.25	-51,386.25
Repurchase Agreements	917,161,000.00	917,161,000.00
Commercial Paper	7,385,403,341.17	7,387,822,262.60
Mutual Fund Investments	830,153,483.22	830,358,026.57
Government Securities	1,743,387,652.75	1,743,664,335.00
Variable Rate Notes	2,067,000,000.00	2,068,021,249.95
Total	**$12,905,533,292.61**	**$12,909,454,689.59**

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool Prime. The assets of TexPool Prime are the only source of payments to the Participants. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services

Participant Summary

	Number of Participants	Balance
School District	152	$3,935,135,941.61
Higher Education	19	$683,956,406.66
County	51	$1,044,114,052.22
Healthcare	21	$571,454,704.88
Utility District	64	$433,548,836.51
City	106	$2,747,791,005.91
Emergency Districts	27	$86,854,785.92
Economic Development Districts	19	$53,891,457.77
Other	83	$3,348,784,079.29

TexPool *Prime*

Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool *Prime* Invested Balance	NAV	WAM Days	WAL Days
12/1	5.6018%	0.000153475	$12,189,525,275.33	1.00009	49	80
12/2	5.6018%	0.000153475	$12,189,525,275.33	1.00009	49	80
12/3	5.6018%	0.000153475	$12,189,525,275.33	1.00009	49	80
12/4	5.6087%	0.000153664	$12,258,335,740.23	1.00026	46	77
12/5	5.6078%	0.000153638	$12,305,264,205.48	1.00027	46	76
12/6	5.5965%	0.000153328	$12,306,118,279.47	1.00029	46	76
12/7	5.5930%	0.000153232	$12,246,135,010.48	1.00029	46	74
12/8	5.5907%	0.000153169	$12,317,413,429.27	1.00013	47	75
12/9	5.5907%	0.000153169	$12,317,413,429.27	1.00013	47	75
12/10	5.5907%	0.000153169	$12,317,413,429.27	1.00013	47	75
12/11	5.5945%	0.000153273	$12,230,614,780.77	1.00027	47	75
12/12	5.5947%	0.000153280	$12,280,591,896.04	1.00028	47	75
12/13	5.5945%	0.000153275	$12,208,827,981.15	1.00027	47	76
12/14	5.5912%	0.000153184	$11,895,965,305.53	1.00044	49	78
12/15	5.5976%	0.000153360	$11,777,599,241.91	1.00028	51	79
12/16	5.5976%	0.000153360	$11,777,599,241.91	1.00028	51	79
12/17	5.5976%	0.000153360	$11,777,599,241.91	1.00028	51	79
12/18	5.5989%	0.000153395	$11,857,057,359.86	1.00043	48	76
12/19	5.5993%	0.000153405	$11,872,299,668.13	1.00043	48	75
12/20	5.5969%	0.000153339	$11,875,061,162.93	1.00044	47	75
12/21	5.5816%	0.000152921	$12,598,205,071.21	1.00041	44	71
12/22	5.5800%	0.000152876	$12,740,356,614.17	1.00017	45	71
12/23	5.5800%	0.000152876	$12,740,356,614.17	1.00017	45	71
12/24	5.5800%	0.000152876	$12,740,356,614.17	1.00017	45	71
12/25	5.5800%	0.000152876	$12,740,356,614.17	1.00017	45	71
12/26	5.5815%	0.000152917	$13,029,265,567.91	1.00037	42	67
12/27	5.5903%	0.000153158	$13,155,167,884.45	1.00037	41	65
12/28	5.5968%	0.000153338	$13,389,862,800.44	1.00041	42	65
12/29	5.6106%	0.000153715	$12,905,533,292.61	1.00030	44	68
12/30	5.6106%	0.000153715	$12,905,533,292.61	1.00030	44	68
12/31	5.6106%	0.000153715	$12,905,533,292.61	1.00030	44	68
Average:	**5.5951%**	**0.000153291**	**$12,388,400,415.75**	**1.00027**	**46**	**74**

Participant Services
1001 Texas Ave. Suite 1150
Houston, TX 77002

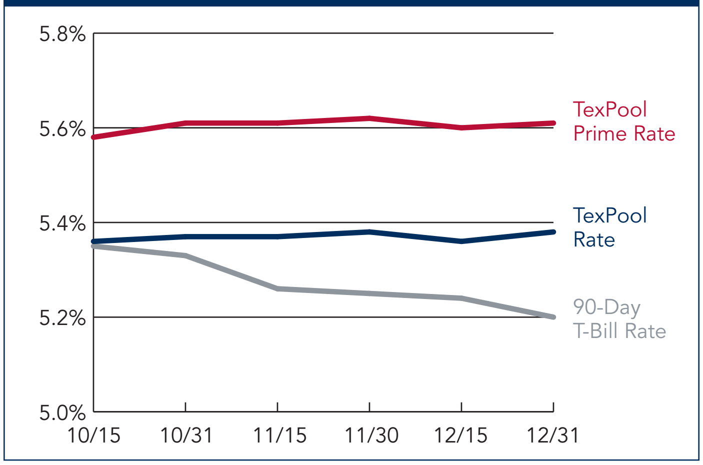
policymakers, especially as energy prices have accounted for much of the decrease. Officials have not put the cautionary tale of the 1970s back on the shelf. If PCE/CPI are stubborn or surprise to the upside, the Fed likely will dig in. The stakes are high as the Fed tries to avoid pushing the economy into a recession if it holds rates too high for too long.

Who—the Fed or the markets—is correct about the path of policy in 2024 will not be known until the first cut actually comes. It is possible that the two sides could align, especially if Powell and other Fed officials ratchet up their rhetoric to challenge the investor narrative. That could come in the late January FOMC meeting. It won't have an updated SEP, but will have more inflation data and the usual press conference.

This scenario would keep cash attractive, even as some investors extend duration to other asset classes. Most liquidity products should continue to mirror the target range whether it stays put or declines. You might think clients would exit the broad sector as yields fall. But past instances of policy easing actually have led to asset inflows as yields declined slower than other cash options and direct securities. There's not assured, of course, but we can guarantee 2024 will have an abundance of intrigue.

At the end of the month, yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 5.40%, 5.35%, 5.27% and 4.78%, respectively; the 1-, 3-, 6- and 12-month Bloomberg Short-Term Bank Yield Index rates (BSBY) were 5.47%, 5.45%, 5.36% and 5.17%, respectively.

TexPool & TexPool *Prime* vs. 90-Day Treasury Bill



90-Day Treasury Bill is a short-term debt instrument backed by the national government. These are used to collect immediate cash to meet outstanding obligations.

Any private investor can invest in a Treasury bill. The 90-Day Treasury Bill is a weighted average rate of the weekly auctions of 90-Day Treasury Bills.

Past performance is no guarantee of future results.

CITY OF SEABROOK
RESOLUTION 2024-09

RESOLUTION OF THE CITY OF SEABROOK, TEXAS SUSPENDING THE APRIL 10, 2024 EFFECTIVE DATE OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S REQUESTED RATE CHANGE TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING CONTINUED COOPERATION WITH THE GULF COAST COALITION OF CITIES; HIRING LLOYD GOSSELINK ATTORNEYS AND CONSULTING SERVICES TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; REQUIRING REIMBURSEMENT OF CITIES' RATE CASE EXPENSES; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL FOR THE GULF COAST COALITION OF CITIES

WHEREAS, on or about March 6, 2024, CenterPoint Energy Houston Electric, LLC ("CenterPoint" or "Company"), pursuant to PURA §§ 33.001 and 36.001 filed with the City of Seabrook, Texas ("City") a Statement of Intent to change electric delivery rates in all municipalities exercising original jurisdiction within its service area, effective April 10, 2024; and

WHEREAS, the City is a member of the Gulf Coast Coalition of Cities ("GCCC") and will cooperate with the other similarly situated city members and other city participants in conducting a review of the Company's application and to hire and direct legal counsel and consultants to prepare a common response and to negotiate with the Company and direct any necessary litigation; and

WHEREAS, GCCC's member cities have previously authorized intervention in electric utility rate case proceedings before the Public Utility Commission of Texas ("Commission"); and

WHEREAS, GCCC has previously authorized the hiring of the law firm of Lloyd Gosselink and consultants to negotiate with the Company, to make recommendations regarding reasonable rates, and to direct any necessary administrative proceedings or court litigation associated with an appeal of a rate ordinance and the rate case filed with the City or the Commission; and

WHEREAS, PURA § 36.108 grants local regulatory authorities the right to suspend the effective date of proposed rate changes for ninety (90) days after the date the rate change would otherwise be effective; and

WHEREAS, PURA § 33.023 provides that costs incurred by cities in ratemaking activities are to be reimbursed by the regulated utility.

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

1. That the April 10, 2024, effective date of the rate request submitted by CenterPoint on or about March 6, 2024, be suspended for the maximum period allowed by law to permit adequate time to review the proposed changes and to establish reasonable rates.

2. That the City is authorized to cooperate with GCCC to coordinate efforts to protect the interests of the City and protect the interests of CenterPoint's end-use customers residing and conducting business within municipal limits.

3. That the City's reasonable rate case expenses shall be reimbursed by CenterPoint on a timely basis.

4. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

5. A copy of this Resolution shall be sent to CenterPoint, care of Patrick Peters, CenterPoint Energy, Inc., 1005 Congress Avenue, Suite 650, Austin, Texas 78701 (patrick.peters@centerpointenergy.com), and to Roslyn Dubberstein at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701 (rdubberstein@lglawfirm.com).

PASSED AND APPROVED this __________ day of ____________________, 2024.

____
Thomas G Kolupski, Mayor

ATTEST:

____
Rachel Lewis, TRMC, City Secretary

APPROVED AS TO FORM:

____
David Olson, City Attorney

CITY OF SEABROOK
RESOLUTION 2024-10
AUTHORIZING GRANT APPLICATION STATE AND LOCAL CYBERSECURITY GRANT PROGRAM

A RESOLUTION OF THE CITY OF SEABROOK, TEXAS AUTHORIZING THE CITY MANAGER OF THE CITY OF SEABROOK, TEXAS TO SUBMIT AN APPLICATION FOR THE US DEPARTMENT OF HOMELAND SECURITY STATE AND LOCAL CYBERSECURITY GRANT (SLCGP) PROGRAM AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Seabrook, Texas, finds it in the best interest of the citizens of Seabrook that the Seabrook Information Technology Department participate in the Department of Homeland Security State and Local Cybersecurity Grant Program for the Federal Fiscal Year 2025; and

WHEREAS, the City Council of the City of Seabrook agrees that in the event of loss or misuse of the Office of the Governor funds, the City Council of the City of Seabrook, Texas, assures that the funds will be returned to the Office of the Governor in full; and

WHEREAS, the City Council of the City of Seabrook, Texas designates Gayle Cook, City Manager, as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter, or terminate the grant on behalf of the applicant agency.

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

The City Council of the City of Seabrook, Texas, approves submission of the grant application for the FY25 State and Local Cybersecurity Grant Program.

PASSED AND APPROVED this 19th day of March 2024.

____
Thomas G Kolupski
Mayor

ATTEST: APPROVED AS TO FORM:

______________________________ ______________________________
Rachel Lewis, TRMC David Olson
City Secretary City Attorney

PUBLIC HEARING NOTICE
SEABROOK CITY COUNCIL
TUESDAY, MARCH 19, 2024 – 6:00 P.M.

NOTICE IS HEREBY GIVEN THAT THE CITY COUNCIL OF THE CITY OF SEABROOK WILL HOLD A PUBLIC HEARING ON **TUESDAY, MARCH 19, 2024, AT 6:00 P.M.** IN SEABROOK CITY HALL, 1700 FIRST STREET, SEABROOK, TEXAS, TO DISCUSS THE AGENDA ITEM LISTED BELOW.

THIS HEARING IS OPEN TO THE PUBLIC AND EVERYONE ATTENDING WILL HAVE THE OPPORTUNITY TO SPEAK FOR OR AGAINST THIS REQUEST IN ACCORDANCE WITH THE PROCEDURES OF THE COUNCIL. ALL REQUIRED DOCUMENTS REGARDING THIS REQUEST ARE AVAILABLE FOR REVIEW AT CITY HALL IN THE COMMUNITY DEVELOPMENT DEPARTMENT WEEKDAYS FROM 8:00 A.M. TO 5:00 P.M. PLEASE CALL (281) 291-5705 IF YOU HAVE QUESTIONS.

SPECIFIC PUBLIC HEARING

Conduct a public hearing to take all appropriate action on an amendment to the Seabrook City Code, Appendix A, “Comprehensive Zoning”, Article 3, “Establishment of Zoning Districts and Associated Regulations”, Section 3.02 “R-LD Low Density Single-Family Residential District”, Section 3.03 “R-1 Single-Family Detached Residential District, Section 3.04 “R-2 Single-Family Detached Residential District (Small Lots)”, Section. 3.05 “R-3 Medium Density Residential District”, Section 3.06 “C-1 Light Commercial District”, Section 3.07 “C-2 Medium Commercial District”, Section 3.08 “C-3 Heavy Commercial District”, Section 3.09 “SH 146 South Commercial District (146-S)”, Section 3.10 “WAD Waterfront Activity District”, Section 3.11 “MMU Marine Oriented Mixed-Use District”, Section 3.12 “OS Old Seabrook District”, Section 3.13 “MH Mobile Home-Manufactured Housing District”, Section 3.14 “LI Light Industrial District”, and Section 3.16 “SH 146 Main Commercial District (146-M)”, by modifying the “Supplementary Regulations”, to include, the addition of tents and lean-tos as prohibited temporary structures to be used for on-site dwelling purposes.

CERTIFICATE

I certify that this notice was posted on the bulletin board at Seabrook City Hall on Thursday, February 29, 2024, at or before 5:00 p.m. and that it will remain posted until after completion of the hearing.

/s/ Rachel Lewis, City Secretary

SEABROOK

Agenda Briefing

Date of Meeting: March 19, 2024

Responsible Department: Community Development

Presenter: Sean Landis, Deputy City Manager | Planning and Zoning Director

Briefing Prepared By: Sean Landis

Strategic Focus Area:

General Information:
Discuss, consider, and take all appropriate action on first reading of Ordinance 2024-06, a request to amend the Seabrook City Code, Appendix A, "Comprehensive Zoning", Article 3, "Establishment of Zoning Districts and Associated Regulations" by modifying the "Supplementary Regulations", to include, the addition of tents and lean-to as prohibited temporary structures to be used for on-site dwelling purposes.

Executive Summary / Background:
City Staff is requesting that Planning and Zoning Commission along with City Council consider amending the Seabrook City Code, Appendix A, "Comprehensive Zoning", Article 3, "Establishment of Zoning Districts and Associated Regulations", Section 3.02 "R-LD Low Density Single-Family Residential District", Section 3.03 "R-1 Single-Family Detached Residential District, Section 3.04 "R-2 Single-Family Detached Residential District (Small Lots)", Section. 3.05 "R-3 Medium Density Residential District", Section 3.06 "C-1 Light Commercial District", Section 3.07 "C-2 Medium Commercial District", Section 3.08 "C-3 Heavy Commercial District", Section 3.09 "SH 146 South Commercial District (146-S)", Section 3.10 "WAD Waterfront Activity District", Section 3.11 "MMU Marine Oriented Mixed-Use District", Section 3.12 "OS Old Seabrook District", Section 3.13 "MH Mobile Home-Manufactured Housing District", Section 3.14 "LI Light Industrial District", and Section 3.16 "SH 146 Main Commercial District (146-M)", by modifying the "Supplementary Regulations", to include, the addition of tents and lean-to as prohibited temporary structures to be used for on-site dwelling purposes.

The request is due to the need to establish additional standards/regulations to address the increased number of individuals that have established encampments on private and public property within the city.

The Chief of Police, the Code Enforcement Department, along with the Public Works

Department have requested this modification with the hope that the regulation in addition to the Code of Ordinance will assist with enforcement of this increasing problem.

Recommended Change:

Supplementary regulations:

A. Temporary structures for uses incidental to construction work on the premises which are removed upon completion or abandonment of construction work are allowed upon permit from the building official.
B. No temporary structures, including **tents, lean-tos**, recreational vehicles, construction trailers or travel trailers may be used for on-site dwelling purposes.
C. Eaves shall be permitted to encroach no more than 18 inches upon any setback.

Funding / Fiscal Information:

Supporting Materials Attached:
1. Official Report
2. Ordinance 2024-06

Prior Action / Review by Council, Boards, Commissions:
The Planning and Zoning Commission at their February 15, 2024, regular meeting voted unanimously to recommend approval of this item.

Staff Recommendation:

Planning & Zoning Commission
OFFICIAL REPORT

The Planning and Zoning Commission of the City of Seabrook met on FEBRUARY 15, 2024 to hold a meeting to consider:

Conduct a public hearing on a request to amend the Seabrook City Code, Appendix A, "Comprehensive Zoning", Article 3, "Establishment of Zoning Districts and Associated Regulations", Section 3.02 "R-LD Low Density Single-Family Residential District", Section 3.03 "R-1 Single-Family Detached Residential District, Section 3.04 "R-2 Single-Family Detached Residential District (Small Lots)", Section. 3.05 "R-3 Medium Density Residential District", Section 3.06 "C-1 Light Commercial District", Section 3.07 "C-2 Medium Commercial District", Section 3.08 "C-3 Heavy Commercial District", Section 3.09 "SH 146 South Commercial District (146-S)", Section 3.10 "WAD Waterfront Activity District", Section 3.11 "MMU Marine Oriented Mixed-Use District", Section 3.12 "OS Old Seabrook District", Section 3.13 "MH Mobile Home-Manufactured Housing District", Section 3.14 "LI Light Industrial District", and Section 3.16 "SH 146 Main Commercial District (146-M)", by modifying the "Supplementary Regulations", to include, the addition of tents and lean-to as prohibited temporary structures to be used for on-site dwelling purposes.

THE PLANNING & ZONING COMMISSION MADE THE FOLLOWING RECOMMENDATION:

APPROVAL ☑ **APPROVAL WITH AMENDMENTS/CONDITIONS (SEE BELOW)** ☑ **DENIAL** ☐
by a concurring vote of a majority of members of the Planning and Zoning Commission present at the meeting on FEBRUARY 15, 2024, as designated below and as certified by the signature of the Chairman. **This document is not valid unless signed by the Chairman/Presiding Commissioner.**

Approval with amendment to make "Lean-to" plural in the verbiage.

VOTE:	AYE	NAY	ABSTAINED	ABSENT	INITIAL
Gary Renola	✓				GTR
Darrell Picha	✓				DP
Rosebud Caradec	✓				
Scott Reynolds	✓				CSR
Ed Klein	✓				EK
Guy Rogers	✓				Guy Rodgers
Rhonda Thompson				✓	

Gary T. Renola

Gary T. Renola, Chairman
Planning & Zoning Commission

ATTEST:

Kiarra Bellow

Kiarra Bellow
Administrative Assistant

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INCOMPLETE	**03 / 07 / 2024** 17:43:43 UTC	This document has not been fully executed by all signers.

ORDINANCE NO. 2024-06
AMEND SUPPLEMENTARY REGULATIONS
PROHIBITING THE USE OF TENTS AND LEAN-TOS FOR ON-SITE DWELLING PURPOSES

AN AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, SECTIONS 3.02 THROUGH 3.14 AND SECTION 3.16, BY AMENDING THE "SUPPLEMENTARY REGULATIONS", TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ON-SITE DWELLING PURPOSES; PROVIDING A PENALTY IN AN AMOUNT NOT TO EXCEED $2000 FOR VIOLATION OF ANY PROVISION HEREOF BY INCLUSION INTO THE CODE; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Seabrook is continually reviewing the provisions of the City Code of Ordinances relating to land use and other circumstances which impact the health, safety and well-being of residents, citizens, and inhabitants; and

WHEREAS, the Planning and Zoning Commission of the City of Seabrook has conducted a public hearing, received input from staff and is of the opinion and has issued its final report that the amendments hereto are necessary for the public safety, health, and welfare and for protection of the residents; and

WHEREAS, the City Council and the Planning and Zoning Commission of the City of Seabrook have studied the present provisions of the Code of Ordinances of the City of Seabrook and have determined the need to update the provisions relative to permitted land uses; and

WHEREAS, the Planning and Zoning Commission recommended approval of this amendment at its meeting of February 15, 2024, and has made its final report; and

WHEREAS, all public notices have been posted, published and all required hearings on this matter have been held in accordance with the Comprehensive Zoning Ordinance and law; now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SEABROOK, STATE OF TEXAS:

<u>SECTION 1.</u> FINDINGS OF FACT.

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

<u>SECTION 2</u>. AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, "ESTABLISHMENT OF ZONING DISTRICTS AND ASSOCIATED REGULATIONS", SECTION 3.02 "R-LD LOW DENSITY SINGLE-FAMILY RESIDENTIAL DISTRICT", BY AMENDING, SUBSECTION 3.02.13 ENTITLED "SUPPLEMENTARY REGULATIONS", TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ONSITE DWELLING PURPOSES, ESTABLISHING THE FOLLOWING ASSOCIATED REGULATIONS:

3.02.13 Supplementary Regulations:

A. Temporary structures for uses incidental to construction work on the premises which are removed upon completion or abandonment of construction work are allowed upon permit from the building official.
B. No temporary structures, including <u>tents, lean-tos,</u> recreational vehicles, construction trailers or travel trailers may be used for on-site dwelling purposes.
C. Eaves shall be permitted to encroach no more than 18 inches upon any setback.

<u>SECTION 3</u>. AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, "ESTABLISHMENT OF ZONING DISTRICTS AND ASSOCIATED REGULATIONS", SECTION 3.03 "R-1 SINGLE-FAMILY DETACHED RESIDENTIAL DISTRICT", BY AMENDING, SUBSECTION 3.03.13 ENTITLED "SUPPLEMENTARY REGULATIONS", TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ONSITE DWELLING PURPOSES, ESTABLISHING THE FOLLOWING ASSOCIATED REGULATIONS:

3.03.13 Supplementary Regulations:

A. Temporary structures for uses incidental to construction work on the premises which are removed upon completion or abandonment of construction work are allowed upon permit from the building official.
B. No temporary structures, including <u>tents, lean-tos,</u> recreational vehicles, construction trailers or travel trailers may be used for on-site dwelling purposes.
C. Eaves shall be permitted to encroach no more than 18 inches upon any setback.

<u>SECTION 4</u>. AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, "ESTABLISHMENT OF ZONING DISTRICTS AND ASSOCIATED REGULATIONS", SECTION 3.04 "R-2 SINGLE-FAMILY DETACHED RESIDENTIAL DISTRICT (SMALL LOTS)", BY AMENDING, SUBSECTION 3.04.11 ENTITLED "SUPPLEMENTARY REGULATIONS", TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ONSITE DWELLING PURPOSES, ESTABLISHING THE FOLLOWING ASSOCIATED REGULATIONS:

3.04.11 Supplementary Regulations:

A. Temporary structures for uses incidental to construction work on the premises which are removed upon completion or abandonment of construction work are allowed upon permit from the building official.

B. No temporary structures, including <u>tents, lean-tos,</u> recreational vehicles, construction trailers or travel trailers may be used for on-site dwelling purposes.

C. Eaves shall be permitted to encroach no more than 18 inches upon any setback.

<u>SECTION 5</u>. AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, "ESTABLISHMENT OF ZONING DISTRICTS AND ASSOCIATED REGULATIONS", SECTION 3.05 "R-3 MEDIUM DENSITY RESIDENTIAL DISTRICT", BY AMENDING, SUBSECTION 3.05.11 ENTITLED "SUPPLEMENTARY REGULATIONS", TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ONSITE DWELLING PURPOSES, ESTABLISHING THE FOLLOWING ASSOCIATED REGULATIONS:

3.05.11 Supplementary Regulations:

A. Temporary structures for uses incidental to construction work on the premises which are removed upon completion or abandonment of construction work are allowed upon permit from the building official.

B. No temporary structures, including <u>tents, lean-tos,</u> recreational vehicles, construction trailers or travel trailers may be used for on-site dwelling purposes.

C. Eaves shall be permitted to encroach no more than 18 inches upon any setback.

<u>SECTION 6</u>. AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, "ESTABLISHMENT OF ZONING DISTRICTS AND ASSOCIATED REGULATIONS", SECTION 3.06 "C-1 LIGHT COMMERCIAL DISTRICT", BY AMENDING, SUBSECTION 3.06.13 ENTITLED "SUPPLEMENTARY REGULATIONS", TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ONSITE DWELLING PURPOSES, ESTABLISHING THE FOLLOWING ASSOCIATED REGULATIONS:

3.06.13 Supplementary Regulations:

A. Temporary structures for uses incidental to construction work on the premises which are removed upon completion or abandonment of construction work are allowed upon permit from the building official.

B. No temporary structures, including <u>tents, lean-tos,</u> recreational vehicles, construction trailers or travel trailers may be used for on-site dwelling purposes.

C. Eaves shall be permitted to encroach no more than 18 inches upon any setback.

<u>SECTION 7.</u> AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, "ESTABLISHMENT OF ZONING DISTRICTS AND ASSOCIATED REGULATIONS", SECTION 3.07 "C-2 MEDIUM COMMERCIAL DISTRICT", BY AMENDING, SUBSECTION 3.07.13 ENTITLED "SUPPLEMENTARY REGULATIONS", TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ONSITE DWELLING PURPOSES, ESTABLISHING THE FOLLOWING ASSOCIATED REGULATIONS:

3.07.13 Supplementary Regulations:

A. Temporary structures for uses incidental to construction work on the premises which are removed upon completion or abandonment of construction work are allowed upon permit from the building official.

B. No temporary structures, including <u>tents, lean-tos,</u> recreational vehicles, construction trailers or travel trailers may be used for on-site dwelling purposes.

C. Eaves shall be permitted to encroach no more than 18 inches upon any setback.

<u>SECTION 8.</u> AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, “ESTABLISHMENT OF ZONING DISTRICTS AND ASSOCIATED REGULATIONS”, SECTION 3.08 “C-3 HEAVY COMMERCIAL DISTRICT”, BY AMENDING, SUBSECTION 3.08.13 ENTITLED “SUPPLEMENTARY REGULATIONS”, TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ONSITE DWELLING PURPOSES, ESTABLISHING THE FOLLOWING ASSOCIATED REGULATIONS:

3.08.13 Supplementary Regulations:

A. **Temporary structures for uses incidental to construction work on the premises which are removed upon completion or abandonment of construction work are allowed upon permit from the building official.**

B. **No temporary structures, including <u>tents, lean-tos,</u> recreational vehicles, construction trailers or travel trailers may be used for on-site dwelling purposes.**

C. **Eaves shall be permitted to encroach no more than 18 inches upon any setback.**

<u>SECTION 9.</u> AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, “ESTABLISHMENT OF ZONING DISTRICTS AND ASSOCIATED REGULATIONS”, SECTION 3.09 “SH 146 SOUTH COMMERCIAL DISTRICT (146-S)”, BY AMENDING, SUBSECTION 3.09.12 ENTITLED “SUPPLEMENTARY REGULATIONS”, TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ONSITE DWELLING PURPOSES, ESTABLISHING THE FOLLOWING ASSOCIATED REGULATIONS:

3.09.12 Supplementary Regulations:

A. **Temporary structures for uses incidental to construction work on the premises which are removed upon completion or abandonment of construction work are allowed upon permit from the building official.**

B. **No temporary structures, including <u>tents, lean-tos,</u> recreational vehicles, construction trailers or travel trailers may be used for on-site dwelling purposes.**

C. **Eaves shall be permitted to encroach no more than 18 inches upon any setback.**

<u>SECTION 10.</u> AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, "ESTABLISHMENT OF ZONING DISTRICTS AND ASSOCIATED REGULATIONS", SECTION 3.10 "WAD WATERFRONT ACTIVITY DISTRICT", BY AMENDING, SUBSECTION 3.10.13 ENTITLED "SUPPLEMENTARY REGULATIONS", TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ONSITE DWELLING PURPOSES, ESTABLISHING THE FOLLOWING ASSOCIATED REGULATIONS:

3.10.13 Supplementary Regulations:

A. Temporary structures for uses incidental to construction work on the premises which are removed upon completion or abandonment of construction work are allowed upon permit from the building official.

B. No temporary structures, including <u>tents, lean-tos,</u> recreational vehicles, construction trailers or travel trailers may be used for on-site dwelling purposes.

C. Eaves shall be permitted to encroach no more than 18 inches upon any setback.

<u>SECTION 11.</u> AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, "ESTABLISHMENT OF ZONING DISTRICTS AND ASSOCIATED REGULATIONS", SECTION 3.11 "MMU MARINE ORIENTED MIXED USE DISTRICT", BY AMENDING, SUBSECTION 3.11.10 ENTITLED "SUPPLEMENTARY REGULATIONS", TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ONSITE DWELLING PURPOSES, ESTABLISHING THE FOLLOWING ASSOCIATED REGULATIONS:

3.11.10 Supplementary Regulations:

A. Temporary structures for uses incidental to construction work on the premises which are removed upon completion or abandonment of construction work are allowed upon permit from the building official.

B. No temporary structures, including <u>tents, lean-tos,</u> recreational vehicles, construction trailers or travel trailers may be used for on-site dwelling purposes.

C. Eaves shall be permitted to encroach no more than 18 inches upon any setback.

<u>**SECTION 12.**</u> **AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, "ESTABLISHMENT OF ZONING DISTRICTS AND ASSOCIATED REGULATIONS", SECTION 3.12 "OS OLD SEABROOK DISTRICT", BY AMENDING, SUBSECTION 3.12.03 H. ENTITLED "SUPPLEMENTARY REGULATIONS", TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ONSITE DWELLING PURPOSES, ESTABLISHING THE FOLLOWING ASSOCIATED REGULATIONS:**

3.12.03 H. Supplementary Regulations:

A. Temporary structures for uses incidental to construction work on the premises which are removed upon completion or abandonment of construction work are allowed upon permit from the building official.

B. No temporary structures, including <u>tents, lean-tos,</u> recreational vehicles, construction trailers or travel trailers may be used for on-site dwelling purposes.

C. Eaves shall be permitted to encroach no more than 18 inches upon any setback.

<u>**SECTION 13.**</u> **AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, "ESTABLISHMENT OF ZONING DISTRICTS AND ASSOCIATED REGULATIONS", SECTION 3.13 "MH MOBILE HOME-MANUFACTURED HOUSING DISTRICT", BY AMENDING, SUBSECTION 3.13.13 ENTITLED "SUPPLEMENTARY REGULATIONS", TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ONSITE DWELLING PURPOSES, ESTABLISHING THE FOLLOWING ASSOCIATED REGULATIONS:**

3.13.13 Supplementary Regulations:

A. Temporary structures for uses incidental to construction work on the premises which are removed upon completion or abandonment of construction work are allowed upon permit from the building official.

B. No temporary structures, including <u>tents, lean-tos,</u> recreational vehicles, construction trailers or travel trailers may be used for on-site dwelling purposes.

C. Eaves shall be permitted to encroach no more than 18 inches upon any setback.

<u>SECTION 14.</u> AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, "ESTABLISHMENT OF ZONING DISTRICTS AND ASSOCIATED REGULATIONS", SECTION 3.14 "LI LIGHT INDUSTRIAL DISTRICT", BY AMENDING, SUBSECTION 3.14.14 ENTITLED "SUPPLEMENTARY REGULATIONS", TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ONSITE DWELLING PURPOSES, ESTABLISHING THE FOLLOWING ASSOCIATED REGULATIONS:

3.14.14 Supplementary Regulations:

A. **Temporary structures for uses incidental to construction work on the premises which are removed upon completion or abandonment of construction work are allowed upon permit from the building official.**

B. **No temporary structures, including <u>tents, lean-tos,</u> recreational vehicles, construction trailers or travel trailers may be used for on-site dwelling purposes.**

C. **Eaves shall be permitted to encroach no more than 18 inches upon any setback.**

<u>SECTION 16.</u> AMENDMENT TO SEABROOK CODE OF ORDINANCE, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE III, "ESTABLISHMENT OF ZONING DISTRICTS AND ASSOCIATED REGULATIONS", SECTION 3.16 "SH 146 MAIN COMMERCIAL DISTRICT (146-M)", BY AMENDING, SUBSECTION 3.16.12 ENTITLED "SUPPLEMENTARY REGULATIONS", TO INCLUDE, THE ADDITION OF TENTS AND LEAN-TOS AS PROHIBITED TEMPORARY STRUCTURES TO BE USED FOR ONSITE DWELLING PURPOSES, ESTABLISHING THE FOLLOWING ASSOCIATED REGULATIONS:

3.16.12 Supplementary Regulations:

A. **Temporary structures for uses incidental to construction work on the premises which are removed upon completion or abandonment of construction work are allowed upon permit from the building official.**

B. **No temporary structures, including <u>tents, lean-tos,</u> recreational vehicles, construction trailers or travel trailers may be used for on-site dwelling purposes.**

C. **Eaves shall be permitted to encroach no more than 18 inches upon any setback.**

<u>SECTION 17</u>. INCORPORATION INTO THE CODE, PENALTY CLAUSE.

This Ordinance is hereby incorporated and made a part of the Seabrook City Code. Violation of this ordinance is subject to the penalty section of said Code and Ordinance, Section 1-15 "General Penalty and 11.06, "Criminal Enforcement" which provides that any person who shall violate any provision of this Ordinance shall be deemed guilty of an offense and, upon conviction, shall be fined in an amount not to exceed $2,000.00. Each day of violation shall constitute a separate offense.

<u>SECTION 18</u>. REPEAL OF CONFLICTING ORDINANCES.

All ordinances or parts of ordinances in conflict or inconsistent with this Ordinance are hereby expressly repealed.

<u>SECTION 19</u>. SEVERIBILITY.

In the event any clause phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Seabrook, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

<u>SECTION 20</u>. NOTICE.

The City Secretary shall give notice of the enactment of this Ordinance by promptly publishing it or its descriptive caption and penalty after final passage in the official newspaper of the City; the Ordinance to take effect upon publication.

PASSED, APPROVED, AND ADOPTED on first reading with a quorum present, by an affirmative vote of a majority of Councilmembers present, in accordance with Seabrook City Charter Section 2.10 on this 19th day of March 2024.

PASSED, APPROVED, AND ADOPTED, as revised on final reading with a quorum present, by an affirmative vote of a majority of Councilmembers present, in accordance with Seabrook City Charter Section 2.10 on this 2nd day of April 2024.

BY: ______________________________
Thomas G. Kolupski, Mayor

ATTEST:

By: ___________________________________
Rachel Lewis, TRMC
City Secretary

APPROVED AS TO FORM:

By: ___________________________________
David Olson
City Attorney

CITY OF SEABROOK, TEXAS
ORDINANCE NO. 2024-07

AN ORDINANCE AUTHORIZING AND ORDERING THE ISSUANCE OF CITY OF SEABROOK, TEXAS GENERAL OBLIGATION BONDS, SERIES 2024; PRESCRIBING THE TERMS AND FORM THEREOF; MAKING OTHER PROVISIONS REGARDING SUCH BONDS, INCLUDING USE OF THE PROCEEDS THEREOF, AND MATTERS INCIDENT THERETO

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

ARTICLE I

FINDINGS AND DETERMINATIONS

Section 1.1: Findings and Determinations. The City Council hereby officially finds and determines that:

(a) The City of Seabrook, Texas (the "City"), acting through its City Council, is authorized by the Constitution and laws of the State of Texas, particularly Chapter 1331, Texas Government Code, as amended, to issue bonds to construct or purchase permanent improvements inside the municipal boundaries, including public buildings, waterworks, or sewers;

(b) The issuance of the bonds herein authorized was approved by the voters of the City at an election held for such purpose on November 7, 2023 (the "Election"), which was duly called by the City Council, and which authorized the issuance of (i) $2,400,000 in bonds for renovating, expanding, developing and equipping Seabrook Fire Station, including additions for emergency medical services, emergency management services and an emergency operations center, and all matters incident or necessary thereto ("Proposition B"); and (ii) $1,905,000 in bonds for purchasing and equipping a new fire engine and constructing, acquiring, developing and equipping a fire training tower, and all matters incident or necessary thereto ("Proposition C");

(c) The City Council canvassed the returns of the Election and by ordinance declared the results to be in favor of the issuance of the Bonds;

(d) The City has not previously authorized, issued or delivered any obligations from the authorization provided by the Election;

(e) The City has now determined that it is necessary and advisable to authorize, issue and deliver a first and final installment of such authorized bonds in an aggregate principal amount of $2,400,000 including any premium charged against such voted authorization, attributable to bonds authorized by Propositions B and $1,905,000 including any premium charged against such voted authorization, attributable to bonds authorized by Propositions C;

(f) Following the issuance of the Bonds, the City will have no authorized but unissued bonds remaining from the authorization provided by the Election;

(g) The City Council is of the opinion and hereby affirmatively finds that it is in the best interest of the City to issue the bonds in the amounts and for the purposes herein stated; and

(h) The meeting at which this Ordinance is considered is open to the public as required by law, and public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended.

ARTICLE II

DEFINITIONS AND INTERPRETATIONS

Section 2.1: Definitions. As used herein, the following terms shall have the meanings specified, unless the context clearly indicates otherwise:

"Act" shall mean Chapters 1331, Texas Government Code, as amended.

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

"Bond" or "Bonds" shall mean any or all of the City of Seabrook, Texas General Obligation Bonds, Series 2024, authorized by this Ordinance.

"City" shall mean the City of Seabrook, Texas and, where appropriate, its City Council.

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

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

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

"Construction Fund" shall mean the General Obligation Bonds, Series 2024 Construction Fund established by the City and described in section 5.3 of this Ordinance.

"Debt Service Fund" shall mean the General Obligation Bonds, Series 2024 Debt Service Fund established by the City and described in section 5.2 of this Ordinance.

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

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

"Election" shall mean the election held November 7, 2023 and described in Section 1.1(b) of this Ordinance.

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

“Interest Payment Date,” when used in connection with any Bonds, shall mean September 1, 2024, and each March 1 and September 1 thereafter until maturity or earlier redemption of such Bond.

“MSRB” means the Municipal Securities Rulemaking Board.

“Ordinance” shall mean this Ordinance and all amendments hereof and supplements hereto.

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

“Owner,” “Owners” or “Registered Owner” means any Person who shall be the registered owner of any outstanding Bonds on the Register; provided, however, if the Bonds are in a securities depository system, registered owner shall include the beneficial owner of the Bonds.

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

“Paying Agent/Registrar Agreement” shall mean the agreement between the City and the Paying Agent/Registrar as described more particularly in Section 6.1 hereof.

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

“Purchase Contract” means the agreement between the City and the Underwriter pursuant to which the sale of the Bonds is effectuated.

“Record Date” shall mean the close of business on the last day of the calendar month immediately preceding the applicable Interest Payment Date.

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

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

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

"Underwriter(s)" means SAMCO Capital Markets, Inc., and Stifel, Nicolaus & Company, Incorporated.

Section 2.2: Interpretations. All terms defined herein and all pronouns used in this Ordinance shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and the validity of the levy of ad valorem taxes to pay the principal of and interest on the Bonds.

ARTICLE III

TERMS OF THE BONDS

Section 3.1: Amount, Purpose and Authorization. The Bonds shall be issued in fully registered form, without coupons, under and pursuant to the authority of the Act in the total authorized aggregate principal amount of $_________ for the purpose of providing funds for making permanent public improvements as follows: (a) $__________ in principal amount of bonds (which does not include net premium charged to voted authorization in the amount of $__________) renovating, expanding, developing and equipping Seabrook Fire Station, including additions for emergency medical services, emergency management services and an emergency operations center, and all matters incident or necessary thereto; and (b) $___________ in principal amount of bonds (which does not include net premium charged to voted authorization in the amount of $_________) for purchasing and equipping a new fire engine and constructing, acquiring, developing and equipping a fire training tower, and all matters incident or necessary thereto, and (c) paying costs of issuing the Bonds.

Section 3.2: Designation, Date and Interest Payment Dates. The Bonds shall be designated as the "City of Seabrook, Texas General Obligation Bonds, Series 2024," and shall be dated April 1, 2024. The Bonds shall bear interest at the rates set forth in Section 3.3 below, from the later of the date of delivery or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months, payable on September 1, 2024, and each March 1 and September 1 thereafter until maturity or earlier redemption.

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

Section 3.3: Numbers, Denomination, Interest Rates and Maturities. The Bonds shall be initially issued bearing the numbers, in the principal amounts and bearing interest at the rates set forth in the following schedule, and may be transferred and exchanged as set out in this Ordinance. The Bonds shall mature on September 1 in each of the years and in the amounts set out in such schedule. Bonds delivered in transfer of or in exchange for other Bonds shall be numbered in order of their authentication by the Paying Agent/Registrar, shall be in the denomination of $5,000 or integral multiples thereof and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered.

Bond Number	Maturity (September 1)	Principal Amount ($)	Interest Rate (%)
R-1	2025		
R-2	2026		
R-3	2027		
R-4	2028		
R-5	2029		
R-6	2030		
R-7	2031		
R-8	2032		
R-9	2033		
R-10	2034		
R-11	2035		
R-12	2036		
R-13	2037		
R-14	2038		
R-15	2039		
R-16	2040		
R-17	2041		
R-18	2042		
R-19	2043		
R-20	2044		
R-21	2045		
R-22	2046		
R-23	2047		
R-24	2048		
R-25	2049		

Section 3.4: Redemption Prior to Maturity. (a) The City reserves the right, at its option, to redeem prior to maturity the Bonds maturing on or after September 1, 2034 in whole or in part, in principal installments of $5,000 or any integral multiple thereof, on September 1, 2033 or any date thereafter, at a price equal to the principal amount of the Bonds or portions thereof called for redemption plus accrued interest to the date of redemption.

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

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

(d) The City reserves the right to give notice of its election or direction to optionally redeem Bonds conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the City retains the right to rescind such notice at any time prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent /Registrar to rescind the redemption notice, and such notice of redemption shall be of no effect if such moneys and/or authorized securities are no so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected owners. Any Bonds subject to conditional redemption where redemption has been rescinded shall remain Outstanding.

Section 3.5: Manner of Payment, Characteristics, Execution and Authentication. The Paying Agent/Registrar is hereby appointed the paying agent for the Bonds. The Bonds shall be payable, shall have the characteristics and shall be executed, sealed, registered and authenticated, all as provided and in the manner indicated in the FORM OF BONDS set forth in Article IV of this Ordinance. If any officer of the City whose manual or facsimile signature shall appear on the Bonds shall cease to be such officer before the authentication of the Bonds or before the delivery of the Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

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

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

Section 3.6: Authentication. Except for the Bonds to be initially issued, which need not be authenticated by the Paying Agent/Registrar, only such Bonds as shall bear thereon a certificate of authentication, substantially in the form provided in Article IV of this Ordinance, manually executed by an authorized representative of the Paying Agent/Registrar, shall be entitled to the benefits of this Ordinance or shall be valid or obligatory for any purpose. Such duly executed certificate of authentication shall be conclusive evidence that the Bond so authenticated was delivered by the Paying Agent/Registrar hereunder.

Section 3.7: Ownership. The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal thereof and interest thereon and for all other purposes, whether or not such Bond is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any Bond in accordance with this Section shall be valid and effective and shall discharge the liability of the City and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.8: Registration, Transfer and Exchange. The Paying Agent/Registrar is hereby appointed the registrar for the Bonds. So long as any Bond remains Outstanding, the Paying Agent/Registrar shall keep the Register at its office in Dallas, Texas in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of the Bonds in accordance with the terms of this Ordinance.

Each Bond shall be transferable only upon the presentation and surrender thereof at the office of the Paying Agent/Registrar, accompanied by an assignment duly executed by the Owner or his authorized representative in form satisfactory to the Paying Agent/Registrar. Upon due presentation of any Bond for transfer, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor, within seventy-two (72) hours after such presentation, a new Bond or Bonds, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond or Bonds so presented and surrendered.

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

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

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

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

Section 3.9: Book-Entry Only System. The definitive Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all of the Outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the Owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

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

Except as provided in Section 3.10 of this Ordinance, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of Bonds, premium, if any, and interest on the Bonds only to or upon the order of the respective owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an owner shall receive a Bond evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance.

Section 3.10: Payments and Notices to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, as long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on the

Bonds, and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

Section 3.11: Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC, and that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City or the Paying Agent/Registrar shall (a) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (b) notify DTC of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

Section 3.12: Replacement Bonds. Upon the presentation and surrender to the Paying Agent/Registrar of a damaged or mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond, of the same maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Paying Agent/Registrar and the City.

If any Bond is lost, apparently destroyed or wrongfully taken, the City, pursuant to the applicable laws of the State of Texas and ordinances of the City, and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall execute, and the Paying Agent/Registrar shall authenticate and deliver, a replacement Bond of the same maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner thereof shall have:

(a) furnished to the City and the Paying Agent/Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;

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

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

(d) met any other reasonable requirements of the City and the Paying Agent/Registrar.

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

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

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

Section 3.13: Cancellation. All Bonds paid or redeemed in accordance with this Ordinance, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment or redemption. The Paying Agent/Registrar shall periodically furnish the City with certificates of destruction of such Bonds.

ARTICLE IV

FORM OF BONDS

The Bonds, including the Form of Comptroller's Registration Certificate, Form of Paying Agent/Registrar Authentication Certificate, and Form of Assignment, shall be in substantially the form set forth in Exhibit A hereto, with such omissions, insertions and variations as may be necessary or desirable, and not prohibited by this Ordinance.

ARTICLE V

SECURITY FOR THE BONDS

Section 5.1: Pledge and Levy of Taxes. (a) To provide for the payment of principal of and interest on the Bonds, there is hereby levied, within the limits prescribed by law, for the current year and each succeeding year thereafter, while the Bonds or any part of the principal thereof and the interest thereon remain outstanding and unpaid, an ad valorem tax upon all taxable property within the City sufficient to pay the interest on the Bonds and to create and provide a sinking fund of not less than 2% of the principal amount of the Bonds or not less than the principal payable out of such tax, whichever is greater, with full allowance being made for tax delinquencies and the costs of tax collection, and such taxes, when collected, shall be applied to the payment of principal of and interest on the Bonds by deposit to the Debt Service Fund and to no other purpose.

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

(c) To the extent necessary to pay the interest coming due on the Bonds prior to receipt of the taxes levied to pay such interest, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such interest, and such amount shall be used for no other purpose.

Section 5.2: Debt Service Fund. The General Obligation Bonds, Series 2024 Debt Service Fund (the "Debt Service Fund") is hereby created as a special fund solely for the benefit of the Bonds. The City shall establish and maintain such fund at an official City depository and shall keep such fund separate and apart from all other funds and accounts of the City. Any amount on deposit in the Debt Service Fund shall be maintained by the City in trust for the Owners of the Bonds. Such amount, plus any other amounts deposited by the City into such fund and any and all investment earnings on amounts on deposit in such fund, shall be used only to pay the principal of, premium, if any, and interest on the Bonds.

Section 5.3: Construction Fund. The General Obligation Bonds, Series 2024 Construction Fund (the "Construction Fund") is hereby created as a special fund of the City. Money on deposit in the Construction Fund shall be used only for the purposes set forth in Section 3.1 of this Ordinance. Money on deposit in the Construction Fund may, at the option of the City, be invested as permitted by Texas law, provided that all such deposits and investments shall be made in such manner that the money required to be expended from the Construction Fund will be available at the proper time or times.

All interest and income derived from such deposits and investments shall remain in the Construction Fund, except that, to the extent required by law, such interest and income may be applied to make such payments to the United States of America as shall be required to assure that interest on the Bonds is exempt from federal income taxation. Upon the completion of the purposes set forth in Section 3.1 of this Ordinance, any surplus funds on deposit in the Construction Fund shall be transferred into the Debt Service Fund.

Section 5.4: Further Proceedings. After the Bonds to be initially issued have been executed, it shall be the duty of the Mayor to deliver the Bonds to be initially issued and all pertinent records and proceedings to the Attorney General for examination and approval. After the Bonds to be initially issued shall have been approved by the Attorney General, they shall be delivered to the Comptroller for registration. Upon registration of the Bonds to be initially issued, the Comptroller (or a deputy lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's registration certificate prescribed herein to be affixed or attached to the Bonds to be initially issued, and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

ARTICLE VI

CONCERNING THE PAYING AGENT/REGISTRAR

Section 6.1: Acceptance. The Bank of New York Mellon Trust Company, N.A., is hereby appointed as the initial Paying Agent/Registrar for the Bonds pursuant to the terms and provisions of the Paying Agent/Registrar Agreement by and between the City and the Paying Agent/Registrar. The Paying Agent/Registrar Agreement shall be substantially in the form attached hereto as Exhibit B, the terms and provisions of which are hereby approved, and the Mayor is hereby authorized to execute and deliver such Paying Agent/Registrar Agreement on behalf of the City in multiple counterparts and the City Secretary is hereby authorized to attest thereto and affix the City's seal. Such initial Paying Agent/Registrar and any successor Paying Agent/Registrar, by undertaking the performance of the duties of the Paying Agent/Registrar hereunder, and in consideration of the payment of any fees pursuant to the terms of any contract between the Paying Agent/Registrar and the City and/or the deposits of money pursuant to this Ordinance, shall be deemed to accept and agree to abide by the terms of this Ordinance.

Section 6.2: Trust Funds. All money transferred to the Paying Agent/Registrar in its capacity as Paying Agent/Registrar for the Bonds under this Ordinance (except any sums representing Paying Agent/Registrar's fees) shall be held in trust for the benefit of the City, shall be the property of the City and shall be disbursed in accordance with this Ordinance.

Section 6.3: Bonds Presented. Subject to the provisions of Section 6.4, all matured Bonds presented to the Paying Agent/Registrar for payment shall be paid without the necessity of further instructions from the City. Such Bonds shall be canceled as provided herein.

Section 6.4: Unclaimed Funds Held by the Paying Agent/Registrar. Funds held by the Paying Agent/Registrar that represent principal of and interest on the Bonds remaining unclaimed by the Owner thereof after the expiration of three years from the date such funds have become due and payable (a) shall be reported and disposed of by the Paying Agent/Registrar in accordance with the provisions of Title 6 of the Texas Property Code, as amended, to the extent such provisions are applicable to such funds, or (b) to the extent such provisions do not apply to the funds, such funds shall be paid by the Paying Agent/Registrar to the City upon receipt by the Paying Agent/Registrar of a written request therefor from the City.

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

Section 6.5: Paying Agent/Registrar May Own Bonds. The Paying Agent/Registrar in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights it would have if it were not the Paying Agent/Registrar.

Section 6.6: Successor Paying Agents/Registrars. The City covenants that at all times while any Bonds are Outstanding it will provide a legally qualified bank, trust company, financial institution or other agency to act as Paying Agent/Registrar for the Bonds. The City reserves the right to change the Paying Agent/Registrar for the Bonds on not less than sixty (60) days' written notice to the Paying Agent/Registrar, as long as any such notice is effective not less than 60 days prior to the next succeeding principal or interest payment date on the Bonds. Promptly upon the appointment of any successor Paying Agent/Registrar, the previous Paying Agent/Registrar shall deliver the Register or a copy thereof to the new Paying Agent/Registrar, and the new Paying Agent/Registrar shall notify each Owner, by United States mail, first class, postage prepaid, of such change and of the address of the new Paying Agent/Registrar. Each Paying Agent/Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Ordinance.

ARTICLE VII

PROVISIONS CONCERNING SALE AND APPLICATION OF PROCEEDS OF BONDS

Section 7.1: Sale of Bonds. The Bonds are hereby sold and awarded and shall be delivered to the Underwriter at the price of $__________ (which is the par amount of the Bonds plus a premium on the Bonds of $___________ and less an underwriting discount of $_________), in accordance with the terms of the Purchase Contract presented to and hereby approved by the City Council, in substantially the form attached hereto as Exhibit C, which price and terms are hereby found and determined to be the most advantageous reasonably obtainable by the City. The Mayor and other appropriate officials of the City are hereby authorized and directed to execute such Purchase Contract on behalf of the City, and the Mayor and all other officials, agents and representatives of the City are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Bonds.

Section 7.2: Approval, Registration and Delivery. The Mayor is hereby authorized to have control and custody of the Bonds and all necessary records and proceedings pertaining thereto pending their delivery, and the Mayor and other officers and employees of the City are hereby authorized and directed to make such certifications and to execute such instruments as may be necessary to accomplish the delivery of the Bonds and to assure the investigation, examination and approval thereof by the Attorney General and the registration of the initial Bonds by the Comptroller. Upon registration of the Bonds, the Comptroller (or the Comptroller's certificates clerk or an assistant certificates clerk lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificates prescribed herein to be attached or affixed to each Bond initially delivered and the seal of the Comptroller shall be impressed or printed or lithographed thereon.

Section 7.3: Offering Documents; Ratings. The City hereby ratifies and approves the form and content and distribution of the Preliminary Official Statement as presented to the City and the designation of the Preliminary Official Statement as having been deemed final within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934. The City hereby authorizes the preparation of a final Official Statement reflecting the terms of the Purchase Contract and other relevant information. The use of such final Official Statement by the Underwriter (with such appropriate variations as shall be approved by the City Manager or his designee and the Underwriter) is hereby approved and authorized and the proper officials of the City are authorized to sign such Official Statement and deliver a certificate pertaining to such Official Statement, if necessary.

Further, the City Council hereby ratifies, authorizes and approves the actions of the Mayor, the City's financial advisor and other consultants in seeking ratings on the Bonds, and such actions are hereby ratified and confirmed.

Section 7.4: Application of Proceeds of Bonds; Appropriation. Proceeds from the sale of the Bonds, including net premium, shall, promptly upon receipt by the City, be applied as follows:

(1) $__________ of proceeds, consisting of net premium, shall be applied to pay expenses arising in connection with the issuance of the Bonds;

(2) $___________ of the proceeds shall be applied to pay the remaining expenses arising in connection with the issuance of the Bonds;

(3) The remaining proceeds, in the amount of $__________, shall be deposited into the Construction Fund created in Section 5.3 of this Ordinance.

Section 7.5: Tax Exemption. The City intends that the interest on the Bonds shall be excludable from gross income of the owners thereof for federal income tax purposes pursuant to Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and all applicable temporary, proposed and final regulations (the "Regulations") and procedures promulgated thereunder and applicable to the Bonds. For this purpose, the City covenants that it will monitor and control the receipt, investment, expenditure and use of all gross proceeds of the Bonds (including all property the acquisition, construction or improvement of which is to be financed directly or indirectly with the proceeds of the Bonds) and take or omit to take such other and further actions as may be required by Sections 103 and 141 through 150 of the Code and the Regulations to cause interest on the Bonds to be and remain excludable from the gross income, as defined in Section 61 of the Code, of the owners of the Bonds for federal income tax purposes. Without limiting the generality of the foregoing, the City shall comply with each of the following covenants:

(a) Except as permitted by Section 141 of the Code and the regulations and rulings thereunder, the City shall, at all times prior to the last stated maturity of the Bonds,

(1) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed directly or indirectly with Gross Proceeds of such series of the Bonds and not use or permit the use of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity other than a state or local government, unless such use is solely as a member of the general public, or

(2) not directly or indirectly impose or accept any charge or other payment for use of Gross Proceeds of such series of the Bonds or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with such Gross Proceeds.

(b) Except to the extent permitted by Section 141 of the Code and the regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, Gross Proceeds are considered to be "loaned" to a person or entity if (1) property acquired, constructed or improved with Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes, (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement, or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or such property are otherwise transferred in a transaction which is the economic equivalent of a loan.

(c) Except to the extent permitted by Section 148 of the Code and the regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the final stated maturity or final payment of the Refunded Obligations, directly or indirectly invest Gross Proceeds of such Bonds in any Investment (or use such Gross Proceeds to replace money so invested), if as a result of such investment the Yield of all Investments allocated to such Gross Proceeds whether then held or previously disposed of, exceeds the Yield on the Refunded Obligations.

(d) Based on all of the facts and estimates now known or reasonably expected to be in existence on the date the Bonds are delivered, the City reasonably expects that the proceeds of the Bonds (to the extent any of such proceeds remain unexpended) will not be used in a manner that would cause the Bonds or any portion thereof to be "arbitrage bonds" within the meaning of Section 148 of the Code.

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

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

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

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

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

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

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

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

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

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

Notwithstanding any other provision of this Ordinance, the City's representations and obligations under the covenants and provisions of this Section 7.5 shall survive the defeasance and discharge of the Bonds for as long as such matters are relevant to the exclusion of interest on the Bonds from the gross income of the owners for federal income tax purposes.

Section 7.6: Related Matters. In order that the City shall satisfy in a timely manner all of its obligations under this Ordinance, the Mayor, City Secretary and all other appropriate officers, agents, representatives and employees of the City are hereby authorized and directed to take all other actions that are reasonably necessary to provide for the issuance and delivery of the Bonds, including, without limitation, executing and delivering on behalf of the City all certificates, consents, receipts, requests, notices, and other documents as may be reasonably necessary to satisfy the City's obligations under this Ordinance and to direct the transfer and application of funds of the City consistent with the provisions of this Ordinance.

ARTICLE VIII

CONTINUING DISCLOSURE UNDERTAKING

Section 8.1: Annual Reports. The City shall provide annually to the MSRB, within six (6) months after the end of each fiscal year and in an electronic format prescribed by the MSRB, financial information and operating data with respect to the City of the general type described in the Official Statement in Tables 1-4 and 6-13, and in Appendix "B." Any financial statements so to be provided shall be (a) prepared in accordance with generally accepted accounting principles for governmental units as prescribed by the Government Accounting Standards Board from time to time, as such principles may be changed from time to time to comply with state or federal law or regulation and (b) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available at the time the financial information and operating data must be provided, then the City shall provide unaudited financial statements for the applicable fiscal year to the MSRB and shall provide to the MSRB audited financial statements, when and if the same become available.

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

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

Section 8.2: Event Notice. The City shall notify the MSRB in an electronic format prescribed by the MSRB, in a timely manner (not in excess of ten (10) business days after the occurrence of the event), of any of the following events with respect to the Bonds:

(1) Principal and interest payment delinquencies;

(2) Non-payment related defaults, if material;

(3) Unscheduled draws on debt service reserves reflecting financial difficulties;

(4) Unscheduled draws on credit enhancements reflecting financial difficulties;

(5) Substitution of credit or liquidity providers or their failure to perform;

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(7) Modifications to rights of owners of the Bonds, if material;

(8) Bond calls, if material, and tender offers;

(9) Defeasances;

(10) Release, substitution, or sale of property securing repayment of the Bonds, if material;

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership or similar event of the City;

(13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) Appointment of a successor trustee or change in the name of the trustee, if material;

(15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and

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

As used in clause (12), above, the phrase "bankruptcy, insolvency, receivership or similar event" means the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets of the City, or if jurisdiction has been assumed by leaving the City Council and officials or officers of the City in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City. The City intends that the words used in clauses (15) and (16), above, and the definition of Financial Obligation in this Ordinance have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 8.1 hereof by the time required by Section 8.2 hereof.

Section 8.3: Limitations, Disclaimers and Amendments. The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule.

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

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

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

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

The provisions of this Article may be amended by the City from time to time to adapt to changed circumstances that arise from a change, legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances and (2) either (a) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Order that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the Owners and beneficial owners of the Bonds. If the City so amends the provisions of this Article it shall include with any amended financial information or operating data next provided in accordance with Section 8.2 an explanation in narrative form of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

Section 8.4: Information Format. The City information required under this Article shall be filed with the MSRB through EMMA in such format and accompanied by such identifying information as may be specified from time to time thereby. Under the current rules of the MSRB, continuing disclosure documents submitted to EMMA must be in word-searchable portable document format (PDF) files that permit the document to be saved, viewed, printed, and retransmitted by electronic means and the series of obligations to which such continuing disclosure documents relate must be identified by CUSIP number or numbers.

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

ARTICLE IX

MISCELLANEOUS

Section 9.1: Defeasance. The Bonds may be discharged, defeased, redeemed or refunded in any manner now or hereafter permitted by law.

Section 9.2: Application of Chapter 1208, Government Code. Chapter 1208, Government Code, applies to the issuance of the Bonds and the pledge of the ad valorem taxes granted by the City under Section 5.1 of this Ordinance, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the taxes granted by the City under Section 5.1 of this Ordinance is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the Owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 9.3: Ordinance a Contract – Amendments. This Ordinance shall constitute a contract with the Owners from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section. The City may, without the consent of or notice to any Owners, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Owners who own in the aggregate a majority of the principal amount of the Bonds then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Owners of Outstanding Bonds, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Bonds, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Bonds, (ii) give any preference to any Bond over any other Bond, or (iii) reduce the aggregate principal amount of Bonds required to be held by Owners for consent to any such amendment, addition, or rescission.

Section 9.4: Legal Holidays. In any case where the date interest accrues and becomes payable on the Bonds or principal of the Bonds matures or the date fixed for redemption of any Bonds or a Record Date shall be in the City a Saturday, Sunday, legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest or principal need not be made on such date, or the Record Date shall not occur on such date, but payment may be made or the Record Date shall occur on the next succeeding day which is not in the City a Saturday, Sunday, legal holiday or a day on which banking institutions are authorized by law to close with the same force and effect as if (i) made on the date of maturity or the date fixed for redemption and no interest shall accrue for the period from the date of maturity or redemption to the date of actual payment or (ii) the Record Date had occurred on the last day of the calendar month immediately preceding the applicable Interest Payment Date.

Section 9.5: No Recourse Against City Officials. No recourse shall be had for the payment of principal of or interest on any Bonds or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Bonds.

Section 9.6: Further Proceedings. The Mayor, City Secretary, City Manager, and other appropriate officials of the City are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Ordinance.

Section 9.7: Severability. If any Section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 9.8: Power to Revise Form of Documents. Notwithstanding any other provision of this Ordinance, the Mayor is hereby authorized to make or approve such revisions, additions, deletions, and variations to this Ordinance and in the form of the documents attached hereto as exhibits as, in the judgment of the Mayor, and in the opinion of Bond Counsel to the City, may be necessary or convenient to carry out or assist in carrying out the purposes of this Ordinance, or as may be required for approval of the Bonds by the Attorney General of Texas; provided, however, that any changes to such documents resulting in substantive amendments to the terms and conditions of the Bonds or such documents shall be subject to the prior approval of the City Council.

Section 9.9: Open Meeting. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this Ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at City Hall for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 9.10: Repealer. All orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 9.11: Effective Date. This Ordinance shall be in force and effect from and after its passage on the date shown below.

[*Signature Page Follows*]

PASSED AND APPROVED on this March 19, 2024.

CITY OF SEABROOK, TEXAS

____
Mayor

ATTEST

____
City Secretary

(SEAL)

<u>Exhibit A</u> – Form of Bond
<u>Exhibit B</u> – Paying Agent/Registrar Agreement
<u>Exhibit C</u> – Purchase Contract

EXHIBIT A

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF TEXAS

CITY OF SEABROOK, TEXAS
GENERAL OBLIGATION BONDS, SERIES 2024

NUMBER	DENOMINATION
[1]R-	$______________
REGISTERED	REGISTERED

[2]INTEREST RATE:	DATED DATE:	[2]MATURITY DATE:	[2] CUSIP:
	April 1, 2024	September 1, 20__	

OWNER:

PRINCIPAL AMOUNT: THOUSAND DOLLARS

[3]THE CITY OF SEABROOK, TEXAS, a municipal corporation of the State of Texas (the "City"), for value received, hereby promises to pay to the Owner identified above or its registered assigns, on the maturity date specified above (or on earlier redemption as herein provided), upon presentation and surrender of this Bond at the office of The Bank of New York Mellon Trust Company, N.A. or its successor (the "Paying Agent/Registrar"), the principal amount identified above (or so much thereof as shall not have been paid or deemed to have been paid upon prior redemption) payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due to the United States of America, and to pay interest thereon at the rate shown above, calculated on a basis of a 360-day year composed of twelve 30-day months, from the later of the date of delivery or the most recent interest payment date to which interest has been paid or duly provided for. Interest on this Bond is payable on September 1, 2024, and each March 1 and September 1 thereafter until maturity or earlier redemption of this Bond, by check sent by United States mail, first class, postage prepaid,

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

[2] Omitted from Initial Bond.

[3] The first sentence of the initial Bond shall read as follows:

THE CITY OF SEABROOK, TEXAS, a municipal corporation of the State of Texas (the "City"), for value received, hereby promises to pay to the Registered Owner identified above or its registered assigns, on February 15 of the year of maturity specified below (or on earlier redemption as herein provided), upon presentation and surrender of this Bond at the office of The Bank of New York Mellon Trust Company, N.A., or its successor (the "Paying Agent/Registrar"), the principal amount identified set forth in the following schedule: [Insert information regarding years of maturity, principal amounts and interest rates from the Section 3.3 of the Bond Ordinance] (or so much thereof as shall not have been paid or deemed to have been paid upon prior redemption) payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due to the United States of America, and to pay interest thereon at the rate shown above, calculated on a basis of a 360-day year composed of twelve 30-day months, from the later of the Dated Date identified above or the most recent interest payment date to which interest has been paid or duly provided for.

by the Paying Agent/Registrar to the Owner of record as of the close of business on the last day of the calendar month immediately preceding the applicable interest payment date, as shown on the registration books kept by the Paying Agent/Registrar. Any accrued interest payable at maturity or earlier redemption shall be paid upon presentation and surrender of this Bond at the office of the Paying Agent/Registrar.

THIS BOND IS ONE OF A DULY AUTHORIZED SERIES OF BONDS (the "Bonds") in the aggregate principal amount of $_________ issued pursuant to an ordinance adopted by the City Council of the City on March 19, 2024 (the "Ordinance") for the purpose of providing funds for making permanent public improvements as follows: (a) for renovating, expanding, developing and equipping Seabrook Fire Station, including additions for emergency medical services, emergency management services and an emergency operations center, and all matters incident or necessary thereto; (b) for purchasing and equipping a new fire engine and constructing, acquiring, developing and equipping a fire training tower, and all matters incident or necessary thereto; and (c) for paying costs of issuing the Bonds.

[4]THIS BOND SHALL NOT BE VALID OR OBLIGATORY for any purpose or be entitled to any benefit under the Ordinance unless this Bond is authenticated by the Paying Agent/Registrar by due execution of the authentication certificate endorsed hereon.

THE CITY RESERVES THE RIGHT, at its option, to redeem, prior to their maturity, Bonds maturing on and after September 1, 2034 are subject to redemption prior to maturity, at the option of the City, in whole or in part, on September 1, 2033, or any date thereafter, at par plus accrued interest to the date fixed for redemption.

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

NOTICE OF ANY SUCH REDEMPTION, identifying the Bonds or portions thereof to be redeemed, shall be sent by United States mail, first class, postage prepaid, to the Owners thereof at their addresses as shown on the books of registration kept by the Paying Agent/Registrar, not less than thirty (30) days before the date fixed for such redemption. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the redemption price of the Bonds called for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, the Bonds which are to be so

[4] In the Initial Bond, this paragraph shall read:
THIS BOND SHALL NOT BE VALID OR OBLIGATORY for any purpose or be entitled to any benefit under the Ordinance unless this Bond is registered by the Comptroller of Public Accounts of the State of Texas by due execution of the registration certificate endorsed hereon.

redeemed thereby automatically shall be redeemed prior to their scheduled maturities, they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the purpose of being paid with the funds so provided for such payment.

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

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

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

THE CITY OR PAYING AGENT/REGISTRAR may require the Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of a Bond. Any fee or charge of the Paying Agent/Registrar for a transfer or exchange shall be paid by the City.

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

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

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

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

CITY OF SEABROOK, TEXAS

____

Mayor

(SEAL)

COUNTERSIGNED:

City Secretary

* * *

FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE

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

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

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

WITNESS MY SIGNATURE AND SEAL OF OFFICE this ______________________.

____
Comptroller of Public Accounts
of the State of Texas

(SEAL)

* * *

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

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

AUTHENTICATION CERTIFICATE

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

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

By ____________________________________
Authorized Signature

Date of Authentication: _________________

* * *

FORM OF ASSIGNMENT

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

ASSIGNMENT

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

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

____

(Please insert Social Security or Taxpayer Identification Number of Transferee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints attorney to transfer such bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _________________________

Signature Guaranteed:

____

____

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

____

____

Owner

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

* * *

FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE

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

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

I HEREBY CERTIFY THAT there is on file and of record in my office an opinion to the effect that the Attorney General of the State of Texas has approved this Bond, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this ________________.

____
Comptroller of Public Accounts
of the State of Texas

(SEAL)

* * *

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

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

AUTHENTICATION CERTIFICATE

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

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

By__________________________________
Authorized Signature
Date of Authentication:________________

* * *

FORM OF ASSIGNMENT

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

ASSIGNMENT

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

____

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

____

(Please insert Social Security or Taxpayer Identification Number of Transferee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints attorney to transfer such bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED:______________________________

Signature Guaranteed:

____

____

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

____

____

Registered Owner

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

EXHIBIT B

PAYING AGENT/REGISTRAR AGREEMENT

See Tab ___

EXHIBIT C

PURCHASE CONTRACT

See Tab __

CITY OF SEABROOK, TEXAS
ORDINANCE NO. 2024-08

ORDINANCE AUTHORIZING AND ORDERING THE ISSUANCE OF CITY OF SEABROOK, TEXAS CERTIFICATES OF OBLIGATION, SERIES 2024 IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF $10,000,000; AWARDING THE SALE THEREOF; AND CONTAINING MATTERS INCIDENT THERETO

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

ARTICLE I

FINDINGS AND DETERMINATIONS

Section 1.1: Findings and Determinations. The City Council hereby officially finds and determines that:

(1) The City of Seabrook, Texas (the "City"), acting through its City Council, is authorized pursuant to and in accordance with the provisions of Texas Local Government Code Chapter 271, Subchapter C, as amended (the "Act"), to issue certificates of obligation to provide all or part of the funds to pay contractual obligations to be incurred with the design, planning, acquisition, construction, equipping, expansion, repair, renovation and/or rehabilitation of certain public works, to wit: (i) the acquisition, construction, improvement, expansion, rehabilitation and repair of City streets, alleys, sidewalks and drainage systems; and (ii) cost of professional services incurred in connection therewith;

(2) the City Council authorized the publication of a notice of intention to issue Certificates of Obligation, Series 2024 (the "Certificates") on the 19th day of March, 2024, at its regular meeting place to adopt an ordinance authorizing the issuance of the Certificates to be payable from (i) an ad valorem tax levied, within the limits prescribed by law, on the taxable property located within the City, and (ii) a limited pledge of $1,000 of the surplus revenues of the City's water and sewer system (the "Water and Sewer System"), in the maximum aggregate principal amount of $10,000,000, bearing interest at any rate or rates, not to exceed the maximum interest rate now or hereafter authorized by law, as shall be determined within the discretion of the City Council at the time of issuance and maturing over a period of years not to exceed forty (40) years from the date thereof;

(3) Such notice was published at the times and in the manner required by the Act;

(4) No petition signed by at least five percent (5%) of the qualified voters of the City has been filed with or presented to any official of the City protesting the issuance of such Certificates on or before March 19, 2024, or the date of passage of this Ordinance.

(5) The City is authorized by Section 1502.052, Texas Government Code, as amended, to pledge the revenues of the Water and Sewer System to the payment of certificates.

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

ARTICLE II
DEFINITIONS AND INTERPRETATIONS

Section 2.1: Definitions. As used herein, the following terms shall have the meanings specified, unless the context clearly indicates otherwise:

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

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

"Certificate" or "Certificates" shall mean any or all of the City of Seabrook, Texas Certificates of Obligation, Series 2024, authorized by this Ordinance.

"City" shall mean the City of Seabrook, Texas and, where appropriate, its City Council.

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

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

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

"Construction Fund" shall mean the Certificates of Obligation, Series 2024 Construction Fund established by the City and described in Section 5.3 of this Ordinance.

"Debt Service Fund" shall mean the Certificates of Obligation, Series 2024 Debt Service Fund established by the City and described in Section 5.2 of this Ordinance.

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

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

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

"Interest Payment Date," when used in connection with any Certificate, shall mean September 1, 2024 and each March 1 and September 1 thereafter until maturity or earlier redemption of such Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

"Owner," "Owners" or "Registered Owner" means any Person who shall be the registered owner of any outstanding Certificates on the Register; provided, however, if the Certificates are in a securities depository system, registered owner shall include the beneficial owner of the Certificates.

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

"Paying Agent/Registrar Agreement" shall mean the agreement between the City and the Paying Agent/Registrar as described more particularly in Section 6.1 hereof.

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

"Purchase Contract" means the agreement between the City and the Underwriters providing for the sale of Certificates as provided pursuant to Section 7.1 of this Ordinance.

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

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

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

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

"Underwriters" means SAMCO Capital Markets, Inc. and Stifel, Nicolaus & Company, Incorporated.

Section 2.2: Interpretations. All terms defined herein and all pronouns used in this Ordinance shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the

Certificates and the validity of the levy of ad valorem taxes to pay the principal of and interest on the Certificates.

Section 2.3: Recitals Incorporated. The recitals to this Ordinance are hereby approved by the City Council and incorporated into and made a part of this Ordinance.

ARTICLE III

TERMS OF THE CERTIFICATES

Section 3.1: Amount, Purpose and Authorization. The Certificates shall be issued in fully registered form, without coupons, under and pursuant to the authority of the Act in the total authorized aggregate principal amount of ________________ AND NO/100 DOLLARS ($_________) for the purpose of providing all or part of the to pay contractual obligations to be incurred with the design, planning, acquisition, construction, equipping, expansion, repair, renovation and/or rehabilitation of certain public works, to wit: (i) the acquisition, construction, improvement, expansion, rehabilitation and repair of City streets, alleys, sidewalks, and drainage systems and (ii) the costs of professional services incurred in connection therewith.

Section 3.2: Designation, Date and Interest Payment Dates. The Certificates shall be designated as the "City of Seabrook, Texas Certificates of Obligation, Series 2024" and shall be dated April 1, 2024. The Certificates shall bear interest at the rates set forth in Section 3.3 below, from the later of the date of the delivery thereof to the Underwriters or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months, payable on September 1, 2024, and each March 1 and September 1 thereafter until maturity or earlier redemption.

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

Section 3.3: Numbers, Denomination, Interest Rates and Maturities. The Certificates shall be issued bearing the numbers, in the principal amounts and bearing interest at the rates set forth in the following schedule, and may be transferred and exchanged as set out in this Ordinance. The Certificates shall mature on September 1 in each of the years and in the amounts set out in such schedule. Certificates delivered in transfer of or in exchange for other Certificates shall be numbered in order of their authentication by the Paying Agent/Registrar, shall be in the denomination of $5,000 or integral multiples thereof and shall mature on the same date and bear interest at the same rate as the Certificate or Certificates in lieu of which they are delivered.

Bond Number	Maturity (September 1)	Principal Amount ($)	Interest Rate (%)
R-1	2025		
R-2	2026		
R-3	2027		
R-4	2028		
R-5	2029		
R-6	2030		
R-7	2031		
R-8	2032		
R-9	2033		
R-10	2034		
R-11	2035		
R-12	2036		
R-13	2037		
R-14	2038		
R-15	2039		
R-16	2040		
R-17	2041		
R-18	2042		
R-19	2043		
R-20	2044		
R-21	2045		
R-22	2046		
R-23	2047		
R-24	2048		
R-25	2049		

Section 3.4: Redemption Prior to Maturity. (a) The City reserves the right, at its option, to redeem prior to maturity the Certificates maturing on or after September 1, 2034 in whole or in part, in principal installments of $5,000 or any integral multiple thereof, on September 1, 2033 or any date thereafter, at a price equal to the principal amount of the Certificates or portions thereof called for redemption plus accrued interest to the date of redemption.

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

(c) Notice of any redemption, identifying the Certificates or portions thereof to be redeemed, shall be sent by United States mail, first class, postage prepaid, to the Registered

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

(d) The City reserves the right to give notice of its election or direction to optionally redeem Certificates conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the City retains the right to rescind such notice at any time prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent /Registrar to rescind the redemption notice, and such notice of redemption shall be of no effect if such moneys and/or authorized securities are no so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected owners. Any Certificates subject to conditional redemption where redemption has been rescinded shall remain Outstanding.

Section 3.5: Manner of Payment, Characteristics, Execution and Authentication. The Paying Agent/Registrar is hereby appointed the paying agent for the Certificates. The Certificates shall be payable, shall have the characteristics and shall be executed, sealed, registered and authenticated, all as provided and in the manner indicated in the FORM OF CERTIFICATES set forth in Article III of this Ordinance. If any officer of the City whose manual or facsimile signature shall appear on the Certificates shall cease to be such officer before the authentication of the Certificates or before the delivery of the Certificates, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

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

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

Section 3.6: Authentication. Except for the Certificates to be initially issued, which need not be authenticated by the Paying Agent/Registrar, only such Certificates as shall bear thereon a certificate of authentication, substantially in the form provided in Article III of this Ordinance, manually executed by an authorized representative of the Paying Agent/Registrar, shall be entitled to the benefits of this Ordinance or shall be valid or obligatory for any purpose. Such duly executed certificate of authentication shall be conclusive evidence that the Certificate so authenticated was delivered by the Paying Agent/Registrar hereunder.

Section 3.7: Ownership. The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Certificate is registered as the absolute owner of such Certificate for the purpose of making and receiving payment of the principal or thereof and interest thereon and for all other purposes, whether or not such Certificate is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Registered Owner of any Certificate in accordance with this Section shall be valid and effective and shall discharge the liability of the City and the Paying Agent/Registrar upon such Certificate to the extent of the sums paid.

Section 3.8: Registration, Transfer and Exchange. The Paying Agent/Registrar is hereby appointed the registrar for the Certificates. So long as any Certificate remains Outstanding, the Paying Agent/Registrar shall keep the Register at its principal corporate trust office in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of the Certificates in accordance with the terms of this Ordinance.

Each Certificate shall be transferable only upon the presentation and surrender thereof at the principal corporate trust office of the Paying Agent/Registrar, accompanied by an assignment duly executed by the Registered Owner or his authorized representative in form satisfactory to the Paying Agent/Registrar. Upon due presentation of any Certificate for transfer, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor, within seventy-two (72) hours after such presentation, a new Certificate or Certificates, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Certificate or Certificates so presented and surrendered.

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

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

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

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

Section 3.9: Book-Entry Only System. The definitive Certificates shall be initially issued in the form of a separate single fully registered Certificate for each of the maturities thereof. Upon initial issuance, the ownership of each such Certificate shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all of the Outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the Owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

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

Except as provided in Section 3.10 of this Ordinance, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate is registered in the Register as the absolute owner of such Certificate for the purpose of payment of principal of, premium, if any, and interest on Certificates, for the purpose of giving notices of redemption and other matters with respect to such Certificate, for the purpose of registering transfer with respect to such Certificate, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of Certificates, premium, if any, and interest on the Certificates only to or upon the order of the respective owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Certificates to the extent of the sum or sums so paid. No person other than an owner shall receive a Certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance.

Section 3.10: Payments and Notices to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, as long as any Certificates are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on the Certificates, and all notices with respect to such Certificates shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

Section 3.11: Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC, and that it is in the best interest of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, the City or the Paying Agent/Registrar shall (a) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository or (b) notify DTC of the availability through DTC of Certificates and transfer one or more separate Certificates to DTC Participants having Certificates credited to their DTC accounts. In such event, the Certificates shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Certificate holders transferring or exchanging Certificates shall designate, in accordance with the provisions of this Ordinance.

Section 3.12: Replacement Certificates. Upon the presentation and surrender to the Paying Agent/Registrar of a damaged or mutilated Certificate, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Certificate, of the same maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Registered Owner of such Certificate to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Paying Agent/Registrar and the City.

If any Certificate is lost, apparently destroyed or wrongfully taken, the City, pursuant to the applicable laws of the State of Texas and ordinances of the City, and in the absence of notice or knowledge that such Certificate has been acquired by a bona fide purchaser, shall execute, and the Paying Agent/Registrar shall authenticate and deliver, a replacement Certificate of the same maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding, provided that the Registered Owner thereof shall have:

(1) furnished to the City and the Paying Agent/Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Certificate;

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

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

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

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

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

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

Section 3.13: Cancellation. All Certificates paid or redeemed in accordance with this Ordinance, and all Certificates in lieu of which exchange Certificates or replacement Certificates are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment or redemption. The Paying Agent/Registrar shall periodically furnish the City with certificates of destruction of such Certificates.

ARTICLE IV
FORM OF CERTIFICATES

The form of the Certificates, including the Form of Comptroller's Registration Certificate, Form of Paying Agent/Registrar's Authentication Certificate and Form of Assignment shall be, respectively, substantially as shown in Exhibit A hereto, with such additions, deletions and variations, including an insurance legend or statement, if any, as may be necessary or desirable and not prohibited by this Ordinance.

ARTICLE V

SECURITY FOR THE CERTIFICATES

Section 5.1: Pledge and Levy of Taxes and Revenues. (a) To provide for the payment of principal of and interest on the Certificates, there is hereby levied, within the limits prescribed by law, for the current year and each succeeding year thereafter, while the Certificates or any part of the principal thereof and the interest thereon remain outstanding and unpaid, an ad valorem tax upon all taxable property within the City sufficient to pay the interest on the Certificates and to create and provide a sinking fund of not less than 2% of the principal amount of the Certificates or not less than the principal payable out of such tax, whichever is greater, with full allowance being made for tax delinquencies and the costs of tax collection, and such taxes, when collected, shall be applied to the payment of principal of and interest on the Certificates by deposit to the Debt Service Fund and to no other purpose.

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

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

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

Section 5.2: Debt Service Fund. The Certificates of Obligation, Series 2024 Debt Service Fund (the "Debt Service Fund") is hereby created as a special fund solely for the benefit of the Certificates. The City shall establish and maintain such fund at an official City depository and shall keep such fund separate and apart from all other funds and accounts of the City. Any amount on deposit in the Debt Service Fund shall be maintained by the City in trust for the Registered Owners of the Certificates. Such amount, plus any other amounts deposited by the City into such fund and any and all investment earnings on amounts on deposit in such fund, shall be used only to pay the principal of, premium, if any, and interest on the Certificates.

Section 5.3: Construction Fund. The Certificates of Obligation, Series 2024 Construction Fund (the "Construction Fund") is hereby created as a special fund of the City. Money on deposit in the Construction Fund shall be used only for the purposes set forth in Section 2.1 of this Ordinance. Money on deposit in the Construction Fund may, at the option of the City, be invested as permitted by Texas law, provided that all such deposits and investments shall be made in such manner that the money required to be expended from the Construction Fund will be available at the proper time or times.

All interest and income derived from such deposits and investments shall remain in the Construction Fund, except that, to the extent required by law, such interest and income may be applied to make such payments to the United States of America as shall be required to assure that interest on the Certificates is exempt from federal income taxation. Upon the completion of the purposes set forth in Section 3.1 of this Ordinance, any surplus funds on deposit in the Construction Fund shall be transferred into the Debt Service Fund.

Section 5.4: Further Proceedings. After the Certificates to be initially issued have been executed, it shall be the duty of the Mayor to deliver the Certificates to be initially issued and all pertinent records and proceedings to the Attorney General for examination and approval. After the Certificates to be initially issued shall have been approved by the Attorney General, they shall be delivered to the Comptroller for registration. Upon registration of the Certificates to be initially issued, the Comptroller (or a deputy lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's registration certificate prescribed herein to be affixed or attached to the Certificates to be initially issued, and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

ARTICLE VI

CONCERNING THE PAYING AGENT/REGISTRAR

Section 6.1: Acceptance. The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, is hereby appointed as the initial Paying Agent/Registrar for the Certificates pursuant to the terms and provisions of the Paying Agent/Registrar Agreement by and between the City and the Paying Agent/Registrar. The Paying Agent/Registrar Agreement shall be substantially in the form attached hereto as Exhibit B, the terms and provisions of which are hereby approved, and the Mayor is hereby authorized to execute and deliver such Paying Agent/Registrar Agreement on behalf of the City in multiple counterparts and the City Secretary is hereby authorized to attest thereto and affix the City's seal. Such initial Paying Agent/Registrar and any successor Paying Agent/Registrar, by undertaking the performance of the duties of the Paying Agent/Registrar hereunder, and in consideration of the payment of any fees pursuant to the terms of any contract between the Paying Agent/Registrar and the City and/or the deposits of money pursuant to this Ordinance, shall be deemed to accept and agree to abide by the terms of this Ordinance.

Section 6.2: Trust Funds. All money transferred to the Paying Agent/Registrar in its capacity as Paying Agent/Registrar for the Certificates under this Ordinance (except any sums representing Paying Agent/Registrar's fees) shall be held in trust for the benefit of the Registered Owners of the Certificates, and shall be disbursed in accordance with this Ordinance.

Section 6.3: Certificates Presented. Subject to the provisions of Section 6.4, all matured Certificates presented to the Paying Agent/Registrar for payment shall be paid without the necessity of further instructions from the City. Such Certificates shall be canceled as provided herein.

Section 6.4: Unclaimed Funds Held by the Paying Agent/Registrar. Funds held by the Paying Agent/Registrar that represent principal of and interest on the Certificates remaining unclaimed by the Registered Owner thereof after the expiration of three years from the date such funds have become due and payable (a) shall be reported and disposed of by the Paying Agent/Registrar in accordance with the provisions of Title 6 of the Texas Property Code, as amended, to the extent such provisions are applicable to such funds, or (b) to the extent such provisions do not apply to the funds, such funds shall be paid by the Paying Agent/Registrar to the City upon receipt by the Paying Agent/Registrar of a written request therefor from the City.

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

Section 6.5: Paying Agent/Registrar May Own Certificates. The Paying Agent/Registrar in its individual or any other capacity, may become the owner or pledgee of Certificates with the same rights it would have if it were not the Paying Agent/Registrar.

Section 6.6: Successor Paying Agents/Registrars. The City covenants that at all times while any Certificates are Outstanding it will provide a legally qualified bank, trust company, financial institution or other agency to act as Paying Agent/Registrar for the Certificates. The City reserves the right to change the Paying Agent/Registrar for the Certificates on not less than sixty (60) days' written notice to the Paying Agent/Registrar, as long as any such notice is effective not less than 60 days prior to the next succeeding principal or interest payment date on the Certificates. Promptly upon the appointment of any successor Paying Agent/Registrar, the previous Paying Agent/Registrar shall deliver the Register or a copy thereof to the new Paying Agent/Registrar, and the new Paying Agent/Registrar shall notify each Registered Owner, by United States mail, first class, postage prepaid, of such change and of the address of the new Paying Agent/Registrar. Each Paying Agent/Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Ordinance.

ARTICLE VII

PROVISIONS CONCERNING SALE AND

APPLICATION OF PROCEEDS OF CERTIFICATES

Section 7.1: Sale of Certificates; Execution of Purchase Contract. The Certificates are hereby sold and shall be delivered to the Underwriters at a price of $______________ (representing the par amount of the Certificates of $____________, plus a reoffering premium of $____________, and less an Underwriters' discount of $__________) in accordance with the terms of the Purchase Contract presented to and hereby approved by the City Council, in substantially the form attached hereto as Exhibit C, which price and terms are hereby found and determined to be the most advantageous reasonably obtainable by the City. The Mayor and other appropriate officials of the City are hereby authorized and directed to execute such Purchase Contract on behalf of the City, and the Mayor and all other officials, agents and representatives of the City are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Certificates.

Section 7.2: Approval, Registration and Delivery. The Mayor is hereby authorized to have control and custody of the Certificates and all necessary records and proceedings pertaining thereto pending their delivery, and the Mayor and other officers and employees of the City are hereby authorized and directed to make such certifications and to execute such instruments as may be necessary to accomplish the delivery of the Certificates and to assure the investigation, examination and approval thereof by the Attorney General and the registration of the initial Certificates by the Comptroller. Upon registration of the Certificates, the Comptroller (or the Comptroller's certificates clerk or an assistant certificates clerk lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificates prescribed herein to be attached or affixed to each Certificates initially delivered and the seal of the Comptroller shall be impressed or printed or lithographed thereon.

Section 7.3: Offering Documents; Ratings. The City hereby ratifies and approves the form and content and distribution of the Preliminary Official Statement as presented to the City and the designation of the Preliminary Official Statement as having been deemed final within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange

Act of 1934. The City hereby authorizes the preparation of a final Official Statement reflecting the terms of the Purchase Contract and other relevant information. The use of such final Official Statement by the Underwriters (with such appropriate variations as shall be approved by the City Manager or his designee and the Underwriters) is hereby approved and authorized and the proper officials of the City are authorized to sign such Official Statement and deliver a certificate pertaining to such Official Statement, if necessary.

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

Section 7.4: Application of Proceeds of Certificates. Proceeds from the sale of the Certificates shall, promptly upon receipt by the City, be applied as follows:

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

(2) Proceeds in the amount of $_____________ shall be deposited into the Construction Fund created in Section 5.3 of this Ordinance; and

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

Section 7.5:: Tax Exemption. The City intends that the interest on the Certificates shall be excludable from gross income of the owners thereof for federal income tax purposes pursuant to Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and all applicable temporary, proposed and final regulations (the "Regulations") and procedures promulgated thereunder and applicable to the Certificates. For this purpose, the City covenants that it will monitor and control the receipt, investment, expenditure and use of all gross proceeds of the Certificates (including all property the acquisition, construction or improvement of which is to be financed directly or indirectly with the proceeds of the Certificates) and take or omit to take such other and further actions as may be required by Sections 103 and 141 through 150 of the Code and the Regulations to cause interest on the Certificates to be and remain excludable from the gross income, as defined in Section 61 of the Code, of the owners of the Certificates for federal income tax purposes. Without limiting the generality of the foregoing, the City shall comply with each of the following covenants:

(1) Except as permitted by Section 141 of the Code and the regulations and rulings thereunder, the City shall, at all times prior to the last stated maturity of the Certificates,

(1) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed directly or indirectly with Gross Proceeds of such series of the Certificates and not use or permit the use of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity other than a state

or local government, unless such use is solely as a member of the general public, or

(2) not directly or indirectly impose or accept any charge or other payment for use of Gross Proceeds of such series of the Certificates or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with such Gross Proceeds.

(2) Except to the extent permitted by Section 141 of the Code and the regulations and rulings thereunder, the City shall not use Gross Proceeds of the Certificates to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, Gross Proceeds are considered to be "loaned" to a person or entity if (1) property acquired, constructed or improved with Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes, (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement, or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or such property are otherwise transferred in a transaction which is the economic equivalent of a loan.

(3) Except to the extent permitted by Section 148 of the Code and the regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the final stated maturity or final payment of the Refunded Obligations, directly or indirectly invest Gross Proceeds of such Certificates in any Investment (or use such Gross Proceeds to replace money so invested), if as a result of such investment the Yield of all Investments allocated to such Gross Proceeds whether then held or previously disposed of, exceeds the Yield on the Refunded Obligations.

(4) Based on all of the facts and estimates now known or reasonably expected to be in existence on the date the Certificates are delivered, the City reasonably expects that the proceeds of the Certificates (to the extent any of such proceeds remain unexpended) will not be used in a manner that would cause the Certificates or any portion thereof to be "arbitrage bonds" within the meaning of Section 148 of the Code.

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

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

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

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

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

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

(11) The City will not issue or use the Certificates as part of an “abusive arbitrage device” (as defined in Section 1.148-10(a) of the Regulations). Without limiting the foregoing, the Certificates are not and will not be a part of a transaction or series of transactions that attempts to circumvent the provisions of Section 148 of the Code and the Regulations, by (i) enabling the City to exploit the difference between tax-exempt and

taxable interest rates to gain a material financial advantage, or (ii) increasing the burden on the market for tax-exempt obligations.

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

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

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

Notwithstanding any other provision of this Ordinance, the City's representations and obligations under the covenants and provisions of this Section 7.5 shall survive the defeasance and discharge of the Certificates for as long as such matters are relevant to the exclusion of interest on the Certificates from the gross income of the owners for federal income tax purposes.

Section 7.6: Related Matters. In order that the City shall satisfy in a timely manner all of its obligations under this Ordinance, the Mayor, City Secretary and all other appropriate officers, agents, representatives and employees of the City are hereby authorized and directed to take all other actions that are reasonably necessary to provide for the issuance and delivery of the Certificates, including, without limitation, executing and delivering on behalf of the City all certificates, consents, receipts, requests, notices, and other documents as may be reasonably necessary to satisfy the City's obligations under this Ordinance and to direct the transfer and application of funds of the City consistent with the provisions of this Ordinance.

ARTICLE VIII

CONTINUING DISCLOSURE UNDERTAKING

Section 8.1: Continuing Disclosure Undertaking. The City shall provide annually to the MSRB, within six (6) months after the end of each fiscal year and in an electronic format prescribed by the MSRB, financial information and operating data with respect to the City of the general type described in the Official Statement in Tables 1-4 and 6-13, and in Appendix "B." Any financial statements so to be provided shall be (a) prepared in accordance with generally accepted accounting principles for governmental units as prescribed by the Government Accounting Standards Board from time to time, as such principles may be changed from time to time to comply with state or federal law or regulation and (b) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available at the time the financial information and operating data must be provided, then the City shall provide unaudited financial statements for the applicable fiscal year to the MSRB and shall provide to the MSRB audited financial statements, when and if the same become available.

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

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

Section 8.2: Material Event Notices. The City shall file notice of any of the following events with respect to the Certificates to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

(1) Principal and interest payment delinquencies;

(2) Non-payment related defaults, if material;

(3) Unscheduled draws on debt service reserves reflecting financial difficulties;

(4) Unscheduled draws on credit enhancements reflecting financial difficulties;

(5) Substitution of credit or liquidity providers, or their failure to perform;

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax exempt status of the Certificates, or other material events affecting the tax status of the Certificates;

(7) Modifications to rights of holders of the Certificates, if material;

(8) Certificate calls, if material, and tender offers;

(9) Defeasances;

(10) Release, substitution, or sale of property securing repayment of the Certificates, if material;

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;

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

business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and

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

As used in clause (12), above, the phrase "bankruptcy, insolvency, receivership or similar event" means the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets of the City, or if jurisdiction has been assumed by leaving the City Council and officials or officers of the City in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City. The City intends that the words used in clauses (15) and (16), above, and the definition of Financial Obligation in this Ordinance have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 8.1 hereof by the time required by Section 8.2 hereof.

<u>Section 8.3:</u> <u>Limitations, Disclaimers and Amendments</u>. The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the City remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the City in any event will give the notice required by Section 8.2 of any Certificate calls and defeasance that cause the City to be no longer such an "obligated person."

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

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

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

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

The provisions of this Article may be amended by the City from time to time to adapt to changed circumstances that arise from a change, legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the Holders and beneficial owners of the Certificates. If the City so amends the provisions of this Article it shall include with any amended financial information or operating data next provided in accordance with Section 8.1 an explanation in narrative form of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates.

Section 8.4: Information Format. The City information required under this Article shall be filed with the MSRB through EMMA in such format and accompanied by such identifying information as may be specified from time to time thereby. Under the current rules of the MSRB, continuing disclosure documents submitted to EMMA must be in word-searchable portable document format (PDF) files that permit the document to be saved, viewed, printed, and retransmitted by electronic means and the series of obligations to which such continuing disclosure documents relate must be identified by CUSIP number or numbers.

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

ARTICLE IX

MISCELLANEOUS

Section 9.1: Defeasance. The Certificates may be discharged, defeased, redeemed or refunded in any manner now or hereafter permitted by law.

Section 9.2: Application of Chapter 1208, Government Code. Chapter 1208, Government Code, applies to the issuance of the Certificates and the pledge of the ad valorem taxes granted by the City under Section 5.1 of this Ordinance, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Certificates are outstanding and unpaid such that the pledge of the taxes granted by the City under Section 5.1 of this Ordinance is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the Owners of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 9.3: Ordinance a Contract - Amendments. This Ordinance shall constitute a contract with the Registered Owners from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Certificate remains Outstanding except as permitted in this Section. The City may, without the consent of or notice to any Registered Owners, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Registered Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Registered Owners who own in the aggregate 51% of the principal amount of the Certificates then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Registered Owners of Outstanding Certificates, no such amendment, addition, or rescission shall a. extend the time or times of payment of the principal of and interest on the Certificates, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Certificates, b. give any preference to any Certificate over any other Certificate, or c. reduce the aggregate principal amount of Certificates required to be held by Registered Owners for consent to any such amendment, addition, or rescission.

Section 9.4: Legal Holidays. In any case where the date interest accrues and becomes payable on the Certificates or principal of the Certificates matures or the date fixed for redemption of any Certificates or a Record Date shall be in the City a Saturday, Sunday, legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest or principal need not be made on such date, or the Record Date shall not occur on such date, but payment may be made or the Record Date shall occur on the next succeeding day which is not in the City a Saturday, Sunday, legal holiday or a day on which banking institutions are authorized by law to close with the same force and effect as if (i) made on the date of maturity or the date fixed for redemption and no interest shall accrue for the period from the date of maturity or redemption to the date of actual payment or (ii) the Record Date had occurred on the fifteenth day of that calendar month.

Section 9.5: No Recourse Against City Officials. No recourse shall be had for the payment of principal of or interest on any Certificates or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Certificates.

Section 9.6: Further Proceedings. The Mayor, City Secretary and other appropriate officials of the City are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Ordinance.

Section 9.7: Severability. If any Section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 9.8: Power to Revise Form of Documents. Notwithstanding any other provision of this Ordinance, the Mayor is hereby authorized to make or approve such revisions, additions, deletions, and variations to this Ordinance and in the form of the documents attached hereto as exhibits as, in the judgment of the Mayor, and in the opinion of Bond Counsel to the City, may be necessary or convenient to carry out or assist in carrying out the purposes of this Ordinance, or as may be required for approval of the Certificates by the Attorney General of Texas; provided, however, that any changes to such documents resulting in substantive amendments to the terms and conditions of the Certificates or such documents shall be subject to the prior approval of the City Council.

Section 9.9: Open Meeting. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this Ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at City Hall for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 9.10: Repealer. All orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 9.11: Effective Date. This Ordinance shall be in force and effect from and after its passage on the date shown below.

Section 9.12: Preamble. The facts and recitations set forth in the preamble of this Ordinance are hereby found to be true and correct.

[signature page follows]

PASSED AND APPROVED on this March 19, 2024.

CITY OF SEABROOK, TEXAS

____
Mayor

ATTEST

____
City Secretary

(SEAL)

Exhibit A – Form of Certificate
Exhibit B – Paying Agent/Registrar Agreement
Exhibit C – Purchase Contract

EXHIBIT A

FORM OF CERTIFICATE

UNITED STATES OF AMERICA
STATE OF TEXAS

CITY OF SEABROOK, TEXAS
CERTIFICATE OF OBLIGATION, SERIES 2024

NUMBER	DENOMINATION
[1]R-	$_______________
REGISTERED	REGISTERED

[2]INTEREST RATE:	DATED DATE:	DELIVERY DATE:	[2]MATURITY DATE:	[2]CUSIP:
_________%	April 1, 2024	April 11, 2024	,	

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

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

---

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

[2] Omitted from the Initial Certificate.

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

> "THE CITY OF SEABROOK, TEXAS, a municipal corporation of the State of Texas (the "City"), for value received, hereby promises to pay to the Registered Owner identified above or its registered assigns, on September 1 of each of the years and in the principal amounts set forth in the following schedule: [Insert information regarding years of maturity, principal amounts and interest rates from Section 3.3 of the Ordinance], upon presentation and surrender of this Certificate at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, or its successor (the "Paying Agent/Registrar"), payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due to the United States of America, and to pay interest thereon at the rate shown above, calculated on a basis of a 360-day year composed of twelve 30-day months, from the later of the Delivery Date identified above or the most recent interest payment date to which interest has been paid or duly provided for."

on this Certificate is payable on September 1, 2024, and each March 1 and September 1 thereafter until maturity of this Certificate, by check sent by United States mail, first class, postage prepaid, by the Paying Agent/Registrar to the Registered Owner of record as of the close of business on the fifteenth calendar day of the calendar month immediately preceding the applicable interest payment date, as shown on the registration books kept by the Paying Agent/Registrar. Any accrued interest payable at maturity shall be paid upon presentation and surrender of this Certificate at the principal corporate trust office of the Paying Agent/Registrar.

THIS CERTIFICATE IS ONE OF A DULY AUTHORIZED SERIES OF CERTIFICATES (the "Certificates") in the aggregate principal amount of $________ issued pursuant to an ordinance adopted by the City Council of the City on March 19, 2024 (the "Ordinance") for the purpose of providing all or part of the funds to pay contractual obligations to be incurred with the design, planning, acquisition, construction, equipping, expansion, repair, renovation and/or rehabilitation of certain public works, to wit: (i) the acquisition, construction, improvement, expansion, rehabilitation and repair of City streets, alleys, sidewalks and drainage systems; and (ii) cost of professional services incurred in connection therewith.

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

THE CITY RESERVES THE RIGHT, at its option, to redeem prior to maturity the Certificates maturing on or after September 1, 2034, in whole or in part, in principal installments of $5,000 or any integral multiple thereof, on September 1, 2033, or any date thereafter, at a price equal to the principal amount of the Certificates or portions thereof called for redemption plus accrued interest to the date of redemption.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CITY OF SEABROOK, TEXAS

____
Mayor

(SEAL)

COUNTERSIGNED:

____
City Secretary

* * *

FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE

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

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

I HEREBY CERTIFY THAT there is on file and of record in my office an opinion to the effect that the Attorney General of the State of Texas has approved this Certificate, and that this Certificate has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this ________________.

____
Comptroller of Public Accounts
of the State of Texas

(SEAL)

* * *

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

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

AUTHENTICATION CERTIFICATE

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

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

By__________________________________
Authorized Signature
Date of Authentication:________________

* * *

4129-3040-5710.2

FORM OF ASSIGNMENT

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

ASSIGNMENT

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

____

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

____

(Please insert Social Security or Taxpayer Identification Number of Transferee)

the within certificate and all rights thereunder, and hereby irrevocably constitutes and appoints ______________________________ attorney to transfer such certificate on the books kept for registration thereof, with full power of substitution in the premises.

DATED:____________________________

Signature Guaranteed:

____

____

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

____

____

Registered Owner

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

*　　*　　*

EXHIBIT B

PAYING AGENT/REGISTRAR AGREEMENT

See Tab __

EXHIBIT C

PURCHASE CONTRACT

See Tab __

SEABROOK

Agenda Briefing

Date of Meeting: March 19, 2024

Responsible Department: Finance

Presenter: Michael Gibbs, Director of Finance

Briefing Prepared By: Michael Gibbs

Strategic Focus Area:

General Information:
Consider and take all appropriate action on the first and final reading of Ordinance 2024-09, Amending the Operating, Enterprise and Public Safety Vehicle and Equipment Replacement Fund Budgets for Fiscal Year 2024.

Executive Summary / Background:
The items identified in attachment A were items ordered in Fiscal Year 2023 and will be received in the Fiscal Year 2024 Budget. These items were missed on the initial budget amendment approved on January 16, 2024.

Funding / Fiscal Information:

Supporting Materials Attached:
1. Ordinance 2024-09
2. FY24 Budget Amendment

Prior Action / Review by Council, Boards, Commissions:

Staff Recommendation:
Approve Budget amendment 2024-09.

CITY OF SEABROOK
ORDINANCE NO. 2024-09

AMENDMENT NO. 3
AMENDING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023 AND ENDING SEPTEMBER 30, 2024 FOR CITY DEPARTMENT ENCUMBRANCES

AN ORDINANCE AMENDING THE AMOUNT OF APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023 AND ENDING SEPTEMBER 30, 2024 BY AUTHORIZING CERTAIN ADDITIONS IN THE AMOUNT OF $259,857 FOR GENERAL FUND, PUBLIC SAFETY VEHICLE AND EQUIPMENT REPLACEMENT FUND AND ENTERPRISE FUND, AUTHORIZING THE CITY MANAGER TO TAKE ALL ACTIONS NECESSARY TO FACILITIATE THE CHANGES IDENTIFIED; AND FINDING AVAILABLE UNENCUMBERED FUNDS FOR THE SUPPLEMENTAL APPROPRIATION AND/OR RESERVE REDUCTION.

WHEREAS, the City Council of the City of Seabrook Approved Budget Ordinance 2023-26 on September 19, 2023; and

WHEREAS, the City Council is authorized by law to make changes in the City budget for supplemental appropriations or reductions, and;

WHEREAS, the City Manager has certified there are unencumbered fund balances available for appropriation in excess of those appropriated for specific expenditures in the budget for supplemental appropriation and/or transfer; and

WHEREAS, such expenditures will occur subsequent to the adoption of the 2023/24 budget and will require formal appropriations; and

WHEREAS, said amendments are necessary to appropriate funds to provide proper fund accounting for changes a variety of expenditure and revenue lines as a result of timing circumstances relating to the time of budget adoption; and

WHEREAS, the City Council finds it in the public interest to amend the total Fiscal Year 2023/24 Operating Budget for the General Fund, Public Safety Vehicle and Equipment Replacement Fund and Enterprise by adjusting various budget accounts as outlined in **Exhibit “A”**

WHEREAS, the City Council of the City of Seabrook finds and determines that this budget amendment complies with all requirements under its Charter and laws;

THIS SPACE INTENTIONALLY LEFT BLANK

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEABROOK, STATE OF TEXAS:

THAT, the 2023/24 Adopted Budget for the City of Seabrook for the period beginning on October 1, 2023 and ending on September 30, 2024 is hereby amended by decreasing and increasing various funds and department line items in the total amount of $259,857 as set out in **Exhibit "A", Budget Amendment #3** to FY 2024 attached hereto and incorporated herein.

PASSED, AND APPROVED with a quorum present, by an affirmative vote of a majority of Councilmembers present, in accordance with Seabrook City Charter Section 2.10, on first and final reading this **19th day of March, 2024.**

____

Thomas G. Kolupski
Mayor

ATTEST:

____

Rachel Lewis, TRMC
City Secretary

APPROVED AS TO FORM:

____

David Olson
City Attorney

2024-09 Budget Amendment #4
General Fund and Enterprise Fund

Attachment A

AMENDMENT NO. 3 TO THE BUDGET OF THE CITY OF SEABROOK, TEXAS FOR THE FISCAL YEAR 2023-24

Department	Fund	General Ledger Account Number	General Ledger Account Name	Expenditure Budget Amendment Description	2023-24 Budget	Amendment Amount	2023-24 Amended Budget
200 Public Safety	General	200-4150	Equipment	Simulator	$ 6,999	$ 8,000	$ 14,999
	General	200-5311	Hangun Training	Glock and Ammo	$ 24,778	$ 4,060	$ 28,838
	General	001-2000	Budgetary Fund Balance	Reserves used to fund amended items		$ (12,060.09)	$ (12,060)
			Total General Fund Amendment				$ 12,060
902 Water	Enterprise	902-5180	Maintenance	Fence well site #3	$ 10,000	$ 36,719	$ 46,719
		020-2000	Budgetary Fund Balance	Reserves used to amend items	$ -	$ (36,719)	$ (36,719)
			Total Enterprise Fund Amendment				$ 36,719
810 PS VERF	PSVERF	810-6010	Vehicles	3 Tahoes orders FY22	$ 399,378	$ 128,325	$ 527,703
	PSVERF	810-6020	Vehicle Equipment	Tahoe upfit	$ -	$ 82,752	$ 82,752
	PSVERF	081-2000	Budgetary Fund Balance	PSVERF reserves used to amend	$ 963,375	$ (211,077.00)	$ 752,298
			PS Vehicle & Equipment Replace Fund Amendment				$ 211,077

SEABROOK

Agenda Briefing

Date of Meeting: March 19, 2024

Responsible Department: Human Resources

Presenter: Yesenia Garza, Director of Human Resources

Briefing Prepared By: Yesenia Garza

Strategic Focus Area:

General Information:
Consider and take all appropriate action on the first reading of Ordinance 2024-10, modifying the Civil Service Classification System for the Seabrook Police Department

Executive Summary / Background:
Ordinance 2024-10 completes a revision to the Seabrook Civil Service classification count with the recent promotion and addition of a new Lieutenant position. Ordinance 2023-32 added the new Lieutenant position but without a promotion the shift of the count from Sergeant to Lieutenant could be fulfilled until the exam and promotion was complete.

This ordinance fulfills and keeps the department at 32 sworn officers with this change on this ordinance.

Funding / Fiscal Information:

Supporting Materials Attached:
1. Ordinance No. 2024-10

Prior Action / Review by Council, Boards, Commissions:

Staff Recommendation:
Approve Ordinance 2024-10

CITY OF SEABROOK
ORDINANCE 2024-10

AN ORDINANCE MODIFYING AND CONTINUING A CIVIL SERVICE CLASSIFICATION SYSTEM CONSISTING OF CLASSES, POSITIONS, PAY GRADES AND COMPENSATION LEVELS IN THE CLASSIFIED SERVICE OF THE SEABROOK POLICE DEPARTMENT; PROVIDING FOR A REPEAL WITH LIMITED EXTENSION; PROVIDING A SEVERABILITY CLAUSE, AN EFFECTIVE DATE, CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT AND REPLACING PREVIOUSLY ADOPTED ORDINANCES 2023-32

RECITALS

WHEREAS, on September 20, 2011 by Ordinance No. 2011-13, the City Council of the City of Seabrook, Texas adopted a Civil Service Compensation Plan, including the classifications and salaries for the sworn personnel positions with the Police Department of the City of Seabrook; and

WHEREAS, on October 1, 2013 the City Council of the City of Seabrook replaced Ordinance No. 2011-13 with the passage of Ordinance No. 2013-21, which contained updates to the Civil Service Classification, Provisions and Salary Scale; and

WHEREAS, on June 3, 2014 the City Council of the City of Seabrook replaced Ordinance No. 2013-21 with the passage of Ordinance No. 2014-11, which contained updates to the Civil Service Classification, Provisions and Salary Scale; and

WHEREAS, on August 20, 2019 the City Council of the City of Seabrook replaced Ordinance No. 2014-11 with the passage of Ordinance No. 2019-16, which removed the position of Police Captain and to increase the number of officers in the position of Sergeant from six (6) to seven (7) officers, but did not approve updated exhibits and attachments; and

WHEREAS, on January 21, 2020, the City Council of the City of Seabrook replaced Ordinance No. 2019-16, with the passage of Ordinance No. 2020-06, which contained updates and revisions to the Civil Service Classification, Provisions and Salary Scale; and which maintained all regulations regarding civil service in one combined ordinance; and

WHEREAS, on October 18, 2022, the City Council of the City of Seabrook replaced Ordinance No. 2020-06, with the passage of Ordinance No. 2022-20, which contained updates and revisions to the Civil Service Classification, Provisions and Salary Scale; and which maintained all regulations regarding civil service in one combined ordinance; and

WHEREAS, on December 19, 2023, the City Council of the City of Seabrook replaced Ordinance No. 2022-20, with the passage of Ordinance No. 2023-32, which contained updates and revisions to the Civil Service Classification; and

WHEREAS, this amendment decreases the number of officers in the position of Sergeant from seven (7) to six (6) officers with the successful administration of a promotional exam and the appointment of an officer to the Lieutenant position.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEABROOK, STATE OF TEXAS:

Section 1.-Adoption of a Municipal Civil Service System

This ordinance is enacted following the adoption of a municipal civil service system for Seabrook Police Officers pursuant to Texas Local Government Code Chapter 143 "Municipal Civil Service", (Civil Service) by the citizens of Seabrook in a referendum election on May 7, 2011. The provisions of Civil Service were fully implemented and in effect on or after October 30, 2011 as required by law.

The Council makes the following findings:

(A) The City adopted Texas Local Government Code Chapter 143 "Municipal Civil Service", applies to members of the classified service in the Seabrook Police Department.

(B) Chapter 143 (Municipal Civil Service) provides that the City Council shall establish the classifications for the Police Department and the number of positions within each classification.

(C) This Ordinance amends the existing classifications as noted below for law enforcement personnel commissioned by the City of Seabrook, Texas.

Section 2. - Classifications

The Seabrook Police Department classified civil service shall consist of the following classifications and the number of positions in each classification:

FLSA	Title	Number of Positions
N	Lieutenant	3
N	Sergeant	~~7~~ 6
N	Police Officer	23
	TOTAL	~~33~~ 32

Section 3- Adoption

Should any part of this ordinance be held invalid by a court of competent jurisdiction, the remaining parts shall be severable and shall continue to be in full force and effect.

PASSED AND APPROVED on first reading this _______ day of _________, 2024.

PASSED AND ADOPTED on second and final reading this _______ day of _________, 2024.

CITY OF SEABROOK

BY: ___________________________
Thomas G. Kolupski
Mayor

ATTEST:

BY: __________________________
Rachel Lewis, City Secretary

TRAP – NEUTER – RETURN

Pilot Program

Purpose

City of Seabrook endorses Trap-Neuter-Return (TNR) as a method of controlling feral cat populations through community-based resources dedicated to:

- Spay/Neuter, vaccinate, and care for feral cats
- Abate nuisances or other public health threats caused by feral cats; and
- Reduce the number of feral cats euthanized at the City's animal shelter

TNR in Seabrook will be accomplished through a partnership between TNR Sponsors, TNR Caregivers, and the City of Seabrook.

Key Responsibilities - Sponsor

- Sponsors obtain a no-cost permit from the City of Seabrook
- Sponsors establish process to approve or deny Caregiver applications
- Sponsors must oversee the activities of the Caregivers they sponsor
- Sponsors must fully cooperate with the City in resolving all program conflicts / issues

Key Responsibilities - Caregiver

- ❖ Caregivers must be registered with the Sponsor and credentialled
- ❖ Caregivers must make reasonable efforts to actively participate in TNR process
- ❖ Caregivers must report activity to Sponsor on a monthly basis
- ❖ Caregivers may only feed animals within the program parameters
- ❖ Caregivers may not incur any costs chargeable to the City
- ❖ Caregivers must fully cooperate with the Sponsor and the City to resolve conflict

Key Responsibilities – City of Seabrook

- City will credential approved Sponsors and Caregivers
- City will monitor and collect program data
- City will provide microchips for program animals
- City will provide humane euthanizing for program animals when requested
- City has ultimate responsibility to resolve program conflicts

Program Implementation

Target date for implementation has been set for April 1, 2024.

City of Seabrook
6 Month Trap-Neuter-Release (TNR) Pilot Program

SUBJECT/TITLE	TNR Pilot Program
APPLICABILITY	Staff, Public
CONTACT PERSON & DIVISION	Chief of Police
ORIGINAL DATE ADOPTED	03/19/2024
LATEST EFFECTIVE DATE	10/01/2024
REVIEW FREQUENCY	Every 2 Months
CITY COUNCIL APPROVAL DATE	03/19/2024
REFERENCE NUMBER	210-024-P-01

Purpose

The City of Seabrook endorses Trap-Neuter-Return (TNR) as a method of controlling feral cat populations and as a means of establishing a system of community-based resources dedicated to:

- Ensuring feral cats are spayed/neutered, vaccinated and adequately cared for by TNR Caregivers;
- Abating nuisances or other public health or safety threats caused by feral cats; and
- Reducing the number of feral cats euthanized at the City's animal shelter.

TNR in Seabrook will be accomplished through a partnership between TNR Sponsors, TNR Caregivers and the City of Seabrook. Responsibilities for each of these three entities are detailed below.

Sponsors Responsibilities:

1. Sponsors must obtain a no-cost permit from the City of Seabrook to serve in this capacity.

   a. To obtain a permit, a sponsor must:
      (i) Fill out a sponsor application form to be reviewed and assessed by the City.
      (ii) Be approved by the Police Chief or his/her designee and agree to comply with the requirements set forth in this policy.
      (iii) Demonstrate the ability, capacity and willingness to comply with the requirements set forth in this policy.

2. Sponsors must establish processes to evaluate and approve (or deny) TNR Caregiver application requests.

3. Sponsors must oversee the activities of the TNR Caregivers for which they serve as Sponsor by:

   a. Maintaining access to Caregiver records, including number of cats in the targeted colony, and vaccination and spay/neuter records that are searchable by microchip number for each cat in the targeted Caregiver colony.
   b. Providing for Caregivers, at a minimum, Department-approved written educational training addressing uniform standards and procedures for colony maintenance.
   c. Assisting to resolve any complaints over the conduct of a TNR Caregiver for which they serve as Sponsor.
   d. Ensure that all services and post recovery is planned and approved for with TNR Caregiver before a trapping is authorized

4. Sponsors must fully cooperate with the City in resolving:
   a. Any situation involving TNR Program Cats posing a potential threat to public health and/or safety, including the possible risk of rabies transmission;
   b. Any investigation into animal cruelty involving TNR Program Cats;
   c. Any nuisance investigation involving TNR Program Cats;
   d. Any situation involving TNR Program Cats in unsafe or inappropriate areas.

Caregiver Responsibilities:

1. Caregivers must register with an appropriately-permitted Sponsor.

2. Caregivers must take appropriate and reasonable steps to:
    a. Vaccinate the TNR Program Cat colony population for rabies and to update the vaccinations in accordance with state law;
    b. Spay or neuter colony population by a licensed veterinarian;
    c. Eartip the left ear of cats that are in the TNR Program.
    d. Cats are not considered TNR Program Cats until they have been spayed or neutered, vaccinated, eartipped and records have been filed as required below.

3. Caregivers must provide their Sponsor with records, including number of cats in each colony, and vaccination and spay/neuter records that are associated with each TNR Program Cat.

4. Caregivers are only allowed to feed as part of this Pilot Program

5. Caregivers must obtain proper medical attention for any TNR Program Cat that appears to require it.

6. Caregivers must observe the TNR Program Cats at least twice per week and monitor any illness or unusual behavior noticed in any TNR Program Cat.

7. Caregivers must obtain approval of the owner of any property, or any authorized representative of the owner, to which TNR Caregiver requires access to provide TNR Program Cat care. The targeted area for this pilot program is Waterfront Drive on a dead-end public easement **Exhibit "A"**

8. Caregivers must provide Sponsor with a monthly accounting of
    a. the number of all cats in their colony at beginning of the program,
    b. the number of all cats in their colony at the end of month, and
    c. explanation of any variances.

9. Caregivers must pay for medical and vaccination services. Caregivers must produce written approval from sources for medical and vaccination services before starting the TNR program.

10. Caregivers must fully cooperate with their Sponsor and or the City to address:

a. Any situation involving TNR Program Cats posing a potential threat to public health and/or safety, including the possible risk of rabies transmission;
b. Any investigation into animal cruelty involving TNR Program Cats;
c. Any nuisance complaint investigation involving TNR Program Cats;
d. Any situation involving TNR Program Cats in unsafe or inappropriate areas.

City of Seabrook Responsibilities:

1. The City of Seabrook's responsibilities will be carried out by the Police Chief or his/her designee

2. Credentialing of Sponsors and Caregivers with approved lanyards

3. The City is ultimately responsible for resolving complaints received involving feral cats, TNR Program Cats, TNR Sponsors and TNR Caregivers.

4. In response to a nuisance cat complaint in the targeted area **on Waterfront**, the City shall:
    a. Offer educational material on humane techniques to deal with nuisance cats.
    b. Contract a sponsor to coordinate the cat to be trapped.
    c. Offer other trap service resource referrals.
    d. Utilize its authority as established in the City of Seabrook Animal Control Ordinance.

5. If a cat is brought to the animal shelter, the City shall: (Animal control will release captured TNR Program Cats (any ear tipped cat) on site and will not take them to the shelter unless it is a nuisance cat or sick.)

    a. Determine if cat is part of the TNR program.
        i. If it is not a part of the program the shelter will follow normal shelter protocol to deal with the animal or transfer the cat to a TNR program.
        ii. If it is a part of the TNR Program, the shelter shall notify the Sponsor for the TNR Cat.

            1. If the TNR Program Cat has not been previously deemed a nuisance, City may release the TNR Program Cat to a TNR Caregiver.

a. Vaccination verification must be provided to the shelter prior to release or the TNR Program Cat must be vaccinated prior to release.
b. Shelter shall determine if the cat is too sick or diseased to be rereleased in which case the shelter may medically treat or humanely euthanize the TNR Program Cat.
c. The cat shall be micro chipped.
d. TNR Caregiver is responsible for paying medical, vaccination and micro chipping expenses that are provided by the City shelter.

2. If the TNR Cat has been deemed to be a nuisance more than once, City will not release cat to TNR Caregiver to be returned to the environment in which it has been previously removed as a nuisance.
   a. City may release cat to another entity that agrees to relocate cat in an area the City determines will not pose a nuisance threat (i.e. barn cat program).
   b. City may humanely euthanize the TNR Cat if has been deemed a nuisance more than once.

City of Seabrook Authority During this Pilot Program:

1. The City has the authority to revoke TNR Sponsor and TNR Caregiver status if City determines the Sponsor or Caregiver has failed to comply with policy requirements.
2. For the purposes of this policy, the City shall determine when there is a potential threat to public health or safety, when TNR Program Cats are in unsafe or inappropriate areas, or if TNR Program Cats are at risk of harm or suffering.
3. If the City determines that a TNR Program Cat or TNR Program Cat Colony poses a threat to public health or safety, are in unsafe of inappropriate areas, or determines the TNR Program Cats are at risk of harm or suffering, the City shall have the discretion to undertake any lawful action deemed necessary including removing individual TNR Program Cats or entire TNR Program Cat Colony.
4. If Sponsor and/or Caregiver are unsuccessful in correcting an identified nuisance, the City may remove nuisance TNR Program Cat or TNR Program Cat Colony.

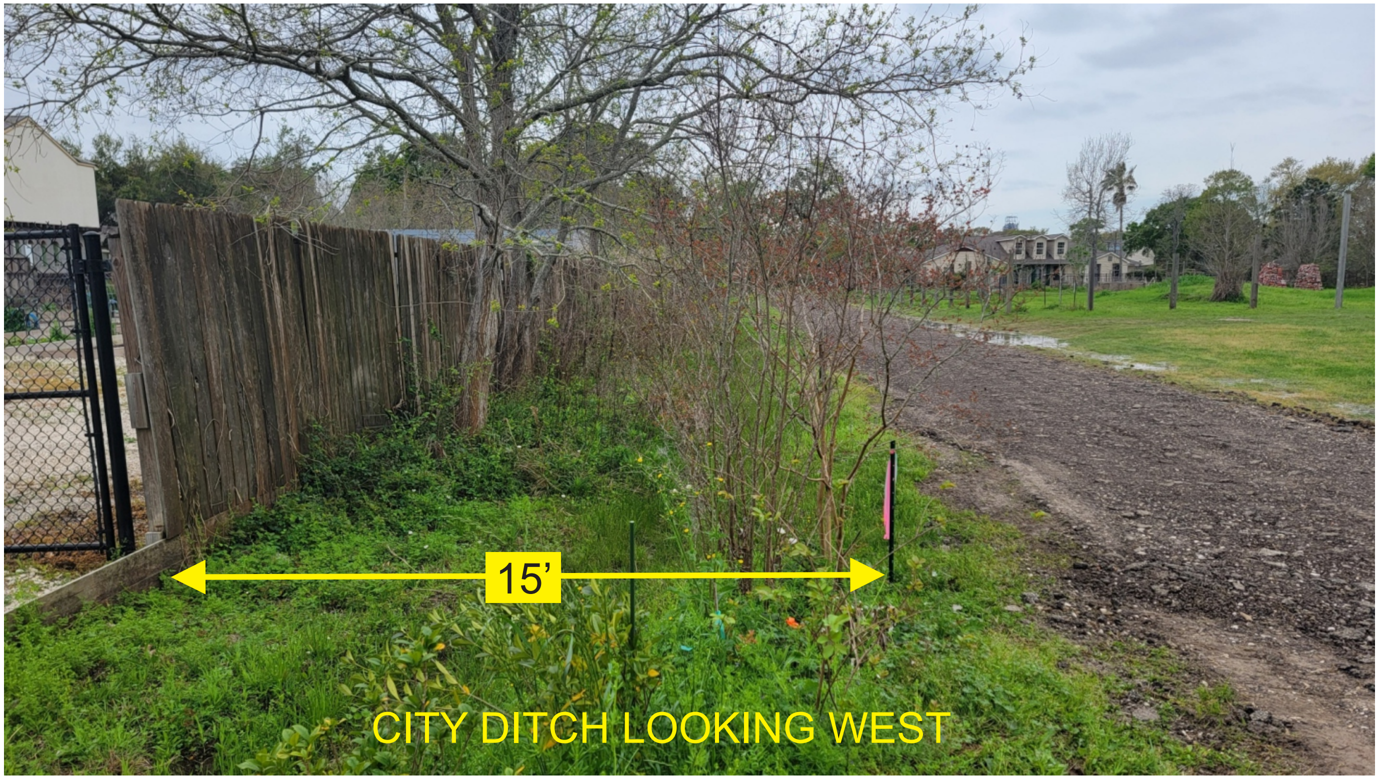
TNR Area

101 WATERFRONT
0 WATERFRONT AVE ST
114 WATERFRONT DR
0 WATERFRONT ST
0 WATERFRONT STREET ST
0 WATERFRONT STREET ST
0 11TH ST
210 WATERFRONT DR
210 11TH ST
9 WATERFRONT ST
209 WATERFRONT DR
20 m
100 ft

HCAD #0410080020010
OWNER: JONES, JESSE W JR
Pine Gully Rd
617
621
613
609
601
541
537
533
529
609
614
Tue Jan 9 2024
50 ft
Imagery © 2024 Nearmap, HERE


JONES EASEMENT LOOKING EAST


17'
CITY DITCH LOOKING EAST


15'
CITY DITCH LOOKING WEST

AGREEMENT BETWEEN CITY OF SEABROOK AND CAROTHERS COASTAL GARDENS 501c(3) FOR DEVELOPMENT, OPERATION AND MAINTENANCE OF CAROTHERS COMMUNITY GARDENS

This Agreement ("Agreement") is made and entered into this _____ day of_, 2024, by and between the City of Seabrook, Texas, a Texas municipality ("City") and CAROTHERS COASTAL GARDENS a 501c(3) not-for profit licensed to do business in the State of Texas, as sponsor and managing operator ("Operator") of a not-for-profit community garden activity at the City's Carothers Coastal Garden land.

RECITALS:

WHEREAS, the City of Seabrook City Council approved Resolution 2021-14 ***(Exhibit B)*** on October 19, 2021, 'Establishing Carothers Community Garden', providing initial infrastructure funding, and acknowledging garden rules. In the establishing resolution, no additional terms and conditions were established by the City for the Operator of the garden facilities for general operations; and

WHEREAS, the City desires to support independent organizations providing services beneficial to the Community and its members and provide for further operating guidelines for use of public property; and

WHEREAS, the Operator has successfully developed the community garden into a project that utilizes volunteers to operate the garden and is desirous of maintaining its activities and securing an agreement that provides greater certainty of the opportunity to enhance the 501(c)(3) activities; and

WHEREAS, the Operator wishes to continue to use the portion of City-owned property and as identified in **Exhibit A** for the purpose of a Community Garden under a Management and Operations Agreements; and

WHEREAS, the purpose of this agreement is for terms and conditions for the continued operation of the project and allowing the Operator to maintain a community garden for the benefit and enjoyment of the citizens of the City of Seabrook and the public on land owned by the City of Seabrook and adjacent land of Pine Gully Park as identified in ***Exhibit A***.

NOW, **THEREFORE**, in consideration of the mutual covenants and promises herein contained, City and Operator enter into this agreement.

TERMS

1. **RECITALS**: The recitals are true and correct and are hereby incorporated into and made a part of this Agreement.

2. **TERM:** The term of this Agreement shall be for the duration of three (3) years commencing on the effective date at the beginning of this agreement.

3. **PROJECT FUNDING BY CITY:**
City will disburse funds annually and set by the fiscal year budget as budgeted and approved by the City Council. The Operator will submit an Annual Plan and Budget to exhibit proposed use of funds for annual consideration.

Operator shall spend funds received from City solely for the purposes listed in its Annual Plan and Budget. Funds not expended in the year covered by the Annual Plan and Budget may be carried over by Operator into succeeding years. Upon termination of this Agreement all funds of any kind received from City and not expended by Operator shall be returned to City. Operator shall provide for such fiscal control and accounting procedures as are necessary to assure proper disbursement and accounting for funds received from City.

4. **503(c)(3) EXPENSE CONSIDERATIONS**: The City and the Operator hereby acknowledge that this Agreement is supported by good and valuable consideration, the sufficiency and delivery of which is hereby acknowledged. The parties agree that the Operator is responsible for all expenses not otherwise mentioned in the agreement.

5. **FACILITY MAINTENANCE FOR PROJECT:** Operator will provide and pay for any facility maintenance which may be required on the Property that is not a covered structure by the City's property insurance coverage.

6. **PROPERTY:** The Property which is the subject of this Agreement consists, more or less, of parcel owned by the City identified by ***Exhibit A***.

7. **TITLE TO IMPROVEMENTS:** Title to Improvements that shall be placed upon the Property by Operator shall vest in City upon the completion of the Improvements, and Operator acknowledges that it shall have no right to remove such fixed or permanent improvements from the Property.

8. **INSPECTION AND ACCESS TO PROPERTY:** During the term of the Agreement and any renewal or extension hereof, Operator shall permit the representatives of City access to the Property at all times and may perform inspections on an as needed basis, with or without notice. A formal inspection shall occur at least once per year by a representative of the City and shall include but not be limited to, documenting improvements, condition of the property, safety related issues, and compliance with City code.

9. **NO MORTGAGES OR ENCUMBRANCES**: Operator shall not mortgage, encumber, or allow any liens to be placed against the Property or its leasehold interest therein.

10. **OPERATOR'S USE:** The Operator shall have the right to occupy and use the Property for the purpose of growing and harvesting legal plants and produce and operating a community gardening program for the purposes described herein under this Agreement and in accordance with the following limitations:

    a) Operator shall assign approximately 80% of gardening plots for City of Seabrook residents. For the purpose of this agreement, Seabrook residents are citizens that reside in the city limits proper.

b) City shall provide a combination lock to the facility and to serve the citizenry, the garden shall be open to the public upon request and there shall be appropriate signage that states "Garden Access" and contact information.

c) Operator shall maintain the Property in a neat and orderly manner according to standards as determined by the City. All repairs required will be the responsibility of the Operator.

d) The City must approve all changes in design and construction plans for the community garden area prior to construction. All Property improvements will comply with all local, state, and federal requirements of the Americans with Disabilities Act and comparable state legislation where applicable.

e) The Operator shall not demolish any structure, grade facilities, or construct any amenity without first having obtained approval of the City in writing, and shall be required to apply for all appropriate permits and shall be responsible for paying all related fees.

f) The Operator may utilize an irrigation system on the Property but after initial installation, it will be responsible for all related new installation expenses, repairs, and maintenance.

g) The Operator will notify the City immediately if any incidents occur at the Property which require medical attention or whenever public safety personnel are called to assist in any circumstance.

h) The Operator may conduct fundraising events on the Property (but must comply with the special event process, Chapter 65 – *Parks, Recreation and Municipal Facilities, Division 2 and all future amendments*).

i) The Operator will secure and maintain on file a valid hold harmless agreement approved by the City with respect to each volunteer admitted entering onto the Property. The individual Hold Harmless Agreements signed by the volunteers will include full names, addresses on the approved form. The individual Hold Harmless Agreements will be renewed annually and submitted to the City by June 1st each calendar year.

j) The City maintains the right to disallow any specific activity which it deems to be contrary to the best interests of the City of Seabrook on the Property and shall notify the Operator of such disallowance in writing.

k) The City will pay ______% for the utilities.

l) Any loss or damage to equipment (contents) and or materials owned by the Operator shall be the full responsibility of the Operator. The City will have no liability for losses.

m) Any outside vendor engaged by the Operator to perform work in the Garden must be in accordance with the City's procurement policies.

n) Damage to City owned property caused by the Operator shall be the responsibility of the Operator.

o) The Operator shall present to City Council a formal annual performance review on:

1. the activities and accomplishments of the Operator
2. level of participation by Seabrook residents
3. any significant change in the Operator's purpose, goals, objectives in relation to establishment Resolution 2021-14

p) Requests by the Operator for support from City staff must be made through the City Manager's Office. Costs for these services will be determined on a case by case basis and will be payable in full with in thirty (30) days of completion.

q) Operator shall ensure any City signage on the Property remains visible and shall not obscure such signage, nor permit others to do the same without prior written consent of the City.

8. **BACKGROUND CHECKS FOR VOLUNTEERS ENGAGING WITH MINORS** Operator shall require any volunteers participating in activities on the Property involving direct contact with youth to complete to the Application & Background Check Process detailed in the City's Volunteer Policy, Resolution No. 2018-03, or as subsequently amended. Operator shall not permit any volunteer to participate in such activities without the specific prior written approval from the City.

9. **CONFLICTS OF INTEREST:** No officer or employee of the City shall have any interest, direct or indirect, in this Agreement or in the proceeds thereof. During the term of this agreement, the Operator shall not accept employment or an obligation which is inconsistent with or Operator's obligations under this agreement.

10. **OPERATOR'S ACKNOWLEDGEMENTS AND REPRESENTATIONS:** Operator represents to and covenants with City that the representations made by it are true and correct and that Operator shall use the Property only for such purposes as described.

11. **FINANCIAL TRANSPARENCY:** The Operator and the City agree that any all financial documents (including any all records of donations), receipts and information shall be available to each party at any time.

12. **EXPANSION OF USE OF PROPERTY:** The Operator must make written request for change in purpose of use to the City Manager and approval by City Council.

13. **RELATIONSHIP OF THE PARTIES:** The Operator shall be an independent contractor of its activities on the Property and shall not be an agent of the City of Seabrook. The City is granting the Operator the right to use the Property for gardening purposes only, and it is not the intent of the parties that a Landlord/Tenant relationship is created by this Agreement, nor is it the intent that this Agreement creates any third-party beneficiaries. It is also not the intent that no commercial or property value benefit be derived from the current Operator.

14. **THIRD PARTY REPRESENTATIONS AND USE OF CITY LOGO:** The Operator shall not use the City logo as representation or imply association as a representative of the City for soliciting funds, grants or other income.

15. **SOVEREIGN IMMUNITY:** The City does not waive its right of sovereign immunity, its police power to provide for the public interest and safety, nor its municipal authority to provide for and protect its assets by entering into this Agreement.

16. **INDEMNITY: THE OPERATOR AGREES TO INDEMNIFY AND HOLD HARMLESS CITY, ITS OFFICERS, AGENTS, EMPLOYEES AND VOLUNTEERS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, CAUSES OF ACTION, LOSSES, DAMAGES, LIABILITIES KNOW OR UNKNOWN, AND ALL COSTS AND EXPENSES, INCLUDING ATTORNEY'S FEES, IN CONNECTION WITH ANY INJURY OR DAMAGE TO PERSONS OR PROPERTY ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT.**

17. **INSURANCE REQUIRED:** The Operator will maintain current Commercial General Liability Insurance Policy with limits of $1,000,000 per occurrence, with the City named as an additional named insured, and Operator will provide the City's Risk Manager with a current copy of each such policy. A Certificate of Insurance in an acceptable format and in compliance with this subsection is attached to this Agreement as ***Exhibit C***. Failure of the Operator to maintain Commercial General Liability Insurance could result in the immediate termination of the agreement. The City shall have the right to make reasonable increases to the minimum required limits of liability during the term of this Agreement or any renewal or extension hereof. Operator shall be responsible for all deductibles and self-insured retentions under its insurance policies.

18. **COMPLIANCE WITH LAWS:** Operator, by exercising the rights granted herein, shall not discriminate, or permit discrimination against any person or group of persons in any manner on the grounds of race, color, sex, sexual orientation, religion, national origin or ancestry, age, physical handicap, or disability. Non-compliance with such assurances shall constitute a breach of this Agreement, and in the event of non-compliance, City may take appropriate action to enforce compliance and, at its option, may terminate this Agreement or seek judicial enforcement thereof. Applicable Law. This Agreement shall be governed by and construed and enforced in accordance with all federal state, county and city laws, statutes, ordinances, rules and regulations and the orders and decrees of any courts or administrative bodies in any manner affecting performance of the agreement, and venue shall lie in Harris County, Texas. Notices. All notices regarding this Agreement shall be addressed from one party to the other according to the following: 1) City of Seabrook, City Manager, 1700 First Street, Seabrook, TX; 2) Carothers Coastal Gardens Non-Profit, 15150 Middlebrook Dr, Houston, Texas 770585

19. **REMEDIES FOR DEFAULT:** In the event that Operator defaults on any of its obligations as set forth, Operator shall have a ten-day period in which to cure the default calculated from the day that Operator is notified of the default. Should Operator fail or refuse to cure the default, then City, in its sole and absolute discretion, may terminate this Agreement. At no time shall Operator be entitled to the remedy of specific performance. City reserves the right to exercise all legal and equitable remedies available to it in the event of an uncured default by Operator.

20. **AMENDMENTS:** No modification too this agreement shall be effective unless and until such modification is evidenced by writing signed by all parties.

IN WITNESS WHEREOF the parties hereto have subscribed their names the date first written above.

[REMAINED OF PAGE LEFT INTENTIANALLY BLANK]

[SIGNATURE PAGE FOLLOWS]

CITY:

City of Seabrook

By: ___________________________
Thomas Kolupski
Mayor

OPERATOR:

CAROTHERS COASTAL GARDENS

By: ___________________________

ATTEST:

____

Witnesses:

____
Signature

Print Name: ______________________

____
Signature

Print Name: ______________________

Witnesses:

____
Signature

Print Name: ____________________________

____
Signature

Print Name: ____________________________

EXHIBIT A
AERIAL PHOTOGRAPH AND BOUNDARY

Exhibit A

- LEASED PREMISES

EXHIBIT B

RESOLUTION 2021-21

CITY COUNCIL –ESTABLISHING CAROTHERS COASTAL COMMUNITY GARDEN

EXHIBIT C

CERTIFICATE OF INSURANCE