Commissioners Court –May 31, 2016
NOTICE OF A MEETING OF THE
COMMISSIONERS COURT OF HAYS COUNTY, TEXAS

This Notice is posted pursuant to the Texas Open Meetings Act. (VERNONS TEXAS CODES ANN. GOV. CODE CH.551). The Hays County Commissioners Court will hold a meeting at **9:00 A.M.** on the **31st day of May, 2016**, in the Hays County Courthouse, Room 301, San Marcos, Texas. An Open Meeting will be held concerning the following subjects:

CALL TO ORDER
INVOCATION
PLEDGE OF ALLEGIANCE - **Pledge of Allegiance to the American Flag & Pledge of Allegiance to the Texas Flag**
ROLL CALL

PRESENTATIONS & PROCLAMATIONS

1	4-6	Presentation of Hays County Service Awards. **COBB/BAEN**
2	7	Presentation by representatives of Central Texas Medical Center and Live Oak Health Partners to provide an update on the operations of the Community Health Clinic. **COBB/GARZA**

PUBLIC COMMENTS

At this time **3-MINUTE** comments will be taken from the audience on Non-Agenda related topics. To address the Court, please submit a Public Participation/ Witness Form to the County Clerk. Please Complete the Public Participation/ Witness Form in its Entirety.
NO ACTION MAY BE TAKEN BY THE COURT DURING PUBLIC COMMENTS.

CONSENT ITEMS

The following may be acted upon in one motion.
A Commissioner, the County Judge, or a Citizen may request items be pulled for separate discussion and/or action.

3	8	Approve payments of county invoices. **HERZOG**
4	9-15	Approve Commissioners Court Minutes of May 24, 2016. **COBB/GONZALEZ**
5	16	Authorize Commercial OSSF Permit at 201 S Canyonwood Drive, Dripping Springs, TX, 78620. **WHISENANT/MCINNIS**
6	17	Authorize the County Judge to execute a Professional Service Agreement with Kennedy Above/Under Ground, LLC for work performed at the Gay Ruby Dahlstrom Nature Preserve. **JONES/GARZA**
7	18-23	Authorize the County Judge to execute Amendment Number One (1) to the FY16 Public Health Emergency Preparedness (PHEP) one-time discretionary Unique Contract with the Department of State Health Services (DSHS). **COBB/HAUFF/GARZA/JONES**
8	24-25	Authorize the County Judge to execute Amendment 3 to the grant Project Agreement with the Texas Parks and Wildlife Department (TPWD) to extend the completion date for the Dahlstrom Ranch Trail project to June 30, 2017. **JONES/HAUFF**
9	26	Approve out of state travel for Detective Ryan Hayden in place of Mark Opiela to attend the International Homicide Investigators Association Conference in New Orleans, Louisiana. **COBB/CUTLER**
10	27	Approve the cancellation of the Hays County Commissioners Court on July 5, 2016. **COBB**
11	28-31	Approve Utility Permits. **COBB/BORCHERDING**
12	32-33	Approve the purchase of a replacement touch screen monitor for the Communications Division where a purchase order was not obtained. **COBB/CUTLER**
13	34-50	Approve specifications for RFP 2016-P11 Low Water Crossing Warning System and Detention Basin Monitoring Network and authorize Purchasing Manager to solicit for proposal and advertise. **CONLEY/MAIORKA/SMITH/MCINNIS**
14	51-70	Authorize the County Judge to submit a grant application to the U.S. Department of Justice, Edward Byrne Memorial Justice Assistance Grant (JAG) program FY16 Local Solicitation for Bulletproof Vests for Law Enforcement Personnel in the amount of $11,215.00. **CONLEY/HAUFF**
15	71-106	Accept the 2015 Hays County ESD #3 Audit Report. **CONLEY**

16	107-108	Authorize the Office of Emergency Services to purchase a DJI Thermal Camera with accessories and amend the budget accordingly. **CONLEY/SMITH**
17	109	Accept various donations for the Kyle Depot Project and amend the budget accordingly. **COBB/JOHNSON**
18	110-113	Authorize the County Judge to execute an Interlocal Agreement between Travis County and Hays County for Vehicle Use Related to the Sheriff's Combined Auto Theft Task Force. **COBB/CUTLER**

ACTION ITEMS

ROADS

19	114-118	Discussion and possible action to consider an extension of the maintenance bond for an additional 2-year period for Transportation Way off of Posey Rd, replacing the current maintenance bond expiring June 3, 2016, to accommodate future widening and extending of the roadway to a new development. **CONLEY/BORCHERDING**

SUBDIVISIONS

20	119-122	SUB-110 Studio Estates Section 2B (95 lots). Discussion and possible action to accept fiscal surety for street and drainage improvements in the amount of $25,000 (Check # 7373); approve final plat. **JONES/HAIRELL**

MISCELLANEOUS

21	123-137	Discussion and possible action to authorize the Sheriff's Office to hire one new Deputy SRO position for the Hays Consolidated Independent School District ("HCISD") effective August 1st using salary savings for the 25% cost share; and to authorize the County Judge to execute a 2nd Letter Amendment to the Interlocal Cooperation Agreement between Hays County and HCISD. **JONES/CUTLER**
22	138-324	Discussion and possible action to approve an Order by the Commissioners Court of Hays County, Texas, authorizing the issuance of "Hays County, Texas Pass-Through Toll Revenue and Limited Tax Bonds;" Levying an annual ad valorem tax, within limitations prescribed by law, for the payment of the Bonds and further securing said Bonds by a lien on and pledge of certain pledged revenues; prescribing the form, terms, conditions, and resolving other matters incident and related to the issuance, sale, and delivery of the Bonds; authorizing the execution of a Paying Agent/Registrar Agreement and a Purchase Contract; Delegating the authority to certain members of the Commissioners Court and County staff to execute certain documents relating to the sale of the Bonds. **COBB**

EXECUTIVE SESSIONS

The Commissioners Court will announce it will go into Executive Session, if necessary, pursuant to Chapter 551 of the Texas Government Code, to receive advice from Legal Counsel to discuss matters of land acquisition, litigation, and personnel matters as specifically listed on this agenda. The Commissioners Court may also announce it will go into Executive Session, if necessary, to receive advice from Legal Counsel regarding any other item on this agenda.

23	325	Executive Session pursuant to Sections 551.071 and 551.072 of the Texas Government Code: consultation with counsel and deliberation regarding the purchase, exchange or value of Right of Way along proposed FM110 in Pct 1. Possible action to follow in open court. **INGALSBE**

STANDING AGENDA ITEMS

The Commissioners Court utilizes Standing Agenda Items to address issues that are frequently or periodically discussed in court. This section allows the Court to open the item when a need for discussion arises.

24	Discussion of issues related to the Hays County Jail, and the planning of projects pertaining to the public safety facilities needs within the County. Possible action may follow. **COBB/CUTLER**
25	Discussion and possible action related to the burn ban and/or disaster declaration. **COBB/SMITH/BROWNING**
26	Discussion of issues related to the road bond projects, including updates from Mike Weaver, Prime Strategies, Laura Harris, HNTB and Allen Crozier, HDR. Possible action may follow. **COBB**

ADJOURNMENT

Posted by 5:00 o'clock P.M. on the 27th day of May, 2016

COMMISSIONERS COURT, HAYS COUNTY, TEXAS

_____

CLERK OF THE COURT

Hays County encourages compliance with the Americans with Disabilities Act (ADA) in the conduct of all public meetings. To that end, persons with disabilities who plan to attend this meeting and who may need auxiliary aids such as an interpreter for a person who is hearing impaired are requested to contact the Hays County Judge's Office at (512) 393-2205 as soon as the meeting is posted (72 hours before the meeting) or as soon as practical so that appropriate arrangements can be made. While it would be helpful to receive as much advance notice as possible, Hays County will make every reasonable effort to accommodate any valid request regardless of when it is received. Braille is not available.

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Presentation of Hays County Service Awards.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
PROCLAMATIONS/PRESENTATIONS	May 31, 2016	n/a

LINE ITEM NUMBER

n/a

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
Dee Dee Baen	COBB	N/A

SUMMARY

Presentation of Hays County Service Awards

One Year

HUMAN RESOURCES	RISK ANALYST/MANAGER	WIGGINS, LORI GILDER	5/26/2015	1.02	
DISTRICT ATTORNEY	ATTORNEY III	THOMPSON, TREY CURTIS	5/26/2015	1.02	
SHERIFF	DEPUTY	AUSTIN, DAVID MILTON	5/18/2015	1.04	
CONSTABLE 5	RESERVE DEPUTY	TALLEY JR., JERRY LESLIE	5/18/2015	1.04	
JUVENILE CENTER	JUVENILE SUPERVISION OFFICER	ARNSWORTH, TREVERIOUS SHAQUILLE	5/18/2015	1.04	
TRANSPORTATION	ROAD MAINTENANCE WORKER SPECIALIST	WALTMAN, BOBBY JOE	5/7/2015	1.07	
RECYCLING AND PARKS	PARKS SPECIALIST	MENCHACA, JOHN MICHAEL	5/4/2015	1.08	
TRANSPORTATION	ROAD MAINTENANCE WORKER SPECIALIST	LOPEZ, JESSIE, JR.	5/4/2015	1.08	
SHERIFF	CORRECTIONS OFFICER	ANDERSON, DILLAN RAY	5/1/2015	1.08	

Five Years

SHERIFF	EMERGENCY COMMUNICATIONS OFFICER	BRACE, DAWN R.	5/16/2011	5.05	
VETERANS SERVICE	VETERANS SERVICE OFFICER	PRATHER, JUDE	5/4/2011	5.08	
SHERIFF	DEPUTY	WHETSTONE, SCOTT E.	5/1/2011	5.09	
SHERIFF	DEPUTY	DRAKE, JUSTIN S.	5/1/2011	5.09	
SHERIFF	DEPUTY	CONDITT, CHARLES D.	5/1/2011	5.09	

Ten Years

JUVENILE CENTER	JUVENILE SUPERVISION OFFICER	WATTS, JOANN T.	3/20/06-8/8/09; 10/10/09	10.03	5/24/2006
JUVENILE PROBATION	JUVENILE PROBATION OFFICER III	HOBBS, BRIAN	5/22/2006	10.03	
SHERIFF	LIEUTENANT	BATCH, ERIC W.	5/1/2006	10.09	
SHERIFF	DEPUTY - Training Deputy	LUCIO, STEVEN M.	5/1/2006	10.09	

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Presentation by representatives of Central Texas Medical Center and Live Oak Health Partners to provide an update on the operations of the Community Health Clinic.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
PROCLAMATIONS/PRESENTATIONS	May 31, 2016	

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
Garza	COBB	N/A

SUMMARY

Representatives from CTMC and Live Oak will provide their annual update of the operations of the Community Health Clinic.

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Approve payment of County invoices.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR APPROVAL:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
Auditor's Office	HERZOG	N/A

SUMMARY

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Approve Commissioner Court Minutes of May 24, 2016.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
Gonzalez	COBB	N/A

SUMMARY

STATE OF TEXAS *
COUNTY OF HAYS *

ON THIS THE 24TH DAY OF MAY A.D., 2016, THE COMMISSIONERS' COURT OF HAYS COUNTY, TEXAS, MET IN REGULAR MEETING. THE FOLLOWING MEMBERS WERE PRESENT, TO-WIT:

ALBERT H. COBB JR	**COUNTY JUDGE**
DEBBIE GONZALES INGALSBE	**COMMISSIONER, PCT. 1**
MARK JONES	**COMMISSIONER, PCT. 2**
WILL CONLEY	**COMMISSIONER, PCT. 3**
RAY O. WHISENANT JR	**COMMISSIONER, PCT. 4**
OSCAR MEIJA	**DEPUTY COUNTY CLERK**

AND THE FOLLOWING PROCEEDINGS WERE HAD, THAT IS:

Cliff Holdridge, Associate Pastor of the First Baptist Church in Dripping Springs gave the invocation and Judge Cobb led the court in the Pledge of Allegiance to the United States and Texas flags. Judge Cobb called the meeting to order.

PUBLIC COMMENTS

General Counsel Mark Kennedy introduced Debra Anderson to the Court.

31550 ADOPT A PROCLAMATION RECOGNIZING TUESDAY, MAY 24, 2016 AS SECOND LIEUTENANT JOHN A DECKER DAY

Miles Nelson, Veteran Services Officer spoke and introduced Marilynn Mitchell sister of Lt. John A Decker, Gunnery Sergeant (GySgt) Arthur Abrego Jr and Staff Sergeant (SSgt) David Forrest from the Inspector/Instructor Staff of 1st Battalion, 23rd Marine Regiment. **A motion was made by Commissioner Jones, seconded by Commissioner Whisenant to adopt a Proclamation recognizing Tuesday, May 24, 2016 as Second Lieutenant John A Decker Day. All voting "Aye". MOTION PASSED**

31551 ADOPT A PROCLAMATION RECOGNIZING MAY 23-27, 2016 AS FLOOD AWARENESS WEEK

Kharley Smith, Emergency Management Coordinator and Mayor Herschel "Mac" McCullough spoke. **A motion was made by Commissioner Conley, seconded by Commissioner Whisenant to adopt a Proclamation recognizing May 23-27, 2016 as Flood Awareness Week. All voting "Aye". MOTION PASSED**

31552 APPROVE PAYMENTS OF COUNTY INVOICES

A motion was made by Commissioner Ingalsbe, seconded by Commissioner Jones to approve payments of County Invoices in the amount of $351,187.50 as submitted by the County Auditor. All voting "Aye". MOTION PASSED

31553 APPROVE COMMISSIONERS COURT MINUTES OF MAY 17, 2016

A motion was made by Commissioner Ingalsbe, seconded by Commissioner Jones to approve Commissioners Court Minutes of May 17, 2016 as presented by the County Clerk. All voting "Aye". MOTION PASSED

31554 RATIFY THE COUNTY JUDGE'S EXECUTION OF A LETTER AMENDMENT TO THE SCOPE OF A PROFESSIONAL SERVICES AGREEMENT BETWEEN HAYS COUNTY AND KLOTZ & ASSOCIATES FOR A STUDY OF THE DRAINAGE BASIN THAT FEEDS INTO NORTHPOINT SUBDIVISION. AMEND THE BUDGET ACCORDINGLY

Klotz & Associates completed a drainage study in February 2016 which recommends improvements to drainage channels in the interior of Northpoint Subdivision. This action will provide for design of the drainage system enhancements. Amount Required $98,500; Increase 020-710-00.5448_008 Contract Services Consultant - $98,500; Decrease 020-710-00.5351 Road Material and Supplies - ($98,500). **A motion was made by Commissioner Ingalsbe, seconded by Commissioner Jones to ratify the County Judge's execution of a letter amendment to the scope of a Professional Services Agreement between Hays County and Klotz & Associates for a study of the drainage basin that feeds into Northpoint Subdivision. Amend the budget accordingly. All voting "Aye". MOTION PASSED**

31555 APPROVE UTILITY PERMITS

A motion was made by Commissioner Ingalsbe, seconded by Commissioner Jones to approve Permit # 978 for Windy Hill Rd to DNT Construction and Permit # 979 for Paul's Valley Rd to PEC. All voting "Aye". MOTION PASSED

31556 AUTHORIZE THE COUNTY JUDGE TO EXECUTE A SUPPLEMENTAL AGREEMENT NO. 3 TO THE PROFESSIONAL SERVICES AGREEMENT WITH KLOTZ ASSOCIATES, INC. FOR THE FM 1626 SOUTH PROJECT AS PART OF THE PASS-THROUGH FINANCE PROGRAM IN HAYS COUNTY, INCREASING THE COMPENSATION CAP BY $133,572.00 FROM $3,316,428.00 TO $3,450,000.00

The additional authorized money will allow for the execution of a supplemental #4 to Work Authorization #6 for FM 1626 South project for revisions to the project design and construction drawings to accommodate the reduction in ROW along the CENTEX property adjacent to FM1626, remove the acceleration/deceleration lanes for the CENTEX driveways, and design turn lanes on FM 1626 at the intersection of Robert S. Light Blvd. **A motion was made by Commissioner Ingalsbe, seconded by Commissioner Jones to authorize the County Judge to execute a Supplemental Agreement No. 3 to the Professional Services Agreement with Klotz Associates, Inc. for the FM 1626 South project as part of the Pass-Through Finance Program in Hays County, increasing the Compensation Cap by $133,572.00 from $3,316,428.00 to $3,450,000.00. All voting "Aye". MOTION PASSED**

31557 AMEND THE OFFICE OF THE GOVERNOR, CJD VETERAN'S COURT GRANT PROGRAM OPERATING BUDGET FOR APPROVED OUT OF STATE TRAVEL AND OTHER OPERATING EXPENSES

A motion was made by Commissioner Ingalsbe, seconded by Commissioner Whisenant to amend the Office of the Governor, CJD Veteran's Court Grant program operating budget for approved out of state travel and other operating expenses. All voting "Aye". MOTION PASSED

31558 RATIFY THE EXECUTION OF A NOTICE OF INTENT FOR A TPDES GENERAL PERMIT UNDER THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY STORMWATER PROGRAM

Staff has received all necessary approvals for moving forward with construction of improvements to the Gay Ruby Dahlstrom Nature Preserve at Dahlstrom Ranch. **A motion was made by Commissioner Ingalsbe, seconded by Commissioner Whisenant to ratify the execution of a Notice of Intent for a TPDES General Permit under the Texas Commission on Environmental Quality Stormwater Program. All voting "Aye". MOTION PASSED**

31559 AUTHORIZE THE COUNTY JUDGE TO SIGN AN AGREEMENT WITH ARC DOCUMENT SOLUTIONS FOR OFF-SITE SCANNING SERVICES FOR THE DEVELOPMENT SERVICES DIVISION'S PERMIT RECORDS

The Development Services Division has been working diligently in coordination with the Records Management Officer to digitize the Division's permit records. Off-site scanning of the 13,000+ permit files is a more cost effective and efficient solution than scanning the files by staff during business hours. While not the lowest bid, ARC Document Solutions was chosen due to their thorough inventory/manifest system as well as their low records request costs. **A motion was made by Commissioner Ingalsbe, seconded by Commissioner Whisenant to authorize the County Judge to sign an agreement with ARC Document Solutions for off-site scanning services for the Development Services Division's permit records. All voting "Aye". MOTION PASSED**

31560 RESCIND ACTION OF THE COMMISSIONERS COURT ON OR ABOUT SEPTEMBER 3, 2013. RESOLUTION #28277, AUTHORIZING THE COUNTY JUDGE TO EXECUTE A MEMORANDUM OF UNDERSTANDING (MOU) REGARDING THE DEDICATION OF ROADWAYS AND RIGHT OF WAY IN THE DEERFIELD ESTATES II SUBDIVISION

General Counsel Mark Kennedy spoke. The County's plan to receive dedication of the roadway(s) within the Deerfield Estates II Subdivision became impracticable when, during due diligence, the County discovered that 3 gas pipelines crossed the road and Right of Way. 2 of those companies had agreements with the original developer of the subdivision, and those agreements burdened the roadway(s) by establishing certain unpermitted activities. Those activities would prevent the County from adequately maintaining the roadway(s), making dedication and maintenance of the roadway(s) impracticable. **A motion was made by Commissioner**

Jones, seconded by Commissioner Whisenant to rescind action of the Commissioners Court on or about September 3, 2013. Resolution #28277, authorizing the County Judge to execute a Memorandum of Understanding (MOU) regarding the dedication of roadways and right of way in the Deerfield Estates II Subdivision. All voting "Aye". MOTION PASSED

31561 AUTHORIZE THE USE OF COUNTY WIDE CONTINGENCIES FOR EXPENSES RELATED TO THE FISCHER STORE ROAD BRIDGE RIBBON CUTTING CEREMONY

On February 26, 2016 county, local and state officials held a ribbon cutting ceremony to celebrate the opening of the Fischer Store Road Bridge. The ceremony was a time of reflection to honor a city that had endured hardship, but continued to work together to restore the City of Wimberley. The County coordinated with Diverse Planning and Development (DPD) for all phases of planning the event. DPD also donated 29 labor hours for mug illustration and video production. Amount required $5,582.10; line item number 001-645-00.5399. **A motion was made by Commissioner Jones, seconded by Commissioner Whisenant to authorize the use of County Wide contingencies for expenses related to the Fischer Store Road Bridge Ribbon Cutting Ceremony. All voting "Aye". MOTION PASSED**

31562 RATIFY THE COUNTY JUDGE'S EXECUTION OF A POSSESSION AND USE AGREEMENT BETWEEN HAYS COUNTY AND GIBERSON PROPERTIES, INC., RELATED THE HAYS COUNTY'S POSSESSION AND USE OF RIGHT OF WAY ASSOCIATED WITH THE FM1626 PROJECT

Since the Possession and Use Agreement form that was approved by Commissioners Court was modified for these particular parcels (19 and 20), Counsel recommends that the modified version of the PUA be approved by Commissioners Court. **A motion was made by Commissioner Jones, seconded by Commissioner Whisenant to ratify the County Judge's execution of a Possession and Use Agreement between Hays County and Giberson Properties, Inc., related the Hays County's possession and use of Right of Way associated with the FM1626 project. All voting "Aye". MOTION PASSED**

31563 ACCEPT ROAD CONSTRUCTION AND DRAINAGE IMPROVEMENTS AND ACCEPTANCE OF THE MAINTENANCE BOND FOR A 2-YEAR PERIOD FOR SHADOW CREEK SUBDIVISION, PH. 4, SEC. 1B

Transportation Director, Jerry Borcherding spoke. Staff recommends acceptance of construction of roads and drainage improvements within the County ROW. The Transportation Department has inspected and approved the improvements. **A motion was made by Commissioner Jones, seconded by Commissioner Ingalsbe to accept road construction and drainage improvements and acceptance of the maintenance bond for a 2-year period for Shadow Creek subdivision, Ph. 4, Sec. 1B. All voting "Aye". MOTION PASSED**

31564 CALL FOR A PUBLIC HEARING ON JUNE, 7TH, 2016 TO ESTABLISH A SCHOOL ZONE SPEED LIMIT ON HAYS COUNTRY ACRES ROAD

This action will be to establish a school zone speed limit of 15 MPH on Hays Country Acres Road for the Holy Spirit Episcopal Church and School. Commissioner Whisenant has confirmed the location and concurs with installing signage, flasher lights, and with the proper flash time periods. **A motion was made by Commissioner Whisenant, seconded by Commissioner Jones to call for a public hearing on June, 7th, 2016 to establish a school zone speed limit on Hays Country Acres Road. All voting "Aye". MOTION PASSED**

31565 APPOINT LON SHELL, HAYS COUNTY JUDGE COBB'S CHIEF OF STAFF, TO SERVE AS A REPRESENTATIVE ON THE SAN MARCOS / HAYS COUNTY EMS BOARD OF DIRECTORS TO REPLACE MARK CHAMBERS

Lon Shell has agreed to serve on the San Marcos / Hays County EMS Board of Directors, effective May 24, 2016, to take the place of Mark Chambers who has retired. **A motion was made by Commissioner Ingalsbe, seconded by Commissioner Whisenant to appoint Lon Shell, Hays County Judge Cobb's Chief of Staff, to serve as a representative on the San Marcos / Hays County EMS Board of Directors to replace Mark Chambers. All voting "Aye". MOTION PASSED**

31566 APPROVE THE APPOINTMENT OF CLINT BROWNING AS HAYS COUNTY FIRE MARSHAL

Kharley Smith, Emergency Management Coordinator spoke. **A motion was made by Commissioner Jones, seconded by Commissioner Ingalsbe to approve the appointment of Clint Browning as Hays County Fire Marshal. All voting "Aye". MOTION PASSED**

31567 APPROVE THE CONVERSION OF EXISTING SPACE WITHIN THE COUNTY CLERK'S OFFICE TO A CONFERENCE ROOM, FURNISH THE NEW SPACE, PURCHASE A COMPUTER AND RELATED EQUIPMENT FOR A NEW HIRE, AND AMEND THE BUDGET ACCORDINGLY

The County Clerk would like to enclose a file viewing room and make it a conference room. The conference room would provide a space for departmental meetings and meetings with citizens. The area could be converted into a conference room and furnished (chairs and monitor) for approximately $4,499. An existing table will be used. Equipment is also needed for a new hire budgeted for FY 2016. A computer/scanner/UPS/Adobe Pro for this position would require an additional $3,590. Savings within the Records Management and Archive Fund have been identified to fund this request. Amount required $ 8,089.00; Chairs/Monitor - Increase Office Supplies .5211 - $1,499; Enclose File Room - Increase Misc Improvements .5741 - $3,000; UPS/Monitor - Increase Data Supplies .5202 - $500; Adobe Pro - Increase Software Maintenance .5429 - $390; Computer/Scanner – Increase Computer Eqpt_Op .5712_400 - $2,700; Decrease Contract Services - $8,089. **A motion was made by Commissioner Whisenant, seconded by Commissioner Ingalsbe to approve the conversion of existing space within the County Clerk's Office to a conference room, furnish the new space, purchase a computer and related equipment for a new hire, and amend the budget accordingly. All voting "Aye". MOTION PASSED**

31568 AUTHORIZE THE COUNTY JUDGE TO EXECUTE A RENEWAL SERVICE SUBSCRIPTION AGREEMENT BETWEEN HAYS COUNTY AND BUDGET INFOGRAPHICS, INC.

Larry Peterson with Budget Infographics, Inc. has, once again, agreed to reduce the cost of the subscription from $12,000 to $6,000 for this year. **A motion was made by Commissioner Ingalsbe, seconded by Commissioner Whisenant to authorize the County Judge to execute a renewal Service Subscription Agreement between Hays County and Budget Infographics, Inc. Commissioner Ingalsbe, Commissioner Jones, Commissioner Conley, and Commissioner Whisenant all voting yes. Judge Cobb voting no. MOTION PASSED**

Clerk's Note: Court took a break at 10:01 a.m., and returned into open court at 10:15 a.m.

10:00 A.M. -- CONTINUE A PUBLIC HEARING, PURSUANT TO §775.016 OF THE TEXAS HEALTH AND SAFETY CODE, RELATED TO A PETITION PROPOSING THE CREATION OF HAYS COUNTY EMERGENCY SERVICES DISTRICT #9. POSSIBLE ACTION MAY FOLLOW THE HEARING, INCLUDING CONDITIONAL RESOLUTION(S) OF COURT TO FIND THAT 1) CREATION OF THE DISTRICT IS FEASIBLE OR NOT FEASIBLE AND 2) THAT THE CREATION OF THE DISTRICT WILL OR WILL NOT PROMOTE THE PUBLIC SAFETY, WELFARE, HEALTH, AND CONVENIENCE OF PERSONS RESIDING WITHIN THE PROPOSED DISTRICT. IF THE COURT FINDS IN FAVOR OF DISTRICT CREATION, IT SHALL ALSO TAKE ACTION TO GRANT THE PETITION, FIX THE DISTRICT'S BOUNDARIES, ORDER AN ELECTION TO CONFIRM THE DISTRICT'S CREATION, AND IMPOSE ADDITIONAL CONDITIONS, IF ANY

Judge Cobb opened public hearing. Monte Akers – Hays County ESD #7 spoke. Judge Cobb closed public hearing.

31569 ACTION RELATED TO THE PROPOSED JAIL, 911 CENTER, AND LAW ENFORCEMENT CENTER IMPROVEMENTS, INCLUDING BUT NOT LIMITED TO 1) SELECTION OF CONSTRUCTION MANAGER AT RISK FOR ONE OR MORE OF THE PROJECT(S), 2) AUTHORIZING THE COUNTY JUDGE TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT BETWEEN HAYS COUNTY AND THE SELECTED CONSTRUCTION MANAGER AT RISK, AND 3) DISCUSSING NEXT STEPS IN THE PROCESS LAID OUT BY PROGRAM MANAGER AND STAFF

Julia New, ECN International spoke. RFQ responses for CM at Risk will be considered by committee members prior to Commissioners Court. **A motion was made by Commissioner Conley, seconded by Commissioner Ingalsbe to authorize the County Judge to approve the recommendation of the current construction as recommended by the Committee and authorize the County Judge to execute with General Counsel's Review. All voting "Aye". MOTION PASSED**

EXECUTIVE SESSION PURSUANT TO SECTIONS 551.071 AND 551.074 OF THE TEXAS GOVERNMENT CODE: CONSULTATION WITH COUNSEL AND DELIBERATION REGARDING THE POSITION OF HAYS COUNTY ELECTIONS ADMINISTRATOR

Court convened into Executive session at 11:02 a.m. and reconvened into open court at 11:33 a.m. In Executive Session were Commissioner Ingalsbe, Commissioner Jones, Commissioner Conley, Commissioner Whisenant, Judge Cobb, General Counsel Mark Kennedy, Elections Administrator, Joyce Cowan and Chief of Staff Lon Shell. No Action Taken.

EXECUTIVE SESSION PURSUANT TO SECTIONS 551.071 AND 551.072 OF THE TEXAS GOVERNMENT CODE: CONSULTATION WITH COUNSEL AND DELIBERATION REGARDING THE PURCHASE, EXCHANGE OR VALUE OF RIGHT OF WAY ALONG PROPOSED FM110 IN PCT 1

Court convened into Executive session at 11:33 a.m. and reconvened into open court at 11:40 a.m. In Executive Session were Commissioner Ingalsbe, Commissioner Jones, Commissioner Conley, Commissioner Whisenant, Judge Cobb, General Counsel Mark Kennedy and Chief of Staff Lon Shell. No Action Taken.

EXECUTIVE SESSION PURSUANT TO SECTIONS 551.071 AND 551.087 OF THE TEXAS GOVERNMENT CODE: CONSULTATION WITH COUNSEL AND DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS ASSOCIATED WITH PROJECT TEXAS

Court convened into Executive session at 11:41 a.m. and reconvened into open court at 11:50 a.m. In Executive Session were Commissioner Ingalsbe, Commissioner Jones, Commissioner Conley, Commissioner Whisenant, Judge Cobb, General Counsel Mark Kennedy and Chief of Staff Lon Shell. No Action Taken.

31570 EXECUTIVE SESSION PURSUANT TO SECTIONS 551.071 AND 551.072 OF THE TEXAS GOVERNMENT CODE: CONSULTATION WITH COUNSEL AND DELIBERATION REGARDING THE PURCHASE, EXCHANGE, OR VALUE OF REAL PROPERTY INCLUDING THE MARKETING AND POTENTIAL SALE OR LEASE OF COUNTY OWNED PROPERTIES

A motion was made by Commissioner Jones, seconded by Commissioner Ingalsbe to authorize the County Judge to execute an unimproved property contract between Hays County and Roy Brothers, As presented in Executive Session, for the sale of approximately 0.471 acres of raw land near the intersection of FM 2001 and Windy Hill Road, in Precinct 2; and to authorize General Counsel to execute any and all documents incidental to closing this transaction. All voting "Aye". MOTION PASSED

DISCUSSION OF ISSUES RELATED TO THE HAYS COUNTY JAIL, AND THE PLANNING OF PROJECTS PERTAINING TO THE PUBLIC SAFETY FACILITIES NEEDS WITHIN THE COUNTY

Judge Cobb gave the Hays County Jail Report. Hays County's current maximum jail capacity is 362 inmates. Jail Standards recommends holding approximately 10% of capacity open. That lowers our capacity to 311. The jail's daily average was 313 and peak was 325 on May 19th for the week of May 15 to May 21, 2016. The maximum female capacity is 76 inmates. Last week's average was 61 and peak was 66 on 5/21/2016. The maximum male capacity is 256 inmates. Last week's average was 253 and peak was 263 on 5/19/2016. Inmate at Guadalupe County: 58; Inmate at Bastrop County: 0; Inmate at Caldwell County: 32; Inmate at Walker County: 1.

ACTION RELATED TO THE BURN BAN AND/OR DISASTER DECLARATION

Today's Drought Index: 59. Burn Ban will remain in effect.

County Clerk's Note Agenda Item #28RE: *DISCUSSION OF ISSUES RELATED TO THE ROAD BOND PROJECTS, INCLUDING UPDATES FROM MIKE WEAVER, PRIME STRATEGIES, LAURA HARRIS, HNTB AND ALLEN CROZIER, HDR* **– was pulled**

A motion was made by Commissioner Jones to adjourn court at 12:07 p.m.

I, LIZ Q. GONZALEZ, COUNTY CLERK and EXOFFICIO CLERK OF THE COMMISSIONERS' COURT, do hereby certify that the foregoing contains a true and accurate record of the proceedings had by the Hays County Commissioners' Court on May 24, 2016.

LIZ Q GONZALEZ, COUNTY CLERK AND EXOFFICIO CLERK OF THE COMMISSIONERS' COURT OF HAYS COUNTY, TEXAS

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Authorize Commercial OSSF Permit at 201 S Canyonwood Drive, Dripping Springs, TX, 78620.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	N/A

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
Roxie McInnis, Development Services Manager	WHISENANT	N/A

SUMMARY

Ahuja Bhupen is proposing an OSSF to serve 2 existing buildings for a daycare facility. This design is for a combined maximum of 100 children and staff members. This property is Lot 2A in the Oak Hollow Subdivision. These buildings will be served by a public water supply.
The system designer, Stan Burrier, P.E., has designed a treatment system, which consists of a pretreatment tank, and a flow equalization tank, which will dose to an aerobic treatment unit. After treatment, the effluent will be dispersed to a drip irrigation field. The system is designed for a daily usage rate of 1200 gallons

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Authorize the County Judge to execute a Professional Service Agreement with Kennedy Above/Under Ground, LLC for work performed at the Gay Ruby Dahlstrom Nature Preserve.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	$7907.16

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
Garza	JONES	N/A

SUMMARY

Contractor will perform services related to trail building and public access at Gay Ruby Dahlstrom Nature Preserve.

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Authorize the County Judge to execute Amendment Number One (1) to the FY16 Public Health Emergency Preparedness (PHEP) one-time discretionary Unique Contract with the Department of State Health Services (DSHS).

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	N/A

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
Hauff/Garza/Jones	COBB	N/A

SUMMARY

The Amendment will amend certain contractual language. Attached is Amendment one and the effective date is 05-23-16.

DEPARTMENT OF STATE HEALTH SERVICES

Contract 2016-004044

Amendment Summary

The Department of State Health Services (DSHS) and Hays County (Contractor) agree to amend Contract 2016-004044 in accordance with this Amendment 01: CPS – One Time Discretionary Unique Contracts

Previous Contract Amount:	$36,651.00
Change Amount:	$0.00
Amended Contract Amount:	$36,651.00

Amendment effective date: 05/23/2016

Purpose for the amendment:

This amendment will amend certain contractual language as set forth below.

Change No: 01	**Statement of Work**
Current: Section (7)(M): M. The Contractor will: 1. Submit programmatic reports as directed by DSHS in a format specified by DSHS. Contractor will provide DSHS other reports, including financial reports, and any other reports that DSHS determines necessary to accomplish the objectives of this contract and to monitor compliance; and 2. Submit reports as requested by DSHS to satisfy information-sharing Requirements set forth in Texas Government Code, Sections 421.071 and 421.072 (b) and (c). If Contractor is legally prohibited from providing such reports, Contractor will immediately notify DSHS in writing.	Revised: Section (7)(M): M. The Contractor will: 1. Submit the Mid-Year Report due to DSHS within an established timeframe designated by DSHS. 2. Complete an End-Of-Year performance report in a format specified by DSHS no later than August 15, 2016. 3. Submit programmatic reports as directed by DSHS in a format specified by DSHS. Contractor will provide DSHS other reports, including financial reports, and any other reports that DSHS determines necessary to accomplish the objectives of this contract and to monitor compliance; and 4. Submit reports as requested by DSHS to satisfy information-sharing requirements set forth in Texas Government Code, Sections 421.071 and 421.072 (b) and (c). If Contractor is legally prohibited from providing such reports, Contractor will immediately notify DSHS in writing.
Change No: 02	**Special Provisions**
Current: Section (16)(B): B. General Provisions, Final Invoice/Billing Submission, Section 5.03 is modified to provide that Contractor will submit final close-out bill or revisions to previous reimbursement request(s) no later than August 15, 2016.	Revised: Section (16)(B): B. General Provisions, Applicability of General Provisions to Interagency and Interlocal Contracts, Section 2.08(a) is modified by deleting it in its entirety and replacing it with the following language. a. The following sections or portions of sections of these General Provisions will not apply to interagency or interlocal contracts: i. Hold Harmless and Indemnification, Section 14.17; ii. Independent Contractor, Section 13.05 (delete the third

	sentence in its entirety; delete the word "employees" in the fourth sentence; the remainder of the section applies); iii. Insurance, Section 14.22; iv. Liability Coverage, Section 25.03; v. Fidelity Bond, Section 25.02; vi. Historically Underutilized Businesses, Section 13.02 (Contractor, however, will comply with HUB requirements of other statutes and rules specifically applicable to that entity); vii. Debt to State and Corporate Status, Section 4.01; viii. Application of Payment Due, Section 4.02; and ix. Article XVI Claims against the Department (This Article is inapplicable to interagency contracts only).
Change No: 03	**Special Provisions**
Current: Section (16)(C): C. General Provisions, Compliance and Reporting, Article II, Section 2.08(a) is modified by deleting it in its entirety and replacing it with the following language. a. The following sections or portions of sections of these General Provisions will not apply to interagency or interlocal contracts: i. Hold Harmless and Indemnification, Section 14.17; ii. Independent Contractor, Section 13.05 (delete the third sentence in its entirety; delete the word "employees" in the fourth sentence; the remainder of the section applies); iii. Insurance, Section 14.22; iv. Liability Coverage, Section 25.03; v. Fidelity Bond, Section 25.02; vi. Historically Underutilized Businesses, Section 13.02 (Contractor, however, will comply with HUB requirements of other statutes and rules specifically applicable to that entity); vii. Debt to State and Corporate Status, Section 4.01; viii. Application of Payment Due, Section 4.02; and ix. Article XVI Claims against the Department (This Article is inapplicable to interagency contracts only).	Revised: Section (16)(C): C. General Provisions, Article III. Services, Section 3.02 Disaster Services, is revised to add the following: In the event of a local, state, or federal emergency the Contractor has the authority to utilize approximately 5% of staff's time supporting this Contract for response efforts. DSHS shall reimburse Contractor up to 5% of this Contract funded by Center for Disease Control and Prevention (CDC) for personnel costs responding to an emergency event. Contractor shall maintain records to document the time spent on response efforts for auditing purposes. Allowable activities also include participation of drills and exercises in the pre-event time period. Contractor shall notify the Assigned Contract Manager in writing when this provision is implemented.
Change No: 04	**Special Provisions**
Current: Section (16)(E): E. General Provisions, Access and Inspection Article X, Section 10.01 is revised to include the following: In addition to the site visits authorized by this Article of the General Provisions, Contractor will allow DSHS to conduct on-site quality assurance reviews of Contractor. Contractor will comply with all DSHS documentation requests and on-site visits. Contractor will make available for review all documents related to the Contract, upon request by the DSHS Program staff.	Revised: Section (16)(E): E. General Provisions, Final Invoice/Billing Submission, Section 5.03 is modified to provide that Contractor will submit final close-out bill or revisions to previous reimbursement request(s) no later than August 15, 2016.
Change No: 05	**Special Provisions**
Current: Section (16)(F): F. General Provisions, Program Equipment and Supplies Article XXII, Section 22.01, is revised as follows: Contractor is required to initiate the purchase of approved equipment no later than June 30, 2016 as documented by issue of a	Revised: Section (16)(F): F. General Provisions, Access and Inspection Article X, Section 10.01 is revised to add the following: In addition to the site visits authorized by this Article of the

purchase order or written order confirmation from the vendor on or before June 30, 2016. In addition, all equipment and supplies must be received no later than 45 calendar days following the end of the Contract term.	General Provisions, Contractor will allow DSHS to conduct on-site quality assurance reviews of Contractor. Contractor will comply with all DSHS documentation requests and on-site visits. Contractor will make available for review all documents related to the Contract, upon request by the DSHS Program staff.
Change No: 06	**Special Provisions**
Current: ADDITION	Revised: Section (16)(H): H. General Provisions, Program Equipment and Supplies Article XXII, Section 22.01, is revised as follows: Contractor is required to initiate the purchase of approved equipment no later than June 30, 2016 as documented by issue of a purchase order or written order confirmation from the vendor on or before June 30, 2016. In addition, all equipment and supplies must be received no later than forty-five (45) calendar days following the end of the Contract term.
Change No: 07	**Special Provisions**
Current: ADDITION	Revised: Section (16)(I): I. General Provisions, Allowable Costs and Audit Requirements, Article XXIV, Section 24.01. DSHS will reimburse the allowable costs incurred in performing the Project that are sufficiently documented. Contractor must have incurred a cost prior to claiming reimbursement and within the applicable term to be eligible for reimbursement under this Contract. The DSHS will determine whether costs submitted by Contractor are allowable and eligible for reimbursement. If the DSHS has paid funds to Contractor for unallowable or ineligible costs, the DSHS will notify Contractor in writing, and Contractor shall return the funds to the DSHS within thirty (30) calendar days of the date of this written notice. The DSHS may withhold all or part of any payments to Contractor to offset reimbursement for any unallowable or ineligible expenditure that Contractor has not refunded to the DSHS, or if financial status report(s) required under the Financial Status Reports section are not submitted by the due date(s). The DSHS may take repayment (recoup) from funds available under this Contract in amounts necessary to fulfill Contractor's repayment obligations. Applicable cost principles, audit requirements, and administrative requirements include- Applicable Entity Applicable Cost Principles Audit Requirements Administrative Requirements State, Local and Tribal Governments 2 CFR, Part 225 2 CFR Part 200, Subpart F and UGMS 2 CFR Part 200 and UGMS Educational Institutions 2 CFR, Part 220 2 CFR Part 200, Subpart F and UGMS 2 CFR Part 200 and UGMS Non Profit Organizations 2 CFR, Part 230 2 CFR Part 200, Subpart F and UGMS 2 CFR Part 200 and UGMS For-profit Organization other than a hospital and an organization named in OMB Circular A-122 (2 CFR Part, 230) as not subject to that circular. 48 CFR Part 31, Contract Cost

	Principles Procedures, or uniform cost accounting standards that comply with cost principles acceptable to the federal or state awarding agency 2 CFR Part 200, Subpart F and UGMS 2 CFR Part 200 and UGMS A chart of applicable Federal awarding agency common rules is located through a web link on the DSHS website at http://www.dshs.state.tx.us/contracts/links.shtm. OMB Circulars will be applied with the modifications prescribed by UGMS with effect given to whichever provision imposes the more stringent requirement in the event of a conflict.
Change No: 08	**Special Provisions**
Current: ADDITION	Revised: Section (16)(J): J. General Provisions, Allowable Costs and Audit Requirements, Article XXIV, 24.05 If Contractor, within Contractor's fiscal year, expends a total amount of at least SEVEN HUNDRED FIFTY THOUSAND DOLLARS ($750,000) in federal funds awarded, Contractor shall have a single audit or program-specific audit in accordance with the 2 CFR 200. The $750,000 federal threshold amount includes federal funds passed through by way of state agency awards. If Contractor, within Contractor's fiscal year, expends a total amount of at least $500,000 in state funds awarded, Contractor must have a single audit or program-specific audit in accordance with UGMS, State of Texas Single Audit Circular. For-profit Contractors whose expenditures meet or exceed the federal or state expenditure thresholds stated above shall follow the guidelines in 2 CFR 200 or UGMS, as applicable, for their program-specific audits. The HHSC Office of Inspector General (OIG) will notify Contractor to complete the Single Audit Status Registration Form. If Contractor fails to complete the Single Audit Status Form within thirty (30) calendar days after notification by OIG to do so, Contractor shall be subject to the DSHS sanctions and remedies for non-compliance with this Contract. The audit must be conducted by an independent certified public accountant and in accordance with applicable OMB Circulars, Government Auditing Standards, and UGMS, which is accessible through a web link on the DSHS website at http://www.dshs.state.tx.us/contracts/links.shtm. Contractor shall procure audit services in compliance with this section, state procurement procedures, as well as with the provisions of UGMS.
Change No: 09	**Special Provisions**
Current: ADDITION	Revised: Section (16)(K): K. General Provisions, Allowable Costs and Audit Requirements, Article XXIV, 24.06 is deleted in its entirety and replaced with the following: Within thirty (30) calendar days of receipt of the audit reports required by the Independent Single or Program-Specific Audit section, Contractor shall submit one copy to the Department's Contract Oversight and Support Section, and one copy to the OIG, at the following addresses:

	Department of State Health Services Contract Oversight and Support, Mail Code 1326 P.O. Box 149347 Austin, Texas 78714-9347 Health and Human Services Commission Office of Inspector General Compliance/Audit, Mail Code 1326 P.O. Box 85200 Austin, Texas 78708-5200 Electronic submission to DSHS should be addressed as follows: COSContractAdministration@dshs.state.tx.us If Contractor fails to submit the audit report as required by the Independent Single or Program-Specific Audit section within thirty (30) calendar days of receipt by Contractor of an audit report, Contractor shall be subject to the Enterprise Agency sanctions and remedies for non-compliance with this Contract.

All other terms and conditions not hereby amended are to remain in full force and effect. In the event of a conflict between the terms of this contract and the terms of this Amendment, this Amendment shall control.

Contractor Signature

I certify that I am authorized to sign this document and I have read and agree to all parts of the contract, including any attachments and addendums.

Signed by: Date Signed:

DSHS Signature

I certify that I am authorized to sign this document and I have read and agree to all parts of the contract, including any attachments and addendums.

Signed by: Date Signed:

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Authorize the County Judge to execute Amendment 3 to the grant Project Agreement with the Texas Parks and Wildlife Department (TPWD) to extend the completion date for the Dahlstrom Ranch Trail project to June 30, 2017.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	N/A

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
Hauff	JONES	N/A

SUMMARY

On January 25, 2011 the Commissioners Court accepted a grant award from the Texas Parks and Wildlife Department, Texas Recreational Trails Fund for $100,000 for development of the Dahlstrom Ranch Public Access Area (trail Construction and associated amenities). The original Project Agreement was set to expire on August 31, 2014 and Amendment 1 approved by Commissioners Court on April 1, 2014 extended the Agreement termination date to July 15, 2015. Amendment 2 was approved by the Commissioners Court on June 2, 2015 extended the project completion date to July 15, 2016.

Due to unforeseen delays, TPWD was contacted once again to request an extension of the grant term. The current proposed Amendment will extend the Project Agreement termination date to June 30, 2017. All other terms and conditions of the original Agreement remain the same.

PO# 407370 **DUNS# 097494884** **CFDA: 20.219**

TEXAS PARKS AND WILDLIFE DEPARTMENT

TEXAS RECREATIONAL TRAIL FUND AGREEMENT

AMENDMENT TO PROJECT AGREEMENT

Project Amendment Number: **RT-001013 Amendment #3**

Project Name: Hays County – Dahlstrom Ranch Trail

* * *

THIS AMENDMENT to Project Agreement Number RT 001013 is hereby made and agreed upon by the State of Texas, acting through the Texas Parks and Wildlife Department and by the undersigned subdivision pursuant to the Texas Recreational Trail Program.

The project sponsor and the State of Texas, in mutual consideration of the promises made herein and in the fund agreement of which this is an amendment, do promise as follows:

To **Extend** the project agreement expiration date to June 30, 2017.

In all other respects the fund agreement of which this is an amendment, and the plans and specifications relevant thereto, shall remain in full force and effect. In witness whereof the parties hereto have executed this Amendment as of the date entered below.

TEXAS PARKS AND WILDLIFE DEPARTMENT

by _____

Tim Hogsett, Director, Recreation Grants Branch
(Name and Title)

5-20-16
(Date of Approval)

Hays County
(SPONSOR)

by _____

_____
(Name and Title)

05/20/2016 SAM Date

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Approve out of state travel for Detective Ryan Hayden in place of Mark Opiela to attend the International Homicide Investigators Association Conference in New Orleans, Louisiana.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	791.00

LINE ITEM NUMBER

001-618-00.5551 Continuing Ed

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** BILL HERZOG

REQUESTED BY	SPONSOR	CO-SPONSOR
CUTLER	COBB	N/A

SUMMARY

Out of state travel is needed to send Detective Ryan Hayden in place of Mark Opiela to the 2016 International Homicide Investigators Association Conference in New Orleans, LA on July 31-August 5, 2016. Due to unforeseen circumstances Detective Opiela is not able to attend but the Sheriff's office would like to send Detective Hayden in his place.
This conference will provide Detective Hayden a broader knowledge on the below topics.
Officer Involved Use of Force Investigations, Violent Crime Strategies, Death Investigations, International Topics, Cold Case Investigations and Terrorism. The Conference will also provide them with presentations for the Violence Reduction Network and Violent Criminal Apprehension Program so that they can better prepare for future events in Hays County. The materials brought back will be implemented immediately to case investigations and day to day activities of the Major Crimes unit. Registration, Travel expenses and per diem will be paid for out of the Sheriff's Office Continuing Ed general ledger.

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Approve the cancellation of the Hays County Commissioners Court on July 5, 2016.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	N/A

LINE ITEM NUMBER

N/A

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
	COBB	N/A

SUMMARY

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Approve Utility Permits.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
Jerry Borcherding	COBB	N/A

SUMMARY

Permit	Road Name	Utility
980	Centerpoint Rd	electric line (PEC)

HAYS COUNTY TRANSPORTATION DEPARTMENT

UTILITY PERMIT APPROVAL LETTER

Approval of Utility Permit: 980

Application Date: May 23, 2016

Commissioner Court Approval Date: May 31, 2016

Company Name: Pedernales Electric Cooperative, Inc.
Company Address: PO Box 100, Kyle, TX 78640
Company Phone: (888) 554-4732 ext. 7920
Company Contact: Randell Marx

Type of Utility: electric line

Road Name: Centerpoint Rd
Subdivision:
Pct. #: 3

To install three electric conduits across the road, boring underneath, from the north ROW to the south for approximately 90 ft. in length for service to the Paso Robles development on the west side of Hunter Rd.

Please contact the Transportation Department at least 24 hours before work begins, and use the proper traffic control practice thru the work zone.

9BC

Road and Bridge Department
2171 Yarrington Road
P O Box 906
San Marcos, TX 78667-0906
(512) 393-7385

Application for Installation

Utility Line on Hays County Right of Way

Date: May 23, 2016

Formal notice is hereby given that Pedernales Electric Cooperative
Company proposes to place a buried underground
line within the right-of way of Hays County Road 234 (Centerpoint Road)
as follows: (give location, length, general design, etc.)
P.E.C. to have Centerpoint Road bored with three electric conduits buried at a depth of at least 30 inches that will cross directly under the roadway which will be 0.55 miles West of the Centerpoint Road and Interstate Highway 35 intersection. The crossing will be perpendicular with the roadway and will be approximately 90ft in length.

If the proposed installation is a parallel installation, then the installation shall be located two feet within the edge of right-of-way unless otherwise approved by the County.

The line will be constructed and maintained on the road right-of-way as directed by the Hays County Road Department (HCRD), an agency of the Commissioners Court of Hays County, in accordance with governing laws, including but not limited to the "Federal Clean Water Act," the "Federal Endangered Species Act," and the "Federal Historic Preservation Act." Upon request by the HCRD, proof of compliance with all governing laws, rules, and regulations will be submitted to HCRD before commencement of construction.

Our firm will use Best Management Practices to minimize erosion and sedimentation resulting from the proposed installation, and we will revegetate the project area as indicated under "General Special Provisions."

Our firm will insure that traffic control measures complying with applicable portions of the *Texas Manual of Uniform Traffic Control Devices* will be installed and maintained during this installation.

The location and description of the proposed line and appurtenances is more fully shown by 1 complete sets of drawings attached to this notice.

It is expressly understood that Hays County does not purport, hereby, to grant any right, claim, title, or easement in or upon this road: and it is further understood that Hays County may require the owner to relocate this line, subject to provisions of governing laws, by giving thirty (30) days' written notice.

It is understood and agreed that any damages sustained to the appurtenances installed under this proposal as a result of road construction and/or maintenance, including but not limited to mowing, ditch cleaning, culvert repair or replacement, roadway excavation and base work shall be the sole burden and expense of the owner.

Applicant agrees to notify HCRD prior to commencement of any routine of periodic maintenance which requires pruning of trees within the road right-of-way, so that the County may provide specifications for the extent and methods to govern in trimming, topping, tree balance, type of cuts, painting cuts and clean up.

The installation shall not damage any part of the road and adequate provisions must be made to cause minimum inconveniences to traffic and adjacent property owners. In the event the Applicant fails to comply with any or all of the requirements as set forth herein, Hays County may take such action as it deems appropriate to compel compliance.

Construction of this line will begin on or after the 1st day of July, 2016.

General Special Provisions:

By signing below, I certify that I am authorized to represent the Firm listed below, and that the Firm agrees to the conditions/provisions included in this permit.

Firm Pedernales Electric Cooperative

By (Print) Randell Marx

Signature [signature]

Title Electrical Distribution Designer, SR

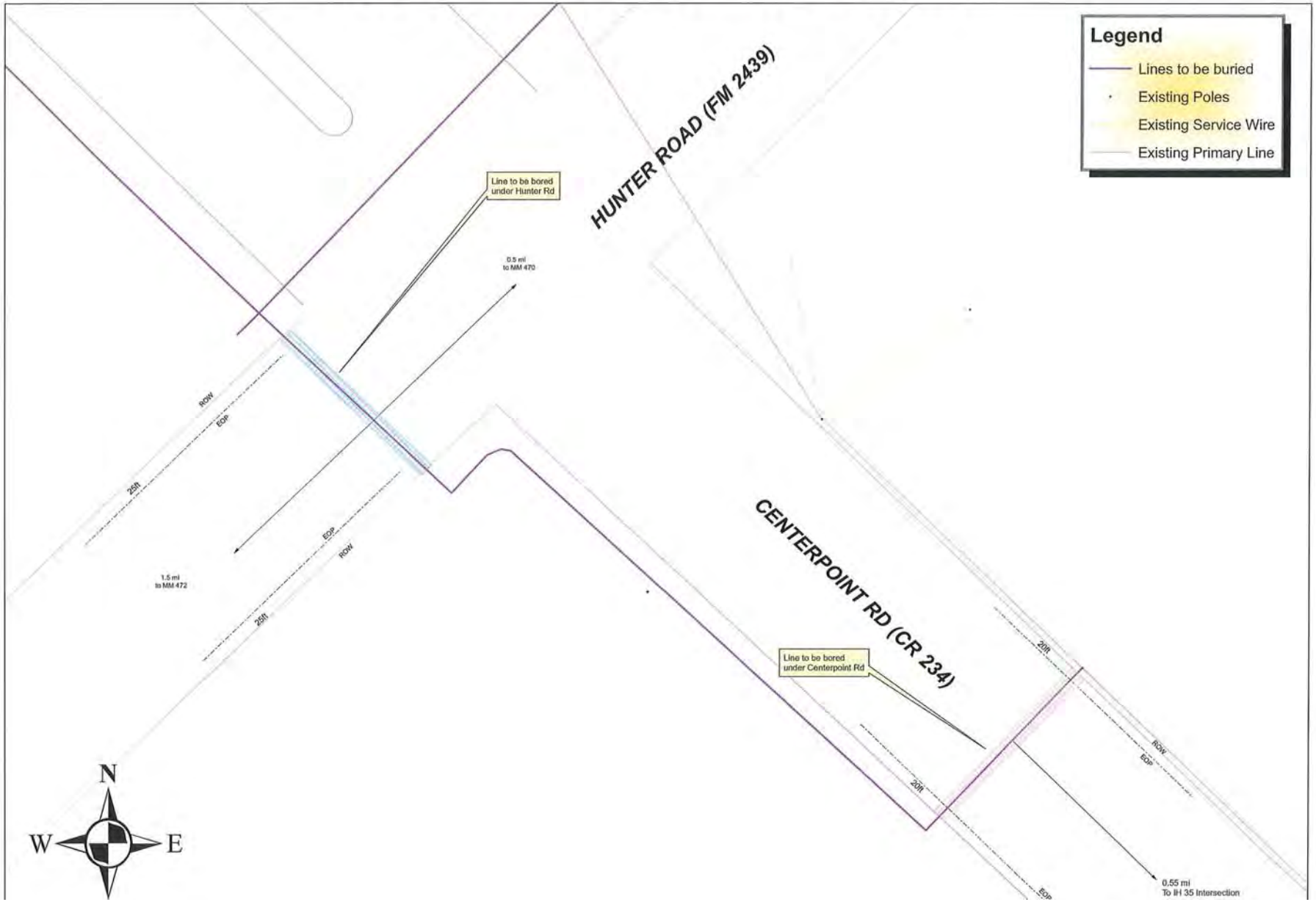
Address P.O. Box 100
Kyle, Texas 78640

Phone 830-992-7131

Approved by Hays County Road & Bridge Department

Signature	Title	Date
[signature]	Operations Superintendent	5/24/16

Paso Robles Road Bores



AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Approve the purchase of a replacement touch screen monitor for the Communications Division where a purchase order was not obtained.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	$607.00

LINE ITEM NUMBER

001-618-00.5712_400

AUDITOR USE ONLY

AUDITOR COMMENTS:
Even in emergencies a purchase order can be issued on the next business day and still meet the County's purchasing policy.

PURCHASING GUIDELINES FOLLOWED: NO **AUDITOR REVIEW:** BILL HERZOG

REQUESTED BY	SPONSOR	CO-SPONSOR
CUTLER	COBB	N/A

SUMMARY

A replacement touch screen monitor was ordered from LCRA on May 19th for the Communications Center where a purchase order was not obtained. A purchase order was not obtained due to the emergency need of a replacement radio monitor that caused the Communications Center to be down a radio during heavy rain storms.

No additional funds are needed, funds have been identified in the Sheriff's Office Operating Budget.

THE POWER TO MAKE A DIFFERENCE.

Telecommunications Work Sheet

Proposal

Telecommunications
6641 E. Ben White Blvd, Austin, TX 78744
24 Hour Phone 1-877-527-2862 & Fax 1-512-356-6445
Radio Shop Phone 1-512-356-6457 & Fax 1-512-482-6299

Customer: HAYS COUNTY SHERIFF

Address: 712 S Stagecoach Trl, Ste 1071
San Marcos, Texas 78666

Work Order #: 3718949

Proposal Date: 5/18/2016*

*** Proposal good for 30 days beyond date listed above.**

Statement of Work: HAYS COUNTY SHERIFF: REPLACEMENT TOUCH SCREEN MONITOR

Purchase Order # PO:

Comments Replacement Touch Screen Monitor for Dispatch

Task ID #: 99020

Install Touch Screen Monitor		Qty	Unit Cost	Ext Cost
Labor				
		2.0	65.00000	130.00000
				130.00
Material				
	17" Touch Screen Monitor for Dispatch Console	1.0	423.50000	423.50000
	Mileage to Hays County Dispatch	58.0	0.95000	55.10023
				478.60
			Task Total:	**608.60**
			Job Total:	**608.60**

This is not an invoice - Do not pay

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Approve specifications for RFP 2016-P11 Low Water Crossing Warning System and Detention Basin Monitoring Network and authorize Purchasing Manager to solicit for proposal and advertise.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	N/A

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
Maiorka/Smith/McInnis	CONLEY	N/A

SUMMARY

(See attached specifications) This project will be funded possibly with a mixture of TWDB grant funds, Hazard Mitigation (FEMA) grant funds, CBDG, and County funds.

RFP 2016-P11

Hays County Texas

Request for Proposal for Countywide Low Water Crossing Warning System and Detention Basin Monitoring Network

Objective:

Hays County is currently seeking a respondent that can provide a robust, technologically current, and user friendly low water crossing warning system and detention basin monitoring network, using ALERT2 technology, in order to increase situational awareness during flooding conditions. Hays County is searching for a well-built and properly maintained gaging/warning system with current technology that will help keep Hays County maintenance costs low as well as providing Hays County elected officials and County staff with useful and timely data to keep the County's citizens and first responders safe.

Proposed Project:

The proposed project will require a respondent to install equipment at 2 base stations, 25 low water crossings which will provide discharge and stage values, 10 of the 25 low water crossings will house precipitation gages and 4 of the 25 low water crossings will have a camera for near real time visual feed of the low water crossings during "events" as well as 5 detention basin monitoring gages that will monitor water level above mean sea level at the 5 NRCS dams that surround the City of San Marcos.

Respondent Requirements

1. The applying respondent shall have the infrastructure, personnel, and ability to provide a range of services at the request of Hays County Representatives.
2. The respondent shall provide relevant data in a timely manner, providing reliable emergency data, which during extreme events, can then be shared with local partners like National Weather Service, ATX floods, and river authorities to aid Hays County in protecting life and property.
3. The respondent will also be responsible for providing the monitoring software and associated database.
4. A kick-off meeting with the selected respondent and County will be conducted once the project has been awarded to ensure smooth project implementation/completion and that all County needs will be met, to include but not limited to project design, database design, infrastructure design, IT requirements.
5. One year of operations and maintenance on all sites, including base and repeater locations, as well as software and database support.
6. Selected respondent will train County staff on installation, maintenance and troubleshooting of entire system and infrastructure.

7. Supply a digital copy of the following: Complete and accurate schematic diagram and complete users' manuals for the system.

Warranty

Guarantee the equipment furnished and installed for this project will perform according to Manufacturer's published specifications. Repair or replace defective equipment during the warranty period at no cost to the County. Warrant the workmanship of all sites for 1 year.

Data Requirements

1. The data shall be stored in an accessible database that can be queried for real-time and historical data purposes as well as feed the County website.
2. The respondent shall have the ability to disseminate the data to pertinent agencies and individuals, both official and non-official, during extreme events.
3. The database and associated infrastructure shall be housed on-site within Hays County IT infrastructure.
4. Stage values and discharge values for the low water crossing locations shall be provided to the County.
5. System shall provide monitored data in near-real-time, with delays due only to software processing of captured data and transmission time.

Site Requirements

1. Documented effort showing all necessary actions have been taken and considered to mitigate, as much as possible, the loss of gaging and warning equipment due to natural events.
2. List any and all equipment and services (with costs) that will need to be provided by Hays County for the low water crossing warning system and detention basin monitoring system to function properly.
3. All equipment provided by qualified respondent for this program shall have a history of successful operating experience in similar installations and shall be in new and unused condition. This equipment shall be state-of-the-art with readily available replacement parts. All equipment used for this program shall be approved by the County prior to installation. The County has the right to select any or all of the equipment used for this program by manufacturer and/or brand, based upon the County's prior experience with, or standardization of the equipment and the County's prior experience with, or standardization of the equipment and the County's knowledge of equipment quality and manufacturer's reputation.
4. Cameras need to have the ability to tilt, pan, zoom, and function during the night or daytime hours and be able to transmit images at least every minute.

5. Inclusion of the following technologies is highly preferred:
    a. ALERT2
    b. Ability to be completely powered by solar
    c. Two-way communication with sites from base station
    d. Pressure transducer sensors
    e. SDI-12 instrumentation and communication protocol
    f. Anti-theft hardware for all equipment that is installed in the field

Project Management Plan

Respondents shall include a plan describing how subcontractors are selected and managed (if applicable). Respondents shall describe the processes that will be used for the assignment of tasks, and project scheduling as well as the capability to provide all services required for construction and implementation.

1. Description of the Project Management Plan
2. Project schedule and benchmarks
3. Final completion date

Final Proposal Submission:

1. A report of the findings/results of a radio path study and any recommendations for additional infrastructure the County will need to have installed to ensure proper coverage for all sites.
2. Each respondent will assess and provide a report on each individual low water crossing warning location and detention basin gage to ensure install costs are appropriate for the site conditions (e.g. hard dig fees, safety considerations, and multiple sign placement scenarios etc.).
3. Three (3) letters of recommendation with at least one letter coming from a customer within the State of Texas.
4. An overview of the respondent's business history, complete range of capabilities, any business or flood related committees or organizations that the respondent is a part of, a project experience summary, and any relevant certifications.

Financial Information:

Respondents shall provide the company's Financial Statements for the (3) most recently completed fiscal years or a letter from the banking partners acknowledging the financial strength of their company as well as the contact information of the Chief Financial Officer that can provide detailed information. The County may, during the course of the evaluation process, request additional financial information to supplement and clarify the information provided.

Selection Process:

All submittals will be screened by an evaluation committee and those applicants selected for a short list may be invited to attend an interview, at the applicant's own expense. The County shall not incur any cost for applicant preparation and/or submittal of qualifications.

The County will evaluate all responses based on the criteria listed below.

The County's process is as follows:

1. The evaluation committee shall screen and rate all of the responses that are submitted. Evaluation ratings will be on a 100 point scale and shall be based on the following criteria:

    a. Business Qualifications..... 10 points
    b. Financial Information..... 10 points
    c. Participants/Personnel..... 10 points
    d. Project Management Plan..... 20 points
    e. Project Experience Summary..... 50 points

2. County staff shall recommend the most qualified organization to the County Commissioners Court and request authority to enter into contract negotiations.
3. When scope, services and fees are agreed upon, the selected respondent shall be offered a contract subject to Commissioners Court approval.
4. Should negotiations be unsuccessful, the County shall enter into negotiations with the next highest ranked firm. The process shall continue until an agreement is reached with a qualified firm.
5. This RFP does not commit the County to pay for any direct and/or indirect cost incurred in the preparation and presentation of a response. All finalist(s) shall pay their own costs incurred in preparing for, traveling to and attending meetings.

It is requested that qualification packets be limited to no more than 50 pages, excluding tabs, cover letter, resumes and financial statements. Please provide four (4) copies of the proposal and one (1) digital copy.

Prior to award, Hays County reserves the right to alter or change in entirety, the scope and requirements of this project.

Due Date & Late Proposals:

Sealed proposals shall be received at the Hays County Purchasing Office located at 712 S Stagecoach Trail, Suite 1071, San Marcos, Texas 78666 until 2:00 p.m. on Thursday, June 16, 2016. Any proposal received after the deadline of 2:00 p.m. will be considered void and

unacceptable. The County is not responsible for lateness or non-delivery of mail, carrier, etc. The date/time stamp in the Purchasing office shall be the official time of receipt.

It is understood that the County reserves the right to reject any or all proposals for any or all services covered in this request and to waive informalities of defects in such proposals.

Altering Proposals:

Proposals cannot be altered or amended after submission deadline. Any alterations or erasures made before opening time must be initialed by the signer of the proposal, guaranteeing authenticity.

Withdrawal of Proposals

Any proposal may be withdrawn prior to the scheduling time for opening. Notice to withdraw the proposal must be in writing and submitted to the County prior to the scheduled time for opening proposals. Any proposal withdrawal notice, which is received after the deadline for receiving proposals, shall not be considered.

Proposal Award

If a contract is awarded, it will be to the proposer meeting or exceeding the terms, conditions and specifications of the proposal. In awarding a contract, the County may waive minor technicalities and informalities in the proposal process and proposals received if they are not material to or alter any of the conditions terms or specifications contained in the Request for Proposal (RFP).

Following any presentation and/or interviews, proposers will be ranked in order of preference and contract negotiations will begin with the top ranked firm. Should negotiations with the highest ranked firm fail to yield a contract, or of the firm is unable to execute said contract, negotiations will be formally ended and then commence with the second highest firm etc. The County reserves the right to award a contract on the basis of best and final offer with no negotiations, interviews and/or presentations should they so choose. Proposals should be best and final and the proposer should not assume that there will be another opportunity to fine tune the proposed rates, unless substantial new information, product or design is considered.

At the opening, there will be no disclosure of contents to competing firms, and all proposals will be kept confidential during the negotiation process.

Addenda

Any interpretations, corrections, or changes to the Request for Proposal will be made by addenda. Sole issuing authority of addenda shall be vested in the County Purchasing department. Addenda will be emailed to all who are known to have received a copy of this Request for Proposal. Proposers shall acknowledge receipt of all addenda.

Proposals must comply with all federal, state county and local laws concerning this type of goods or services.

Indemnification

The Proposer shall indemnify, defend, and hold the County, its officers, agents, and employees harmless for any claim, loss, damage, suit and liability of every kind, including all expenses of litigation, court costs, and attorney's fees, for injury to or death of any person, or for damage to any property, arising from or caused by any act or omission of proposer, its officers, employees, agents, or subcontractors, in performing its obligations under this contract.

Termination of Contract

The County reserves the right to terminate the contract immediately in the event the successful proposer:

- Fails to meet delivery schedules
- Otherwise fails to perform in accordance with this contract
- Becomes insolvent and/or files for protection under bankruptcy laws

Such termination is in addition to and not in lieu of any other remedies that the County may have in law or equity. Proposer, in submitting this proposal, agrees that the County shall not be liable to prosecution for damages in the event that the County declares the proposer in default.

Law Governing and Venue

The law of the State of Texas shall govern this contract and no lawsuit shall be prosecuted on this contract except in a court of competent jurisdiction located in San Marcos, Hays County, Texas.

Assignment

The successful proposer shall not sell, assign, transfer or convey this contract, in whole or in part, without the prior written consent of the County.

Due care and diligence has been used in preparation of this information, and it is believed to be substantially correct. However, the responsibility for determining the full extent of the exposure and the verification of all information presented herein shall rest solely with the bidder. Hays County and its representatives will not be responsible for any errors or omissions in these specifications, nor for the failure on the part of the proposer to determine the full extent of the exposures.

Nondiscrimination Policy Statement

Hays County, as a recipient of Federal financial assistance and under Title VI of the Civil Rights Act of 1964 and related statutes, ensures that no person shall, on the grounds of race, religion, color, national origin, sex, age or disability, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any Hays County programs or activities.

RFP 2016-P11
HAYS COUNTY TEXAS
REQUEST FOR PROPOSAL FOR COUNTYWIDE LOW WATER CROSSING WARNING SYSTEMS AND DETENTION BASIN MONITORING NETWORK

ATTACHMENTS

1. VENDOR REFERENCES
2. PROPOSER CERTIFICATION
3. PROPOSAL DOCUMENT AND ADDENDUM
4. CODE OF ETHICS
5. CERTIFICATE OF INTERESTED PARTIES
6. CONFLICT OF INTEREST QUESTIONNAIRE
7. HISTORICALLY UNDERUTILIZED BUSINESS (HUB) POLICY

VENDOR REFERENCES

Please list three (3) references of current customers who can verify the quality of service your company provides. The County prefers customers of similar size and scope of work to this proposal/bid. **This form must be returned with your bid/proposal.**

REFERENCE ONE

Government/Company Name: _____

Location: _____

Contact Person and Title: _____

Scope of Work: _____

Contract Period: _____

REFERENCE TWO

Government/Company Name: _____

Location: _____

Contact Person and Title: _____

Scope of Work: _____

Contract Period: _____

REFERENCE THREE

Government/Company Name: _____

Location: _____

Contact Person and Title: _____

Scope of Work: _____

Contract Period: _____

PROPOSER CERTIFICATION
RFP 2016-P11 LOW WATER CROSSING WARNING SYSTEM

By signature affixed, the proposer certifies that neither the proposer nor the firm, corporation, partnership, or institution represented by the proposer, or anyone acting for such firm, corporation, or institution has violated the anti-trust laws of this State, coded in Section 15.01, ct seq., Texas Business and Commerce Code, or the Federal antitrust laws, nor communicated directly or indirectly the proposal made to any competitor or any other person engaged in such line of business.

Proposer has examined the specifications and has fully informed themselves as to all terms and conditions. Any discrepancies or omissions from the specifications or other documents have been clarified with County representatives and noted on the proposal submitted.

Proposer guarantees product offered will meet or exceed specifications identified in this proposal invitation.

Proposer Must Fill in and Sign:

NAME OF COMPANY: _____

AUTHORIZED REPRESENTATIVE: _____

AUTHORIZED SIGNATURE: _____

DATE: _____

- THIS PAGE MUST BE SIGNED AND RETURNED WITH YOUR PROPOSAL

PROPOSAL DOCUMENT AND ADDENDUM
RFP 2016-P11 Low Water Crossing Warning System

Having carefully examined the RFP Notice, General Terms and Conditions, and Specifications, the undersigned Proposers Agent hereby proposes and agrees to furnish goods/services in strict compliance with the terms, conditions, and specifications at the prices quoted. The Proposer affirms that, to the best of his knowledge, the RFP has been arrived at independently and is submitted without collusion with anyone to obtain information or gain any favoritism that would in any way limit competition or give them unfair advantage over other proposers in the award of this RFP.

It is understood that the owner reserves the right to accept or reject any or all proposals and alternates, and waive all irregularities. It is further agreed that this RFP shall be completed within the time frame set forth and at no additional cost to The County for unexpected or unforeseen circumstances.

If you have received an addendum to this RFP, please acknowledge receipt by initialing the number of the addendum below. Failure to acknowledge outstanding addenda is cause for disqualification.

1._____ 2. _____ 3. _____ 4. _____ 5. _____ 6. _____

By submitting a proposal, the Vendor certifies that he/she has fully read and understands this "Request For Proposal" and has full knowledge of the scope, quantity, and quality of the materials and/or services to be furnished and intends to adhere to the provisions described herein. Failure to do so will be at the Offerors own risk, and he/she cannot secure relief on please or error. Neither law nor regulations make allowance for error of omission or commission on part of Vendors.

Name of Company: _____

Authorized Representative: _____

Authorized Signature: _____

Date: _____

- THIS PAGE MUST BE SIGNED AND RETURNED WITH YOUR PROPOSAL

CODE OF ETHICS FOR HAYS COUNTY

Public employment is a public trust. It is the policy of Hays County to promote and balance the objective of protecting government integrity and the objective of facilitating the recruitment and retention of personnel needed by Hays County. Such a policy implemented by prescribing essential standards of ethical conduct without creating unnecessary obstacles to entering public services.

Public servants must discharge their duties impartially so as to assure fair competitive access to governmental procurement by responsible contractors. Moreover, they should conduct themselves in such a manner as to foster public confidence in the integrity of the Hays County procurement organization.

To achieve the purpose of this article, it is essential that those doing business with Hays County also observe the ethical standards prescribed here.

1. It shall be a breach of ethics to attempt to influence any public employee, elected official or department head to breach the standards of ethical conduct set forth in this code.

2. It shall be a breach of ethics for any employee of Hays County or a vendor doing business with the county to participate directly or indirectly in a procurement when the employee or vendor knows that:

   A. The employee or any member of the employee's immediate family, or household has a substantial financial interest pertaining to the procurement. This means ownership of 10% or more of the company involved and/or ownership of stock or other interest or such valued at $2500.00 or more.

   B. A business or organization in which the employee, or any member of the employee's family immediate family, has a financial interest pertaining to the procurement.

   C. **Gratuities:** It shall be breach of ethics to offer, give or agree to give any employee of Hays County or for any employee to solicit, demand, accept or agree to accept from a vendor, a gratuity of consequence or any offer of employment in connection with any decision approval, disapproval, recommendation, preparation or any part of a program requirement or purchase request influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or controversy, any particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore pending before this government.

D. **Kickbacks:** It shall be a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for Hays County as an inducement for the award of a contract or order.

E. **Contract Clause:** The prohibition against gratuities and kickbacks prescribed above shall be conspicuously set forth in every contract and solicitation therefore.

F. **Any effort to influence any employee, elected official, or department head to violate the standards of this code are grounds to void the contract. Please certify by your signature below that you understand the ethics policy of Hays County and in no way will attempt to violate the code.**

SIGNATURE: _____

PRINT NAME AND TITLE: _____

COMPANY NAME: _____

Certificate of Interested Parties

In 2015, the Texas Legislature adopted **House Bill 1295,** which added 2252.908 to the Texas Government Code and applies to all contracts entered into on or after January 1, 2016. Section 2252.908 (b)(1)(2) applies only to a contract of a governmental entity or state agency that requires an action or vote by the governing body of the entity or agency before the contract may be signed or that has a value of at least $1 million. In addition, pursuant to Section 2252.908 (d), a governmental entity or state agency may not enter into a contract described by Subsection (b) with a business entity unless the business entity, in accordance with this section and rules adopted under this section, submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency.

With regard to Hays County purchases, a vendor that is awarded a contract or purchase approved by Hays County Commissioner's Court is required to electronically complete a Form 1295 through the Texas Ethics Commission website (https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm) and submit a signed and notarized copy of the form to the County. A contract, including County issued purchase order (if applicable), will not be enforceable or legally binding until the County receives and acknowledges receipt of the properly completed Form 1295 from the awarded vendor.

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor or other person doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. *See* Section 176.006, Local Government Code.

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

OFFICE USE ONLY

Date Received

1 **Name of person who has a business relationship with local governmental entity.**

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.**

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3 **Name of local government officer with whom filer has employment or business relationship.**

_____

Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

☐ Yes ☐ No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

☐ Yes ☐ No

D. Describe each employment or business relationship with the local government officer named in this section.

4

_____ _____

Signature of person doing business with the governmental entity Date

Adopted 06/29/2007

HAYS COUNTY
HISTORICALLY UNDERUTILIZED BUSINESSES
(HUB) POLICY

1. POLICY STATEMENT

The Hays County Commissioners Court, being the development and budgetary control unit of the county government, will strive to ensure that all businesses, regardless of size, economic, social or ethnic status have an equal opportunity to participate in the County's procurement processes. The County is committed to promote full and equal business opportunity for all businesses to supply the goods and services needed to support the mission and operations of county government, and seeks to encourage the use of certified historically underutilized businesses (HUB's) through the use of race, ethnic and gender neutral means. It is the policy of Hays County to involve certified HUBs to the greatest extent feasible in the County's procurement of goods, equipment, services and construction projects while maintaining competition and quality of work standards. The County affirms the good faith efforts of firms who recognize and practice similar business standards.

2. DEFINITIONS

Historically underutilized businesses (HUBs), also known as a disadvantaged business enterprise (DBE), are generally business enterprises at least 51% of which is owned and the management and daily business operations are controlled by one or more persons who is/are socially and economically disadvantaged because of his/her identification as a member of certain groups, including women, Black Americans, Mexican Americans, and other Americans if Hispanic origin, Asian Americans and American Indians.

Businesses includes firms, corporations, sole proprietorships, vendors, suppliers, contractors, subcontractors, professionals and other similar references when referring to a business that provides goods and/or services regardless of the commodity category.

Certified HUBs includes business enterprises that meet the definition of a HUB and who meet the certification requirements of certification agencies recognized by Hays County.

Statutory bid limit refers to the Texas Local Government Code provision that requires competitive bidding for many items valued at greater than $50,000.

3. POLICY GUIDELINES

A. Hays County, its contractors, their subcontractors and suppliers, as well as all vendors of goods, equipment and services, shall not discriminate on the basis of race, color, creed, gender, age, religion, national origin, citizenship, mental or physical disability, veteran's status or political affiliation in the award and/or performance of contracts. All entities doing business or anticipating doing business with the County shall support, encourage and implement affirmative steps toward a common goal of establishing equal opportunity for all citizens and businesses of the County.

B. Hays County will use and recognize the State of Texas certifications process in conjunction with the implementation of this policy. The County may recognize other agencies' certification processes recognized by the State of Texas. Hays County reserves the right to review the certification status of any vendor applying to do business with the County. This review will be accomplished to determine the validity and authenticity of the vendor's certification as a HUB.

4. Hays County will actively seek and encourage HUBs to participate in all facets of the procurement process by:

A. Continuing to increase and monitor a database of certified HUB vendors, professionals and contractors. The database will be expanded to include products, areas of expertise and capabilities of each HUB firm.
B. Continuing to seek new communication links with HUB vendors, professionals and contractors to involve them in the procurement process.
C. Continuing to advertise bids on the County's website and in the newspapers including newspapers that target socially and economically disadvantaged communities.

5. As prescribed by law, the purchase of one or more items costing in excess of the statutory bid limit must comply with the competitive bid process. Where possible, those bids will be structured to include and encourage the participation of HUB firms in the procurement process by:

1. Division of proposed requisitions into reasonable lots in keeping with industry standards and competitive bid requirements.
2. Where feasible, assessment of bond and insurance requirements and the designing of such requirements to reasonably permit more than one business to perform the work.
3. Specifications of reasonable, realistic delivery schedules consistent with the County's actual requirements.
4. Specifications, terms and conditions reflecting the County's actual requirements are clearly stated, and do not impose unreasonable or unnecessary contract requirements.

6. **A HUB Policy** statement shall be included in all specifications. The County will consider the bidder's responsiveness to the HUB Policy in the evaluation of bids and proposals. Failure to demonstrate a good faith effort to comply with the County's HUB policy may result in a bid or proposal being considered non-responsive to specifications.

7. Nothing in this policy shall be construed to require the County to award a contract other than to the lowest responsive bidder as required by law. This policy is narrowly tailored in accordance with applicable law.

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Authorize the County Judge to submit a grant application to the U.S. Department of Justice, Edward Byrne Memorial Justice Assistance Grant (JAG) program FY16 Local Solicitation for Bulletproof Vests for Law Enforcement Personnel in the amount of $11,215.00.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	300.00

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** BILL HERZOG

REQUESTED BY	SPONSOR	CO-SPONSOR
Hauff	CONLEY	N/A

SUMMARY

Hays County is eligible to receive funding in the amount of $11,215 from the 2016 Texas Local JAG allocation grant solicitation. These funds in the past were shared between the City of San Marcos and Hays County as determined by the funding formula. This year Hays County will receive a separate funding allocation and this will be used to purchase 14 Bulletproof Vests in the amount of $11,515.00 for Law Enforcement Officers and additional $300 of local county funds are necessary to complete the purchase. The application is due by June 30, 2016 and is submitted electronically. Attached is the notice of available funding from the FY16 Local JAG Program.

Bert Cobb, M.D.
Hays County Judge
111 E. San Antonio St. #300
San Marcos, TX 78666
512-393-2205

From: owner-bvp-list@ojp.usdoj.gov [mailto:owner-bvp-list@ojp.usdoj.gov] **On Behalf Of** Justice, BJA
Sent: Monday, May 16, 2016 3:05 PM
Subject: Fiscal Year (FY) 2016 Local Edward Byrne Memorial Justice Assistance Grant (JAG) Program announcement

The Bureau of Justice Assistance (BJA) is pleased to announce that FY 2016 Local JAG Program funding information is now available and appears on the BJA JAG web page.

Please note that this email is being sent to a large group of potential Local JAG applicants and does not necessarily confirm your jurisdiction's eligibility under the FY 2016 Local JAG Program.

Eligible jurisdictions under FY 2016 Local JAG are limited to units of local government appearing on the FY 2016 Local JAG Allocations list. Please verify your eligibility, and **if eligible**, review the associated FY 2016 Local JAG solicitation and submit an application for funding through the Office of Justice Program's (OJP) Grants Management System (GMS) by 8:00 p.m. Eastern on Thursday, June 30, 2016.

Please contact the GMS Help Desk at 1-888-549-9901 (Option 3) prior to the deadline if you experience any technical difficulties with submission. Applications must be submitted by the stated deadline, regardless of whether the 30 day governing body review requirement has been satisfied. BJA will hold applications prior to processing until the 30 day governing body review requirement has been met OR will attach a withholding of funds special condition to the award until the governing body requirement has been satisfied.

For questions related to the JAG solicitation, please contact the National Criminal Justice Reference Service (NCJRS) Response Center: toll-free at 1-800-851-3420; via TTY at 301-240-6310 (hearing impaired only); email grants@ncjrs.gov; fax to 301-240-5830; or web chat at https://webcontact.ncjrs.gov/ncjchat/chat.jsp. The NCJRS Response Center hours of operation are 10:00 a.m. to 6:00 p.m. eastern time, Monday through Friday. You may also contact your State PolicyAdvisor.

APPLICATION FOR FEDERAL ASSISTANCE	2. DATE SUBMITTED	Applicant Identifier
1. TYPE OF SUBMISSION Application Non-Construction	3. DATE RECEIVED BY STATE	State Application Identifier
	4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier

5.APPLICANT INFORMATION	
Legal Name Hays County, Texas	Organizational Unit Government
Address 111 E. San Antonio St.,Ste.300 San Marcos, Texas 78666-5534	Name and telephone number of the person to be contacted on matters involving this application Hauff, Jeff (512) 393-2209
6. EMPLOYER IDENTIFICATION NUMBER (EIN) 74-6002241	7. TYPE OF APPLICANT County
8. TYPE OF APPLICATION New	9. NAME OF FEDERAL AGENCY Bureau of Justice Assistance
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: 16.738 CFDA TITLE: Edward Byrne Memorial Justice Assistance Grant Program	11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT Bulletproof Vests
12. AREAS AFFECTED BY PROJECT Hays County, Texas	
13. PROPOSED PROJECT Start Date: October 01, 2015 End Date: September 30, 2017	14. CONGRESSIONAL DISTRICTS OF a. Applicant b. Project TX25

15. ESTIMATED FUNDING		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?
Federal	$11,215	Program has not been selected by state for review
Applicant	$0	
State	$0	
Local	$300	
Other	$0	

Program Income	$0	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?
TOTAL	$11,515	N

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION PREAPPLICATION ARE TRUE AND CORRECT, THE DOCUMENT HAS BEEN DULY AUTHORIZED BY GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS REQUIRED.

Close Window

Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation 2016-H2820-TX-DJ

Application Correspondence Switch to ...

Application Handbook

Overview

Applicant Information

Project Information

Budget and Program Attachments

Assurances and Certifications

Review SF 424

Submit Application

Help/Frequently Asked Questions

GMS Home

Log Off

Overview

This handbook allows you to complete the application process for applying to the Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation. At the end of the application process you will have the opportunity to view and print the SF-424 form.

*Type of Submission	○ Application Construction ◉ Application Non-Construction ○ Preapplication Construction ○ Preapplication Non-Construction
*Type of Application	New If Revision,select appropriate option: Type of Revision If Other, specify
*Is application subject to review by state executive order 12372 process?	○ Yes This preapplication/application was made available to the state executive order 12372 process for review on ○ No Program is not covered by E.O. 12372 ◉ N/A Program has not been selected by state for review

Save and Continue

Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation 2016-H2820-TX-DJ

Application Correspondence Switch to ...

Application Handbook

Overview

Applicant Information

Project Information

Budget and Program Attachments

Assurances and Certifications

Review SF 424

Submit Application

Help/Frequently Asked Questions

GMS Home

Log Off

Applicant Information

Verify that the following information filled is correct and fill out any missing information. To save changes, click on the "Save and Continue" button.

*Is the applicant delinquent on any federal debt	○ Yes ◉ No
*Employer Identification Number (EIN)	74 - 6002241
*Type of Applicant	County
Type of Applicant (Other):	
*Organizational Unit	Government
*Legal Name (Legal Jurisdiction Name)	Hays County, Texas
*Vendor Address 1	111 E. San Antonio St.,
Vendor Address 2	
*Vendor City	San Marcos
Vendor County/Parish	Hays
*Vendor State	Texas
*Vendor ZIP	78666 - 5534 Zip+4 Lookup
Please provide Point of Contact Information for matters involving this application	
*Contact Prefix:	Mr.
Contact Prefix (Other):	
*Contact First Name:	Jeff
Contact Middle Initial:	
*Contact Last Name:	Hauff
Contact Suffix:	Select a Suffix
Contact Suffix (Other) :	
*Contact Title:	Grants Administrator
*Contact Address Line 1:	712 S Stagecoach Trl.,Ste. 1204

Contact Address Line 2:	
*Contact City	San Marcos
Contact County:	Hays
*Contact State:	Texas
*Contact Zip Code:	78666 - 6250 Zip+4 Lookup
*Contact Phone Number:	512 393 2209 Ext:
Contact Fax Number:	512 393 2228
*Contact E-mail Address:	jeff.hauff@co.hays.tx.us Email Help

Save and Continue

Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation 2016-H2820-TX-DJ

Application Correspondence Switch to ...

Application Handbook

Overview

Applicant Information

Project Information

Budget and Program Attachments

Assurances and Certifications

Review SF 424

Submit Application

Help/Frequently Asked Questions

GMS Home

Log Off

Project Information

*Descriptive Title of Applicant's Project

Bulletproof Vests

*Areas Affected by Project

Hays County, Texas

Proposed Project

	*Start Date	October 01 2015
	*End Date	September 30 2017

*Congressional Districts of

	Project	Congressional District 01, TX Congressional District 02, TX Congressional District 03, TX Congressional District 04, TX

*Estimated Funding

Federal	$ 11215 .00
Applicant	$ 0 .00
State	$ 0 .00
Local	$ 300 .00
Other	$ 0 .00
Program Income	$ 0 .00
TOTAL	$ 11515 .00

Save and Continue

Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Local Solicitation 2016-H2820-TX-DJ

Application Correspondence Switch to ...

Application Handbook

Overview

Applicant Information

Project Information

Budget and Program Attachments

Assurances and Certifications

Review SF 424

Submit Application

Help/Frequently Asked Questions

GMS Home

Log Off

Assurances and Certifications

To the best of my knowledge and belief, all data in this application/preapplication is true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is awarded.

Your typed name, in lieu of your signature represents your legal binding acceptance of the terms of this application and your statement of the veracity of the representations made in this application. The document has been duly authorized by the governing body of the applicant and the applicant will comply with the following:

1. Assurances
2. Certifications Regarding Lobbying; Debarment, Suspension and Other Responsibility Matters; and Drug-Free Workplace requirements.

If you are an applicant for any Violence Against Women grants, this includes the Certification of Compliance with the Statutory Eligibility Requirements of the Violence Against Women Act.

*Prefix:	Dr.
Prefix (Other):	
*First Name:	Bert
Middle Initial:	
*Last Name:	Cobb
Suffix	Suffix:
Suffix (Other):	
*Title:	Judge
*Address Line 1:	111 E. San Antonio St.
Address Line 2:	
*City:	San Marcos
County:	Hays
*State:	Texas
*Zip Code:	78666 - 5534 Zip+4 Lookup
*Phone:	512 - 393 - 2205 Ext :

Fax:	512 - 393 - 2282
*E-mail:	bert.cobb@co.hays.tx.u Email Help

☐ I have examined the information provided here regarding the signing authority and certify it is accurate. I am the signing authority, or have been delegated or designated formally as the signing authority by the appropriate authority of official, to provide the information requested throughout this application system on behalf of this jurisdiction. Information regarding the signing authority, or the delegation of such authority, has been placed in a file and is available on-site for immediate review.

Save and Continue

OMB APPROVAL NUMBER 1121-0140

EXPIRES 03/31/2016

STANDARD ASSURANCES

The Applicant hereby assures and certifies compliance with all applicable Federal statutes, regulations, policies, guidelines, and requirements, including OMB Circulars A-21, A-87, A-102, A-110, A-122, A-133; Ex. Order 12372 (intergovernmental review of federal programs); and 28 C.F.R. pts. 66 or 70 (administrative requirements for grants and cooperative agreements). The applicant also specifically assures and certifies that:

1. It has the legal authority to apply for federal assistance and the institutional, managerial, and financial capability (including funds sufficient to pay any required non-federal share of project cost) to ensure proper planning, management, and completion of the project described in this application.

2. It will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

3. It will give the awarding agency or the Government Accountability Office, through any authorized representative, access to and the right to examine all paper or electronic records related to the financial assistance.

4. It will comply with all lawful requirements imposed by the awarding agency, specifically including any applicable regulations, such as 28 C.F.R. pts. 18, 22, 23, 30, 35, 38, 42, 61, and 63, and the award term in 2 C.F.R. § 175.15(b).

5. It will assist the awarding agency (if necessary) in assuring compliance with section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. § 470), Ex. Order 11593 (identification and protection of historic properties), the Archeological and Historical Preservation Act of 1974 (16 U.S.C. § 469 a-1 et seq.), and the National Environmental Policy Act of 1969 (42 U.S.C. § 4321).

6. It will comply (and will require any subgrantees or contractors to comply) with any applicable statutorily-imposed nondiscrimination requirements, which may include the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. § 3789d); the Victims of Crime Act (42 U.S.C. § 10604(e)); The Juvenile Justice and Delinquency Prevention Act of 2002 (42 U.S.C. § 5672(b)); the Civil Rights Act of 1964 (42 U.S.C. § 2000d); the Rehabilitation Act of 1973 (29 U.S.C. § 7 94); the Americans with Disabilities Act of 1990 (42 U.S.C. § 12131-34); the Education Amendments of 1972 (20 U.S.C. §§1681, 1683, 1685-86); and the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101-07); see Ex. Order 13279 (equal protection of the laws for faith-based and community organizations).

7. If a governmental entity:

   a. it will comply with the requirements of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. § 4601 et seq.), which govern the treatment of persons displaced as a result of federal and federally-assisted programs; and
   b. it will comply with requirements of 5 U.S.C. §§ 1501-08 and §§ 7324-28, which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by federal assistance.

U.S. DEPARTMENT OF JUSTICE
OFFICE OF JUSTICE PROGRAMS
OFFICE OF THE CHIEF FINANCIAL OFFICER

CERTIFICATIONS REGARDING LOBBYING; DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS; AND DRUG-FREE WORKPLACE REQUIREMENTS

Applicants should refer to the regulations cited below to determine the certification to which they are required to attest. Applicants should also review the instructions for certification included in the regulations before completing this form. Acceptance of this form provides for compliance with certification requirements under 28 CFR Part 69, "New Restrictions on Lobbying," 2 CFR Part 2867, "DOJ Implementation of OMB Guidance on Nonprocurement Debarment and Suspension," and 28 CFR Part 83, "Government-wide Debarment and Suspension," and Government-wide Requirements for Drug-Free Workplace (Grants)." The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of Justice determines to award the covered transaction, grant, or cooperative agreement.

1. LOBBYING As required by Section 1352, Title 31 of the U.S. Code, and implemented at 28 CFR Part 69, for persons entering into a grant or cooperative agreement over $100,000, as defined at 28 CFR Part 69, the applicant certifies that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement;

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions;

(c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subgrants, contracts under grants and cooperative agreements, and subcontracts) and that all sub-recipients shall certify and disclose accordingly.

2. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS (DIRECT RECIPIENT)

Pursuant to Executive Order 12549, Debarment and Suspension, implemented at 2 CFR Part 2867, for prospective participants in primary covered transactions, as defined at 2 CFR Section 2867.20(a), and other requirements:

A. The applicant certifies that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of Federal benefits by a State or Federal court, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Have not within a two-year period preceding this application been convicted of a felony criminal violation under any Federal law, unless such felony criminal conviction has been disclosed in writing to the Office of Justice Programs (OJP) at Ojpcompliancereporting@usdoj.gov, and, after such disclosure, the applicant has

received a specific written determination from OJP that neither suspension nor debarment of the applicant is necessary to protect the interests of the Government in this case.

(d) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and

(e) Have not within a three-year period preceding this application had one or more public transactions (Federal, State, or local) terminated for cause or default.

B. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

3. FEDERAL TAXES

A. If the applicant is a corporation, the applicant certifies that either (1) the corporation has no unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, or (2) the corporation has provided written notice of such an unpaid tax liability (or liabilities) to OJP at Ojpcompliancereporting@usdoj.gov, and, after such disclosure, the applicant has received a specific written determination from OJP that neither suspension nor debarment of the applicant is necessary to protect the interests of the Government in this case.

B. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

4. DRUG-FREE WORKPLACE (GRANTEES OTHER THAN INDIVIDUALS)

As required by the Drug-Free Workplace Act of 1988, and implemented at 28 CFR Part 83, Subpart F, for grantees, as defined at 28 CFR Sections 83.620 and 83.650:

A. The applicant certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an on-going drug-free awareness program to inform employees about

(1) The dangers of drug abuse in the workplace;

(2) The grantee's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency, in writing, within 10 calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to: Department of Justice, Office of Justice Programs, ATTN:

Control Desk, 810 7th Street, N.W., Washington, D.C. 20531. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above certifications.

Close Window

Project Abstract

Applicant: Hays County, Texas

Title of Project: Bulletproof Vests

This project will involve purchasing bulletproof vests for Hays County law enforcement officers. Officer safety is our main goal and by providing bulletproof vests increases survivability of law enforcement personnel in cases where firearms or other weapons are in hands of the criminal. When the officer enters a hazardous situation, being equipped with appropriate gear can help to save the officers life in the event of a lethal force.
The bulletproof vest will be used by law enforcement officers as a protective shield to protect them during traffic enforcement, making an arrest on a suspect and during surveillance of gang activity that will help reduce injury or possible death to an officer. The bulletproof vests have a 5 year rated wear protection period and it is important to replace the outdated vests to maximize the officer's protection while on-duty.

1. Traffic enforcement
2. Gang activity
3. firearms
4. Surveillance
5. Officer safety

Program Narrative

A law enforcement officer has a very dangerous job to protect and serve the citizens in their jurisdiction. In recent years, body armor has been a must for all officers to wear. A mandatory wear policy is in place in Hays County to ensure that all officers wear their armor while on-duty. Officer safety is our main goal and by providing bulletproof vests increases survivability in cases where firearms or other weapons are in hands of the criminal. When the officer enters a hazardous situation being equipped with appropriate gear can help to save the officers life in the event of a lethal force.

Hays County, Texas is one of the fastest growing counties in the country, with a current population estimate of 194,739 persons (U.S. Census Bureau). According to U.S. Census Bureau figures, Hays County has undergone a 23.9 percent increase in population since 2010 and was ranked as the 4th fastest growing county in the U.S from 2014-2015. Hays County is located midway between Austin and San Antonio on Interstate 35 and is part of the Austin-Round Rock-San Marcos Metropolitan Statistical Area.

The county has been preparing as best as possible to keep up with the demands of providing the required equipment and proper body armor gear for law enforcement officers to be equipped to perform their day-to-day operations. The bulletproof vest has a 5 year rated wear protection period and it is important to replace the outdated vests to maintain proper protection. Hays County has 168 officers including constables and in the past the Bulletproof Vest Partnership was a resource to obtain body armor for the officers, but demand for this program has resulted in Hays County not being funded the past two years due the growth in population and lack of funding resources. At this time, we are approximately need to replace 61 bulletproof vests over a two year period to maintain up-to-date bulletproof vests for law enforcement officers.

JAG Budget and Budget Narrative

		Computation	Cost
A.	Personnel		0
B.	Fringe Benefits		0
C.	Travel		0
D.	Equipment - Bulletproof Vests (body armor)	$822.50 per vest x 14 =	$11,515.00
E.	Supplies		0
F.	Construction		0
G.	Consultants/Contracts		0
H.	Other Costs		0
I.	Indirect costs		0

Budget Summary

A.	Personnel	0
B.	Fringe Benefits	0
C.	Travel	0
D.	Equipment	$11,515.00
E.	Supplies	0
F.	Construction	0
G.	Consultants/Contracts	0
H.	Other	0
	Total Direct Costs	$11,515.00
Indirect Costs		0
	Total Project Costs	$11,515.00
Federal Request		$11,215.00
Non-Federal Amount		$ 300.00

The purpose of the grant request is to purchase Bulletproof Vests for Hays County law enforcement officers. The Bulletproof Vests will be a shield of protection for the officers when on duty patrolling, responding to domestic family violence calls or making an arrest to reduce injury or death to the officer. The Bulletproof Vests is body armor that can save an officers life.

Review Narrative

The FY16 Edward Byrne Memorial Justice Assistance Grant (JAG) program application was posted on the Hays County, Texas Commissioners Court Agenda and made public on May 31, 2016. The application is available for public review at the Hays County Government Center, Grants Office, Suite number 1204 and the County Clerk's Office, Suite number 2008, both in San Marcos, Texas.

The Commissioners Court approved submission of the application to the U.S. Department of Justice, Office of Justice Programs under the Edward Byrne Memorial Justice Assistance (JAG) program for Bulletproof Vests for the Law Enforcement Officers in the amount of $11,215.00, with additional County funds necessary to purchase the vests.

Disclosure of Pending Applications

Federal or State Funding Agency	Solicitation Name/Projec Name	Name/Phone/Email for Point of Contact at Funding Agency
Bureau of Justice Assistance (BJA)	U.S. Department of Justice Programs Bulletproof Vest Partnership (BVP) FY16 BVP Bulletproof Vests	BVP Program Team 1-877-758-3787 vests@usdoj.gov Bureau of Justice Assistance (BJA)

U.S. DEPARTMENT OF JUSTICE
OFFICE OF JUSTICE PROGRAMS

Justice Assistance Grant (JAG) Program

Body Armor Mandatory Wear Policy Certification

On behalf of the applicant entity named below, I certify the following to the Office of Justice Programs, U.S. Department of Justice:

I have personally read and reviewed the section entitled "Body Armor Certification" in the program announcement for the grant program identified above. I certify that our agency currently has a written "mandatory wear" policy in effect.

I acknowledge that a false statement in this certification may be subject to criminal prosecution, including under 18 U.S.C. § 1001. I also acknowledge that Office of Justice Program grants, including certifications provided in connection with such grants, are subject to review by the Office of Justice Programs, and/or by the Department of Justice's Office of the Inspector General.

I have authority to make this certification on behalf of the applicant entity (that is, the entity applying directly to the Office of Justice Programs).

Fiscal Year of JAG Award: 2016

_____
Signature of Certifying Official

Bert Cobb, M.D.
Printed Name of Certifying Official

Hays County Judge
Title of Certifying Official

Hays County
Full Name of Applicant Entity

May 31, 2016
Date

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Accept the 2015 Hays County ESD #3 Audit Report.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
	CONLEY	N/A

SUMMARY

See attached Audit Report

HAYS COUNTY EMERGENCY SERVICES
DISTRICT #3

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2015

WILLIAMGRIMSLEY
Certified Public Accountant

HAYS COUNTY EMERGENCY SERVICES DISTRICT #3

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-7
Basic Financial Statements	
Government- wide Financial Statements:	
Statement of Net Position	8
Statement of Activities	9
Fund Financial Statements:	
Balance Sheet – Governmental Funds	10
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	11
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	12
Reconciliation of the Statement of Revenues, Expenditures and Changes in Governmental Fund Balances to the Statement of Activities	13
Notes to Financial Statements	14-24
Required Supplementary Information:	
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget to Actual - GAAP Basis	25
Compliance and Internal Control Section:	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	26-27

WILLIAM GRIMSLEY

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Hays County Emergency Services District #3
San Marcos, Texas

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and each major fund of Hays County Emergency Services District #3 (the District), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Member Texas Society of Certified Public Accountants
Member American Institute of Certified Public Accountants
Chartered Global Management Accountant

310 White Oak Way, Killeen, TX 76549
E-mail - cpa@williamgrimsley.com
Phone - (303) 931-5932

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2015, and the respective changes in financial positon for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-7 and page 25, respectively, be presented to supplement the basis financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounti ng Standards Board, who considers it to be an essential part of financial reporting for placing the basis financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basis financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* I have also issued my report dated May 23, 2016, on my consideration of the District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal coru;.i;;e.i...Qver financial reporting and compliance.

William Grimsley, CPA, CGMA
Killeen, Texas
May 23, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Hays County Emergency Services District #3's (the District) financial performance provides an overview and analysis of the District's financial activities for the year ended December 31, 2015. Please read it in conjunction with the Independent Auditor's Report, the accompanying basic financial statements, and the notes to the financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the year by $4,805,214 (net position). Of this amount, $344,517 is unrestricted and may be used to meet the District's future obligations.

- During the year the District's expenses of $1,404,099, as compared to revenues of $1,942,688, resulted in an increase in net position of $538,589.

- The District's capital assets totaled $7,978,660, net of accumulated depreciation of $2,971,513. This net increase of $3,545,850, was primarily the result of the construction of the Hunter Road station.

- Debt at year-end of $4,027,070 increased by $3,174,949, the result of $3,331,039 in loan draws for the Hunter Road station, off-set by $156,090 in total debt principal payments.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide the readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all the District's assets, liabilities, and deferred inflows/outflows with the difference reported as net position. Over time, increases or decreases in the District's net position may serve as a useful indicator of whether its financial health is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future periods. This may include uncollected taxes and other revenues or expenses that are appropriated for the current year even though cash in not received or expended until the following year. The government-wide financial statements can be found on pages 8-9 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District like other state and local governments uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The District maintains two governmental funds, the General Fund and the Debt Service Fund. The basic governmental fund financial statements can be found on pages 10-13 of this report.

Notes to the Financial Statements. The notes provide narrative explanations or additional data needed for full disclosure in the government-wide statements and the fund financial statements. These can be found starting on page 14.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. The following is a summary of the District's net position as of December 31, 2015. Net assets exceed liabilities by $4,805,214, however a large portion of the District's net position reflects its investment in capital assets less related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

NET POSITION

	2015	2014	$ Change	% Change
Current and other assets	$ 1,362,329	$ 1,366,502	$ (4,173)	-0.3%
Capital assets, net	7,978,510	4,432,660	3,545,850	80.0%
Total assets	9,340,839	5,799,162	3,541,677	61.1%
Current liabilities	944,053	680,416	263,637	38.7%
Long-term liabilities	4,027,070	852,121	3,174,949	372.6%
Total liabilities	4,971,123	1,532,537	3,438,586	224.4%
Net position:				
Net investment in capital assets	4,169,189	3,580,539	588,650	16.4%
Restricted	291,508	170,046	121,462	100.0%
Unrestricted	344,517	516,040	(171,523)	-33.2%
Total net positon	$ 4,805,214	$ 4,266,625	$ 538,589	12.6%

Changes in Net Position. The following is a summary of the District's operations for the fiscal year 2015. Revenues totaled $1,942,688 for the year, an increase of $182,098 or 10.3%. Property and sales taxes are the largest components of revenue, accounting for 81.8 % of the total. Charges for services increased by $64,043 or 24.2%, primarily the result of increased enrollments in the Texas Fire Academy. Expenses totaled $1,404,099, an increase of $290,172 or 26.0%, primarily in correlation with the Texas Fire Academy enrollment increase and interest expense related to the Hunter Road Station financing.

CHANGES IN NET POSITION

	2015	2014	$ Change	% Change
Program Revenues:				
Charges for services	$ 328,398	$ 264,355	$ 64,043	24.2%
Grant and contributions income	15,589	17,703	(2,114)	-11.9%
General Revenues:				
Tax revenues	1,589,006	1,473,555	115,451	7.8%
Interest income	1,830	2,125	(295)	-13.9%
Other income	7,865	2,852	5,013	175.8%
Total revenues	1,942,688	1,760,590	182,098	10.3%
Expenses:				
General government	1,314,733	1,105,004	209,729	19.0%
Interest on long-term debt	89,366	8,923	80,443	901.5%
Total expenses	1,404,099	1,113,927	290,172	26.0%
Change in net position	$ 538,589	$ 646,663	$ (108,074)	-16.7%

FINANCIAL ANLYSIS OF THE DISTRICT'S FUNDS

Governmental Funds. The focus of the District's governmental fund is to provide information on near-term inflows, outflows, and balances of spending resources. Such information is useful in accessing the District's financing requirements. In particular, unassigned and assigned fund balances may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As the District completed the year, its general fund (as presented in the balance sheet on page 10) reported a combined fund balance of $844,101, (an increase from the prior year of $89,973), primarily the result of revenue increase in taxes and the Texas Fire Academy.

Budget Highlights. The District prepares its budget on a government-wide (full accrual) GAAP basis. Actual revenues were $88,618 higher than the budget. Actual expenditures were $98,791 lower than the budget, reflecting a net favorable variance of $187,409 in excess revenues over expenditures. This favorable variance in revenue was primarily the result of a $108,771 increase in tax revenues to budget, off-set by $19,216 lower than budgeted other income. The favorable variance in expenses primarily came from lower that budgeted personnel costs and depreciation expense. More detail is presented in the required supplementary information section on page 25.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At year-end, the District's investment in capital assets totaled $7,978,510, net of accumulated depreciation, an increase of $3,545,850 to the prior year. This year's major addition was the Hunter Road Station.

More detailed information about the District's capital assets is presented in the Notes to the Financial Statements on page 21.

Debt

At year-end, the District's long-term debt was $4,027,070, an increase over the prior year of $3,174,949. This increase was the net result of additional financing for the Hunter Road Station, reduced by principal payments made on total existing debt. More detailed information about the District's long-term debt is presented in the Notes to the Financial Statements starting on page 22.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The District's appointed officials considered many factors when setting the fiscal year 2016 budget and tax rates. Some of those factors include the economy and the anticipated needs of the District for operations and capital outlay in the next year.

The District adopted a government-wide $1,932,065 budget, reflecting a surplus of $210,595, for fiscal year 2016. It will be funded primarily through property and sales taxes.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District's finances for all those with an interest therein. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Sharon O'Brien, Hays County Emergency Services District #3, 3528 Hunter Road, San Marcos, Texas 78666.

BASIC FINANCIAL STATEMENTS
(GOVERNMENT – WIDE)

HAYS COUNTY EMERGENCY SERVICES DISTRICT #3

Statement of Net Position

December 31, 2015

	Total Governmental Activities
ASSETS:	
Cash	$ 663,946
Receivables	
Property taxes	431,458
Sales taxes & other	149,374
Texas Fire Academy fees	30,315
Prepaid assets	77,625
Inventory and other assets	9,611
Capital assets:	
Land	96,450
Trucks, vehicles and boats	2,486,109
Stations	6,850,354
Furniture and fixtures	143,010
Computers and software	192,720
Equipment	1,001,380
Less: accumulated depreciation	(2,791,513)
Total assets	$ 9,340,839
LIABLITIES:	
Accounts payable	$ 381,018
Accrued liabilities	18,576
Accrued interest payable	7,927
Texas Fire Academy participant's deposits	101,034
Noncurrent liabilities:	
Due within one year	217,749
Due after one year	3,809,321
Total liabilities	$ 4,535,625
NET POSITION:	
Net investment in capital assets	$ 4,169,189
Restricted: debt service	291,508
Unrestricted	344,517
Total net position	$ 4,805,214

The accompanying notes are an integral part of these financial statements.

HAYS COUNTY EMERGENCY SERVICES DISTRICT #3

Statement of Activities

For the Year Ended December 31, 2015

		Program Revenues		Net (Expense) Revenue and Change in Net Position
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Governmental Activities**
Governmental activities	$ 1,314,733	$ 328,398	$ 15,589	$ (970,746)
Interest expense	89,366	-	-	(89,366)
Total primary government	$ 1,404,099	$ 328,398	$ 15,589	$ (1,060,112)

General Revenues:	
Property taxes	799,135
Sales taxes	789,871
Interest income	1,830
Other Income	7,865
Total General Revenues	1,598,701
Change in Net Position	538,589
Net Position - Beginning of Year	4,266,625
Net Position - End of Year	$ 4,805,214

The accompanying notes are an integral part of these financial statements.

BASIC FINANCIAL STATEMENTS
(GOVERNMENTAL FUNDS)

HAYS COUNTY EMERGENCY SERVICES DISTRICT #3

Balance Sheet - Governmental Funds

December 31, 2015

	General Fund	Debt Service Fund	Total Governmental Fund
ASSETS			
Cash	$ 368,694	$ 295,252	$ 663,946
Receivables			
Property taxes	431,458	-	431,458
Sales taxes	149,374	-	149,374
Texas Fire Academy fees	30,315	-	30,315
Due from (to) other fund	3,140	(3,140)	-
Prepaid assets	77,625	-	77,625
Inventory and other assets	9,611	-	9,611
Total assets	$ 1,070,217	$ 292,112	$ 1,362,329
LIABLITIES			
Accounts payable	$ 381,018	$ -	$ 381,018
Accrued liabilities	18,048	-	18,048
Total liabilities	399,066	-	399,066
DEFERRED INFLOW OF RESOURSES			
Unavailable revenue - property taxes	119,162	-	119,162
Fund Balance			
Nonspendable	87,236	-	87,236
Restricted - debt service	-	291,508	291,508
Committed	-	-	-
Unassigned	464,753	604	465,357
Total fund balance	551,989	292,112	844,101
Total liabilities, deferred inflows of resources and fund balance	$ 1,070,217	$ 292,112	$ 1,362,329

The accompanying notes are an integral part of these financial statements.

HAYS COUNTY EMERGENCY SERVICES DISTRICT #3
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

December 31, 2015

Total fund balance (deficit) – governmental funds		$ 844,101
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund. These assets consist of:		
Land	$ 96,450	
Trucks and equipment	2,486,109	
Stations	6,850,354	
Furniture and fixtures	143,010	
Computers and software	192,720	
Equipment	1,001,380	
Accumulated depreciation	(2,791,513)	
Total capital assets		7,978,510
Long-term debt is not due and payable in the current period and, therefore, is not reported as a liability in the fund financial statement.		(4,027,070)
Some liabilities (such as Texas Fire Academy deposits, and accrued interest payable) are not due and payable in the current period and, therefore, are not reported in the fund.		(109,489)
Some revenues in the governmental fund are deferred because they are not collected within the prescribed time period after year end. On the accrual basis, however, those revenues would be recognized, regardless of when they are collected.		119,162
Net assets of governmental activities (page 8)		$ 4,805,214

The accompanying notes are an integral part of these financial statements.

HAYS COUNTY EMERGENCY SERVICES DISTRICT #3

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

For the Year Ended December 31, 2015

	General Fund	Debt Service Fund	Total Governmental Fund
Revenues:			
Tax revenues	$ 1,521,748	$ -	$ 1,521,748
Grant and contribution income	15,589	-	15,589
Charges for services	339,942	-	339,942
Interest	1,093	737	1,830
Other income	7,865	-	7,865
Total Revenues	1,886,237	737	1,886,974
Expenditures:			
Apparatus	45,909	-	45,909
Communications	66,230	-	66,230
General and administrative	120,520	-	120,520
Contractual services	70,151	-	70,151
Personnel (including benefits)	438,438	-	438,438
Training	35,712	-	35,712
Texas Fire Academy	102,031	-	102,031
Station repairs, maintenance and supplies	89,561	-	89,561
Debt service - principal	156,090	-	156,090
Debt service - interest	86,256	-	86,256
Capital outlay	3,917,142	-	3,917,142
Total Expenditures	5,128,040	-	5,128,040
Excess of Revenues Over Expenditures	(3,241,803)	737	(3,241,066)
Other Financing Sources (Uses)			
Loan proceeds	3,331,039	-	3,331,039
Total other financing sources (uses)	3,331,039	-	3,331,039
Net Change in Fund Balance	89,236	737	89,973
Fund Balance, Beginning of Year	462,753	291,375	754,128
Fund Balance, End of Year	$ 551,989	$ 292,112	$ 844,101

The accompanying notes are an integral part of these financial statements.

HAYS COUNTY EMERGENCY SERVICES DISTRICT #3

Reconciliation of the Statement of Revenues, Expenditures and Changes in Governmental Funds to the Statement of Activities

For the Year Ended December 31, 2015

Net change in fund balance – total governmental fund	$ 89,973
Amounts reported for governmental activities in the statement of activities (page 9) are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays were higher than depreciation in the current period.	3,572,985
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the governmental fund. This is the net change from the previous period.	55,714
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the net change from the previous period.	(2,024)
Repayment of principal on debt is an expenditure in the governmental funds, but the repayment reduces long-term debt in the statement of net position.	156,090
Proceeds from debt is an other source of funds in the governmental funds, but the proceeds increases long-term debt in the statement of net position.	(3,331,039)
In the statement of activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expense is reported when due. This is the net change from the previous period.	(3,110)
Change in net position of governmental activities (page 9)	$ 538,589

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

Note 1- Summary of Significant Accounting Policies

The accounting policies of the Hays County Emergency Services District #3 (the District) conform to generally accepted accounting principles (GAAP) in the United States of America, applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for established governmental accounting and financial reporting principles. The more significant of the District's policies are described below.

A. The Reporting Entity

The District is a governmental unit of the state of Texas that was formed in July 1998. The District's role is to collect taxes from the citizens of its respective district and utilize those collections for emergency services. Those services include fire and allied services, first responder, water rescue, and the provision of a training academy. The Commissioners of the District are an appointed Board by the Hays County Commissioners to oversee and guide the various activities of the District.

The District has adopted GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*. Using these criteria, the District has no component units. The District is included in the basic financial statements of Hays County, Texas as a component unit.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e. the *Statement of Net Position* and the *Statement of Activities*) report information on all of the non-fiduciary activities of the District.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods or services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or

segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government–wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are reported when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within thirty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

The District reports the following major governmental funds:

General Fund - The general fund is the District's primary operating fund. It is used to account for all financial resources of the general government except those required to be accounted for in another fund.

Debt Service Fund - The debt service fund is used to account for resources accumulated for the payment of principal and interest on long-term debt, as required by the loan agreement dated May 23, 2014, associated with the construction of the Hunter Road Station.

D. Cash and Cash Equivalents

Cash and cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and so near maturity that there is not significant risk of changes in value due to changes in interest rates.

E. Accounts Receivable

Accounts receivable consists of property tax, sales tax and amounts due from participants of the Texas Fire Academy (TFA), as of December 31, 2015. The District does not record an allowance for uncollectable accounts, supported by historical collections.

F. Inventories and Prepaid Items

Inventories of consumable supplies are valued at cost using the first in/first out method. The costs of government fund inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future periods and are recorded as prepaid items in both the government-wide and fund financial statements. In the fund financial statements this asset is offset by a reservation of fund balance which indicates they do not represent "available spendable resources." The costs of prepaid items are recorded as expenditures when consumed rather that when purchased.

G. Capital Assets

All capital assets are capitalized at cost (or estimated historical cost) at the time of acquisition and updated for additions and retirements during the year. The District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not. Depreciation is calculated on a straight-line basis. Estimated useful lives are as follows:

Furniture and Fixtures	5 Years
Fire Trucks/Equipment	10 Years
Stations	30 Years

H. Texas Fire Academy Deposits

Texas Fire Academy deposits consist of payments made by participants in advance of the applicable training program.

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any items that qualify.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one item that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue-property taxes*, is reported in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the periods the amounts become available.

J. Equity Classifications

In the government-wide financial statements, equity is shown as net position and classified into three components:

Net investment in capital assets – Capital assets, net of accumulated depreciation, reduced by the outstanding balance of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
Restricted – Consists of assets with constraints placed on the use either by: 1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments or 2) imposed law through constitutional provisions or enabling legislation. When both restricted and

unrestricted resources are available for use, it is the District's policy to use restricted resources first and then unrestricted resources as they are needed.

Unrestricted – All other net assets that do not meet the definition of "net investment in capital assets" or "restricted".

The District reports governmental fund balances by the five following classification:

Nonspendable – Amounts that cannot be spent because they are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact.

Restricted – Amounts with restrictions that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts that can only be used for specific purposes, imposed by formal action of the District's highest level of decision making authority. In the case of the District, it is the District's Board of Commissioners, and the formal action would be an ordinance to modify or rescind the commitment.

Assigned – Amounts constrained by District management's intent to be used for specific purposes but not formally restricted by external resources or committed by the District's Board of Commissioners.

Unassigned – Amount of the remaining fund balance not in any of the other classifications.

For the classification of fund balances, the District considers restricted amounts to have been spent first when an expenditure is incurred for the purpose for which restricted and unrestricted fund balance is available. Expenditures are to be spent from restricted fund balances first, followed by committed, assigned, and lastly unassigned fund balance.

K. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimations and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from these estimates.

Note 2 – Cash Deposits

Legal and Contractual Provisions, Governing Deposits and Investments

The funds of the District must be deposited and invested under the terms of a contract, contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the District's agent bank in an amount sufficient to protect District funds on a day-today basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

At December 31, 2015, the carrying amount of the District's cash deposits was $663,947 and the bank balance was $665,130.

The **Public Funds Investment Act** (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the District to invest in; (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) banker's acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The District did not have invested funds at December 31, 2015.

Policies, Governing Deposits and Investments

In compliance with the Public Funds Investments Act, the District has adopted a deposit and investment policy. That policy addresses the following risks:

Custodial Credit Risk – Deposits: This is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District was not exposed to custodial credit risk since its deposits at year-end and during the year ended December 31, 2015, were covered by depository insurance or by pledged collateral held by the District's agent bank in the District's name.

Custodial Credit Risk – Investments: This is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are subject to custodial credit risk only if they are evidenced by securities that exist in physical or book entry form. Thus positions in external investment pools are not subject to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

Other Credit Risk: This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To minimize credit risk, investment policies of the District's investment pools allow the portfolio's investment manager to only invest in obligations of the U.S. Government and its agencies; repurchase agreements; and no-load AAAm money market mutual funds registered with the SEC.

Note 3 – Property Taxes

The District has the authority to levy a tax to a maximum of $.10 per $100 of assessed property values. Property taxes are levied each October 1 on the assessed valuation of all taxable property within the District's boundaries. The tax rate for the October 1, 2015, levy was $.10 per $100 of appraised value. Taxes are due on receipt of the bill and are delinquent if not paid before February 1 of the year following the levy. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties and interest ultimately imposed. Taxes are assessed, billed and collected by the Hays County Tax Assessor.

Note 4 – Sales Tax Revenue

As of the May 10, 2008, election, the District was approved to receive a one and a half cent ($.015) sales tax revenue within the District's applicable boundaries. On the May 11, 2013, election, the District was approved to receive an additional half cent ($ .005) local sales and use tax, effective October 1, 2013, for a portion of the city of Wimberley that does not include the Wimberley Library District.

Note 5 – Capital Assets

The following is a summary of changes in capital assets for the year:

	Balance 12/31/2014	Additions	Retirements	Balance 12/31/2015
Capital assets not being depreciated:				
Land	$ 95,966	$ 484	$ -	$ 96,450
Work-in-process	2,206,402	-	(2,206,402)	-
Total	2,302,368	484	(2,206,402)	96,450
Capital assets being depreciated:				
Stations	1,006,176	5,844,178	-	6,850,354
Equipment	892,639	114,502	(22,982)	984,159
Trucks and vehicles	2,451,023	4,225	-	2,455,248
Boats and trailers	30,861	-	-	30,861
Furniture and fixtures	28,589	118,236	(3,815)	143,010
Computers and software	176,610	19,345	(3,235)	192,720
Medical and training equipment	17,221	-	-	17,221
Total capital assets being depreciated	4,603,119	6,100,486	(30,032)	10,673,573
Total capital assets	6,905,487	6,100,970	(2,236,434)	10,770,023
Less: accumulated depreciation	(2,472,827)	(344,157)	25,471	(2,791,513)
Net capital assets	$ 4,432,660	$ 5,756,813	$ (2,210,963)	$ 7,978,510

Depreciation was charged to functions within the primary government as follows:

General Administration	$ 338,401
Texas Fire Academy	5,756
Total	$ 344,157

Note 6 – Debt

The following is a summary of changes in debt for the year:

Notes Payable:	Origination Date	Maturity Date	Interest Rate	Balance 12/31/2014	Additions	Retirements	Balance 12/31/2015
2011 Pierce Tanker	12/21/2011	2/15/2017	3.25%	$ 144,000	$ -	$ (48,000)	$ 96,000
Hunter Road Station	5/23/2014	5/16/2029	2.95%	708,121	3,331,039	(108,090)	3,931,070
				$ 852,121	$ 3,331,039	$ (156,090)	$ 4,027,070

At December 31, 2015 future debt service requirements are as follows:

2011 Pierce Tanker note:

Year	Principal	Interest	Total
2016	$ 48,000	$ 3,120	$ 51,120
2017	48,000	1,560	49,560
Total	$ 96,000	$ 4,680	$ 100,680

Hunter Road Station note: Based on the total amount of the note at 2.95%, with a balloon payment on May 16, 2029.

Year:	Principal	Interest	Total
2016	$ 163,912	$ 127,596	$ 291,508
2017	168,813	122,695	291,508
2018	173,861	117,647	291,508
2019	179,060	112,448	291,508
2020	184,414	107,094	291,508
2021-2025	1,008,161	449,378	1,457,539
2026-2029	2,521,779	216,508	2,738,287
Total	$ 4,400,000	$ 1,253,366	$ 5,653,366

On December 21, 2011, the District entered into a loan agreement with Sage Capital Bank for the purchase of a 2011 Pierce Tanker, of $240,000. The loan matures on February 15, 2017, and carries an interest rate of 3.25%. For the year ended December 31, 2015, principal payments of $48,000 were made and interest of $4,675 was paid.

On May 23, 2014, the District entered into a loan agreement with Sage National Bank for the construction of a new fire station on Hunter Road, in the amount of $4,400,000. The loan matures on May 16, 2029, and carries an interest rate of 2.95%. Monthly payments of $24,292 began on June 15, 2015, based on an amortization period of twenty years with a balloon payment of the balance on May 16, 2029. For the period ended December 31, 2015, draws totaled $3,931,070, net of $108,090 in principal payments. Interest of $81,580 was paid for the year ended December 31, 2015. The loan is secured by the assignment of Ad Valorem Taxes and required the establishment of a debt service fund equivalent to the note payments due during each fiscal year. Accordingly, $291,508 is reported as restricted assets in the statement of net position and the governmental balance sheet. As of the year ended December 31, 2015, the District was in compliance with the loan agreement.

On October 1, 2015, the District renewed its Line of Credit Loan with Sage National Bank, of $50,000. The loan matures on October 1, 2016, and carries an interest rate of 5.00%. The loan is secured by two 2000 Pierce fire trucks. For the year ended December 31, 2015, no borrowings were incurred against this loan.

Note 7 – Related Party Transactions

The District utilizes a contract consultant for some of the accounting duties such as overseeing the full time administrative assistant and other related bookkeeping duties. This individual also serves as the Secretary/Treasurer of the District and additionally is an authorized check signer on the District's bank accounts. The amount paid for the year ended December 31, 2015, was $39,548. The District's legal counsel prepared an Affidavit which was signed by the related party individual on July, 30, 2008, which reflects it is legal for this individual to act in the capacity of a Commissioner and a contract consultant.

Note 8 – Risk Management

The District is exposed to various risks of loss including general liability, property damage, and worker's compensation. The District insures against risk through participation in the Texas Municipal League Intergovernmental Risk Pool, for worker's compensation and American Alternative Insurance Corporation for its general liability and property damage.

Note 9 – Subsequent Events

In preparing these financial statements, the District has evaluated events and transactions for potential recognition of disclosure through May 23, 2016, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

HAYS COUNTY EMERGENCY SERVICES DISTRICT #3

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual - GAAP Basis

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Tax revenue	$ 1,323,751	$ 1,480,235	$ 1,589,006	$ 108,771
Charges for services	250,000	329,800	328,398	(1,402)
Grant income	22,900	15,004	15,589	585
Interest income	1,475	1,950	1,830	(120)
Other income	14,000	27,081	7,865	(19,216)
Total General Revenue	1,612,126	1,854,070	1,942,688	88,618
EXPENDITURES				
Apparatus	72,957	47,840	45,909	1,931
Communications	49,069	62,323	66,230	(3,907)
General and administrative	131,091	125,855	120,520	5,335
Contractual services	44,370	69,000	70,151	(1,151)
Personnel (including benefits)	411,554	475,568	440,462	35,106
Training	38,670	38,550	35,712	2,838
Texas Fire Academy	98,945	115,660	102,031	13,629
Station repairs, maintenance and supplies	94,249	100,649	89,561	11,088
Depreciation	430,000	381,000	344,157	36,843
Debit service - interest	88,652	86,445	89,366	(2,921)
Total Expenses	1,459,557	1,502,890	1,404,099	98,791
Excess (Deficit) of Revenues Over Expenditures	$ 152,569	$ 351,180	$ 538,589	$ 187,409

COMPLIANCE AND INTERNAL CONTROL SECTION

WILLIAM GRIMSLEY

Certified Public Accountant

May 23, 2016

To the Board of Commissioners
Hays County Emergency Services District #3
San Marcos, Texas

I have audited the financial statements of the governmental activities and each major fund of Hays County Emergency Services District #3 (the District), for the year ended December 31, 2015. Professional standards require that I provide you with information about my responsibilities under generally accepted auditing standards and *Government Auditing Standards,* as well as certain information related to the planned scope and timing of my audit. I have communicated such information in my letter to you dated November 2, 2015. Professional standards also require that I communicate to you the following information related to my audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ending December 31, 2015. I noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the District's financial statements was:

> Management's estimate of the useful lives of capitalized assets is based on the type and life expectancy of the capitalize asset, as well as, GAAP guidance. I evaluated the key factors and assumptions used to develop the lives in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

I encountered no significant difficulties in dealing with management in performing and completing my audit.

Corrected and Uncorrected Misstatements

Professional standards require me to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Member: Texas Society of Certified Public Accountants
Member: American Institute of Certified Public Accountants Chartered Global Management Accountant

310 White Oak Way, Killeen, TX 76549
E-mail: cpa@williamgrimsley.com
Phone - (303) 931-5932

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. I am pleased to report that no such disagreements arose during the course of my audit.

Management Representations

I have requested certain representations from management that are included in the management representation letter dated May 23, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, my professional standards require the consulting accountant to check with me to determine that the consultant has all the relevant facts. To my knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditor. However, these discussions occurred in the normal course of my professional relationship and my responses were not a condition to my retention.

Other Matters

I applied certain limited procedures to the Statement of Revenues, Expenditures, and Changes in Fund Balance- Budget to Actual- GAAP Basis, which is required supplementary information (RSI) that supplements the basic financial statements. My procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the use of the Board of Commissioners and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

William Grimsley, CPA, CGMA
Killeen, Texas
May 23, 2016

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court

Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Authorize the Office of Emergency Services to purchase a DJI Thermal Camera with accessories and amend the budget accordingly.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	$13,784

LINE ITEM NUMBER

001-656-00.5719_700

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** BILL HERZOG

REQUESTED BY	SPONSOR	CO-SPONSOR
Kharley Smith	CONLEY	N/A

SUMMARY

On May 10, 2016 the court authorized the OES department to execute a bailment agreement with the Wimberley Fire ESD 4 and research options for flight equipment to be maintained by the City and used for emergency situations. The OES Director has a team of personnel that researched options and has determined that the Maxsur DJI Inspire 1 is the best product at a most cost effective price point. This equipment has a high resolution look down capability with the flight battery accessory as well as an HD 4k camera accessory for still shots and recorded video. This equipment will be beneficial during search and rescue/recovery as well as natural disasters such as fire/flooding events.

Attachment:
Maxsur Quote

Potential Funding Source:
County-Wide Contingencies

14365 West State Highway 29
Liberty Hill, TX 78642
1-855-778-6565
www.maxsur.com

QUOTATION

Quote 160414-10

Bill To

Ship To
Gene Robinson

MAXSUR POC
Jake Lahmann
jlahmann@maxsur.com
Office 855-778-6565 Ext 6002
Mobile 636-667-6429

Sales ID	Terms	Shipping	Ship ARO	Valid To
1	NET30 or CC	NA	14 to 30 Days	5/14/2016

Item	SKU	Description	Item Cost	Qty	Total
1	INSPIRE1-V2.0	DJI Inspire 1 Version 2 w/RC, TB47 Battery, 4k Camera	$2,899.00	1	$2,899.00
2	DJI-XT-640-30-13	DJI XT FLIR IR Thermal Camera 640 Res, 13mm, 30Hz	$9,999.00	1	$9,999.00
3	DJISP-I1-TB48	DJI Inspire 1 TB48 5700mAh Lithium Flight Battery	$199.00	4	$796.00
4	DJISP-I1-CHGHUB	DJI Inspire 1 Charging Hub	$90.00	1	$90.00
5					
6					
7					
8					
9					
10					

Sub Total	$13,784.00
Shipping	NA
Tax	N/A
Total	$13,784.00

Texas Tax Rate 8.25%
(NA Outside TX)

Vendor Info

EIN	45-4908216
CAGE Code	6QKL0
DUNS	078 450 168
SAM	Active to 10/27/2015
DIR	DIR-TSO-3367

Submission Info

Phone	1-855-778-6565 (International 001-512-778-5453)
Fax	1-855-343-4823 (International 001-210-745-4647)
Email General	ops@maxsur.com
Accounts Receivables	Lori Penn lori@maxsur.com 512-778-5453 Ext 6028
	MAXUR 14365 W State Hwy 29 Liberty Hill, TX 78642

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Accept various donations for the Kyle Depot Project and amend the budget accordingly.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	$462

LINE ITEM NUMBER

141-676-00.4610 - Kyle Depot Project

AUDITOR USE ONLY

AUDITOR COMMENTS:
See attached budget amendment

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** BILL HERZOG

REQUESTED BY	SPONSOR	CO-SPONSOR
Kate Johnson	COBB	N/A

SUMMARY

The Historical Commission has received various donations for expenses related to the Kyle Depot Project.

Budget Amendment:
Increase - Printing - $354
Increase - Misc Eqpt - $108
Increase - Contributions - $462

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Authorize the County Judge to execute an Interlocal Agreement between Travis County and Hays County for Vehicle Use Related to the Sheriff's Combined Auto Theft Task Force.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 31, 2016	N/A

LINE ITEM NUMBER

N/A

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
CUTLER	COBB	N/A

SUMMARY

The attached agreement will result in the receipt of a 2016 Dodge Ram 1500 Quad Cab by Hays County, with limitations placed on its use for activities involving the Sheriff's Combined Auto Theft Task Force.

INTERLOCAL AGREEMENT BETWEEN

TRAVIS COUNTY AND HAYS COUNTY

FOR VEHICLE USE RELATED TO THE
SHERIFF'S COMBINED AUTO THEFT TASK FORCE

This Agreement is entered into by and between Travis County and Hays County, hereinafter collectively referred to as the "Parties", pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code.

WHEREAS, Travis County is the Grantee and Administrator of the Auto Burglary and Theft Prevention Authority (ABTPA) Grant for the Sheriff's Combined Auto Theft Task Force (SCATTF); and,

WHEREAS, Hays County is a member of the SCATTF and a sub-recipient of ABTPA grant funds and equipment; and,

WHEREAS, Travis County has used SCATTF program income funds and ABTPA funding, combined, to purchase one (1) 2016 Dodge Ram 1500 Quad Cab to be used in connection with SCATTF operations; and,

WHEREAS, the Parties agree that a vehicle purchased with ABTPA grant funds will be assigned to Hays County to be used in connection with SCATTF operations.

NOW THEREFORE, the Parties agree as follows:

1. The following described vehicle (the "vehicle") which was purchased with ABTPA grant funds will be assigned to Hays County to be used in connection with SCATTF operations:

    a. Year/Make/Model: **2016 Dodge Ram 1500 Quad Cab**
    b. Vehicle Identification Number: **3C6RR7KT5GG163981**

2. The vehicle will be operated by the Hays County SCATTF Field Agent.

3. The vehicle will be used solely for the ABTPA activities, in accordance with state law.

4. The vehicle will be used to support SCATTF case investigations and ABTPA activities.

5. The Hays County SCATTF Field Agent is the sole person authorized to operate the vehicle, except as provided in the next item below.

6. The vehicle may be used in ABTPA investigations or activity by another SCATTF member, if necessary and approved by the Hays County Field Agent.

7. If the Hays County Field Agent leaves SCATTF or is unable to perform the functions as Field Agent, the vehicle will be returned to SCATTF until the Field Agent returns to duty or is replaced; during that time the vehicle will be used by another Field Agent for ABTPA and SCATTF related duties.

8. The vehicle will be used primarily in the SCATTF participating counties.

9. Hays County is responsible for providing all fuel, maintenance and insurance coverage costs associated with the vehicle. The vehicle will be fully insured by Hays County at all times during the course of this Agreement.

10. The Hays County Field Agent will keep the vehicle with a satisfactory interior and exterior appearance.

11. The Hays County Field Agent will be responsible for parking the vehicle in a safe and suitable location when the Field Agent is off-duty.

12. The vehicle will remain the property of Travis County (as Grantee and Administrator of the ABTPA Grant for the SCATTF) and shall be returned to Travis County upon request.

13. Hays County shall comply with all requirements of the ABTPA and all applicable state and federal laws, rules and regulations.

14. Travis County designates the following staff to coordinate matters pertaining to this Agreement:

William Poole (or successor) Law Enforcement Major Travis County Sheriff's Office PO Box 1748 Austin, TX 78767 Phone: 512.854.9759	Richard Hale (or successor) Task Force Sergeant Travis County Sheriff's Office PO Box 1748 Austin, TX 78767 Phone: 512.854.7423

15. Hays County designates the following staff to coordinate matters pertaining to this Agreement:

Gary Cutler (or successor) Sheriff, Hays County 1307 Uhland Rd. San Marcos, TX 78666 Phone: 512.393.7800	Jamie Page (or successor) Chief Deputy, Hays County 1307 Uhland Rd. San Marcos, TX 78666 Phone: 512.393.7800

16. Each party paying for the performance of governmental functions or services must make those payments from current revenues available to the paying party.

17. This Agreement will take effect when it has been signed by both Parties and will remain in effect for the term of the ABTPA Grant, unless sooner terminated as provided herein. Either party may terminate this Agreement at any time and for any reason by giving the other party written notice ten (10) days prior to the effective date of the termination.

Executed as of the later date set forth below.

TRAVIS COUNTY	**HAYS COUNTY**
Signature	Signature
Printed Name	Printed Name
Date	Date

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Discussion and possible action to consider an extension of the maintenance bond for an additional 2-year period for Transportation Way off of Posey Rd, replacing the current maintenance bond expiring June 3, 2016, to accommodate future widening and extending of the roadway to a new development.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
ACTION-ROADS	May 31, 2016	

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
Jerry Borcherding	CONLEY	N/A

SUMMARY

Staff recommends acceptance of the maintenance bond extension. The current punch-list of repair items have not been addressed at this point on the existing roadway, and the department has received plans to widen and extend Transportation Way after a property on the end of the road has been developed. This bond will allow the County to re-inspect road conditions of this segment of road after the date of substantial completion of the new development work and on the future widening and extending of Transportation Way.

SureTec

SureTec Insurance Company

1330 Post Oak Boulevard, Suite 1100
Houston, TX 77056
713-812-0800

Bond No. 4390789

MAINTENANCE BOND

KNOW ALL MEN BY THESE PRESENTS, that we Posey 2000, LLC, 510 W. 15th, Austin, TX 78701 as Principal, and SureTec Insurance Company, a corporation organized under the laws of the State of Texas, and duly authorized to do business in the State of Texas as Surety, are held and firmly bound unto Hays County, Texas, 2171 Yarrington Road, San Marcos, TX 78666 as Obligee, in the penal sum of Five Thousand Sixteen and 80/100 ($5,016.80) to which payment well and truly to be made we do bind ourselves, and each of our heirs, executors, administrators, successors and assigns jointly and severally, firmly by these presents.

WHEREAS, the said Principal has completed, and owner has inspected and accepted as being complete in accordance with applicable design documents (failing which, this bond shall become effective only upon such completion and inspection) that certain work (herein referred to as the "Work") described as: Hays County Road "Transportation Way".

WHEREAS, said Obligee requires that the Principal furnish a bond conditioned to guarantee for the period of Two year (s) after substantial completion of the Work against defects in workmanship and materials which are the responsibility of the Principal under the contract under which the Work was constructed, and which did not appear prior to the final completion of the Work.

NOW THEREFORE, THE CONDITIONS OF THIS OBLIGATION IS SUCH that, if the Principal shall indemnify the Obligee for all loss that the Obligee may sustain by reason of defective materials or workmanship which may first become apparent, and with respect to which written notice is delivered to Surety, before the expiration of the period of Two year (s) from and after date of substantial completion of the Work, then this obligation shall be void, otherwise to remain in full force and effect.

This obligation does not cover normal wear and tear of materials, misuse or abuse by the Obligee or third parties, failure of Owner to perform owner-required maintenance, nor

any defects known to Obligee prior to final completion of the Work nor any defects discovered or occurring after the expiration of the period set forth above.

Surety's liability on any performance bond previously executed in connection with the Work shall terminate automatically upon acceptance of this Bond and Surety's liability shall thereafter be determined exclusively in accordance with the terms of this Bond.

No right of action shall accrue hereunder to or for the benefit of any person or entity other the Obligee named herein, nor shall any suit be filed or action maintained on this bond more than twenty five (25) months after the date of the earliest timely notice of defect by Obligee to Surety.

SIGNED, SEALED AND DATED THIS 29th day of May, 2016.

Posey 200, LLC
Principal

By: _____

SureTec Insurance Company

By: _____
William Gammon, III, Attorney-in-Fact

SureTec Insurance Company
THIS BOND RIDER CONTAINS IMPORTANT COVERAGE INFORMATION

Statutory Complaint Notice

To obtain information or make a complaint: You may call the Surety's toll free telephone number for information or to make a complaint at: 1-866-732-0099. You may also write to the Surety at:

SureTec Insurance Company
9737 Great Hills Trail, Suite 320
Austin, Tx 78759

You may contact the Texas Department of Insurance to obtain information on companies, coverage, rights or complaints at 1-800-252-3439. You may write the Texas Department of Insurance at:

PO Box 149104
Austin, TX 78714-9104
Fax#: 512-475-1771
Web: http://www.tdi.state.tx.us
Email: ConsumerProtection@tdi.state.tx.us

PREMIUM OR CLAIM DISPUTES: Should you have a dispute concerning your premium or about a claim, you should contact the Surety first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

Terrorism Risks Exclusion

The Bond to which this Rider is attached does not provide coverage for, and the surety shall not be liable for, losses caused by acts of terrorism, riot, civil insurrection, or acts of war.

Exclusion of Liability for
Mold, Mycotoxins, Fungi & Environmental Hazards

The Bond to which this Rider is attached does not provide coverage for, and the surety thereon shall not be liable for, molds, living or dead fungi, bacteria, allergens, histamines, spores, hyphae, or mycotoxins, or their related products or parts, nor for any environmental hazards, bio-hazards, hazardous materials, environmental spills, contamination, or cleanup, nor the remediation thereof, nor the consequences to persons, property, or the performance of the bonded obligations, of the occurrence, existence, or appearance thereof.

POA #: 4221573

SureTec Insurance Company
LIMITED POWER OF ATTORNEY

Know All Men by These Presents, That SURETEC INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

William Gammon, III, Matt Berry

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include waivers to the conditions of contracts and consents of surety for:

Five Million and 00/100 Dollars ($5,000,000.00)

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment shall continue in force until 12/31/2016 and is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. *(Adopted at a meeting held on 20th of April, 1999.)*

In Witness Whereof, SURETEC INSURANCE COMPANY has caused these presents to be signed by its President, and its corporate seal to be hereto affixed this 21st day of March, A.D. 2013.

SURETEC INSURANCE COMPANY

By: _____
John Knox Jr., President

State of Texas ss:
County of Harris

On this 21st day of March, A.D. 2013 before me personally came John Knox Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.

JACQUELYN MALDONADO
Notary Public
State of Texas
My Comm. Exp. 5/18/2017

_____
Jacquelyn Maldonado, Notary Public
My commission expires May 18, 2017

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 29th day of May, 2016, A.D.

_____
M. Brent Beaty, Assistant Secretary

Any instrument issued in excess of the penalty stated above is totally void and without any validity.
For verification of the authority of this power you may call (713) 812-0800 any business day between 8:00 am and 5:00 pm CST.

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

SUB-110 Studio Estates Section 2B (95 lots). Discussion and possible action to accept fiscal surety for street and drainage improvements in the amount of $25,000 (Check # 7373); approve final plat.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
ACTION-SUBDIVISIONS	May 31, 2016	

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

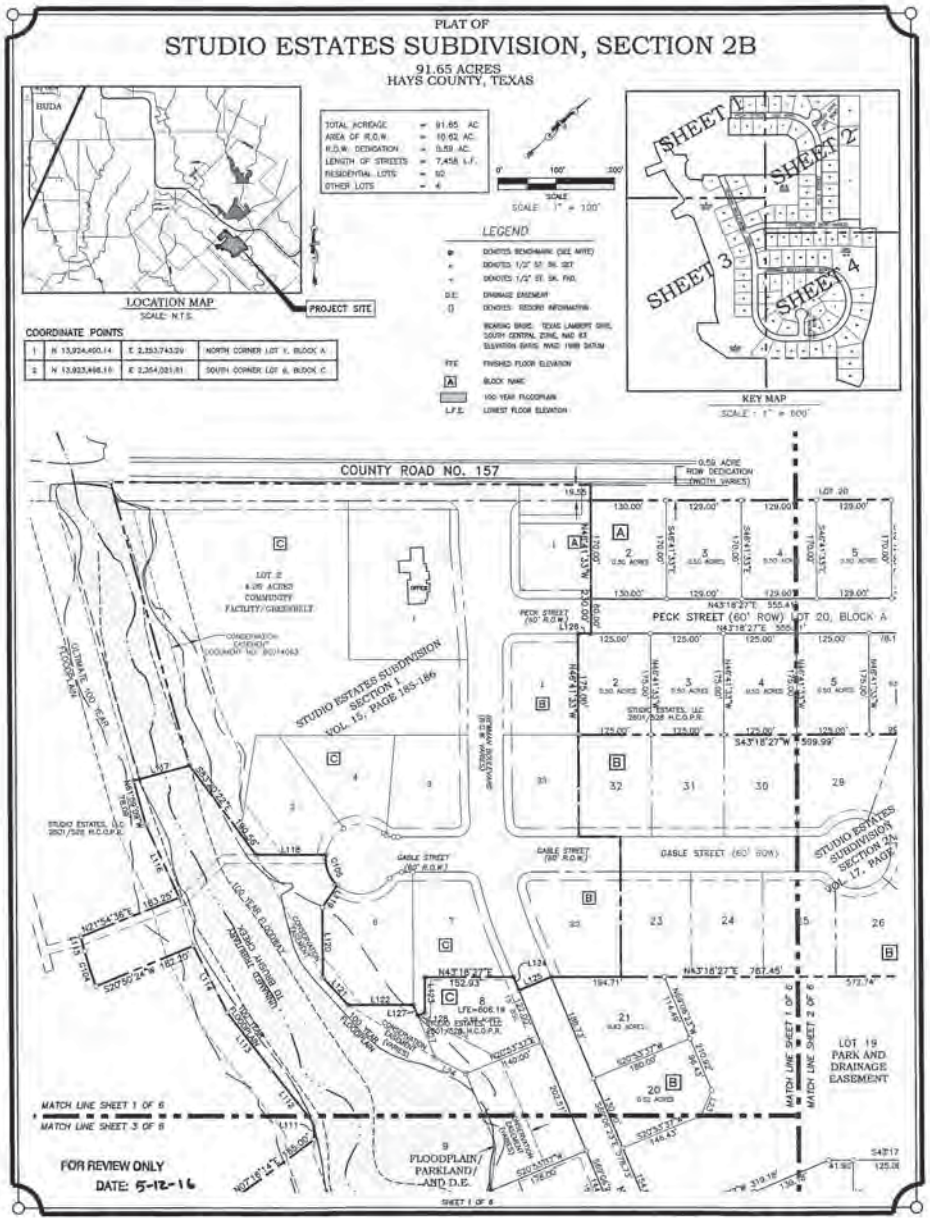
PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

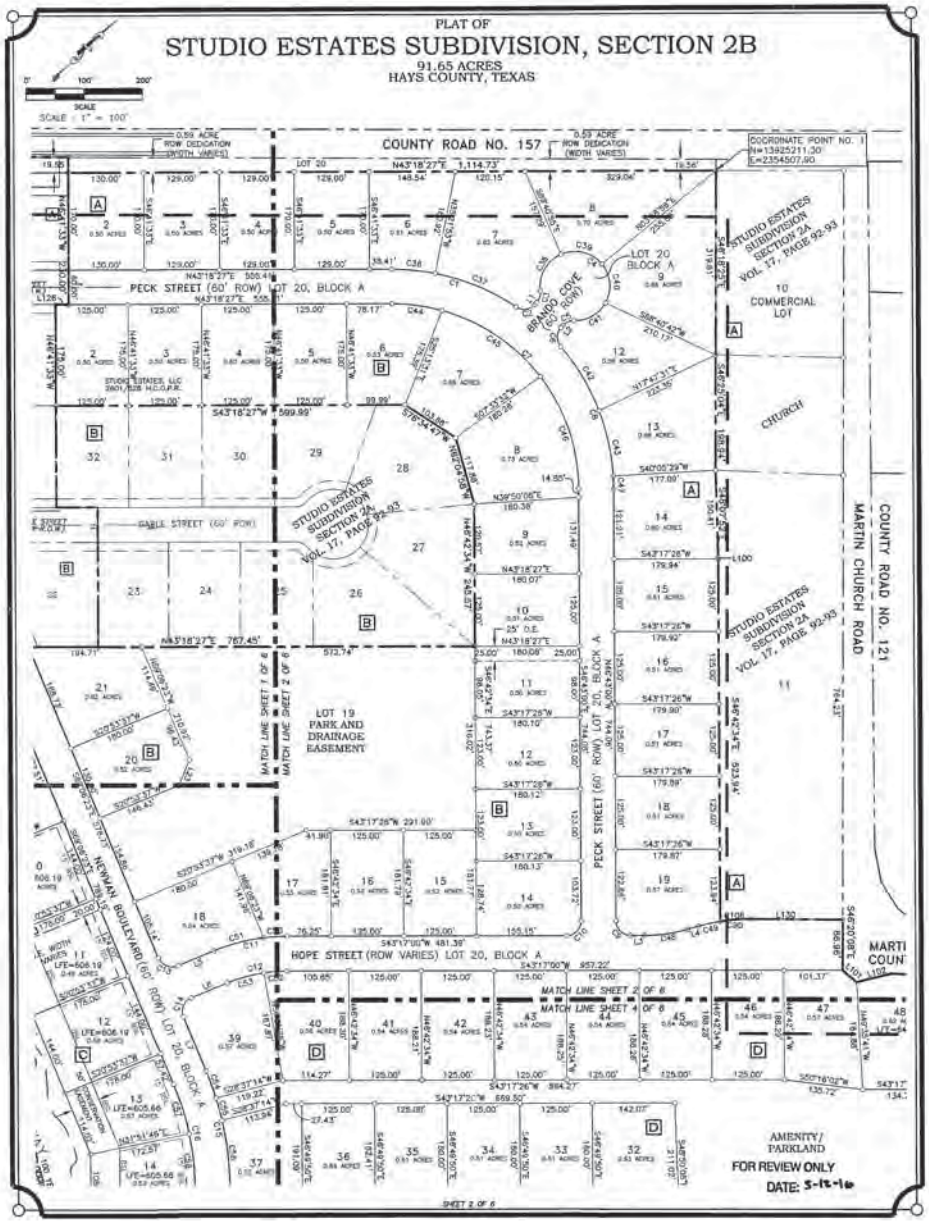
REQUESTED BY	SPONSOR	CO-SPONSOR
Caitlyn Hairell	JONES	N/A

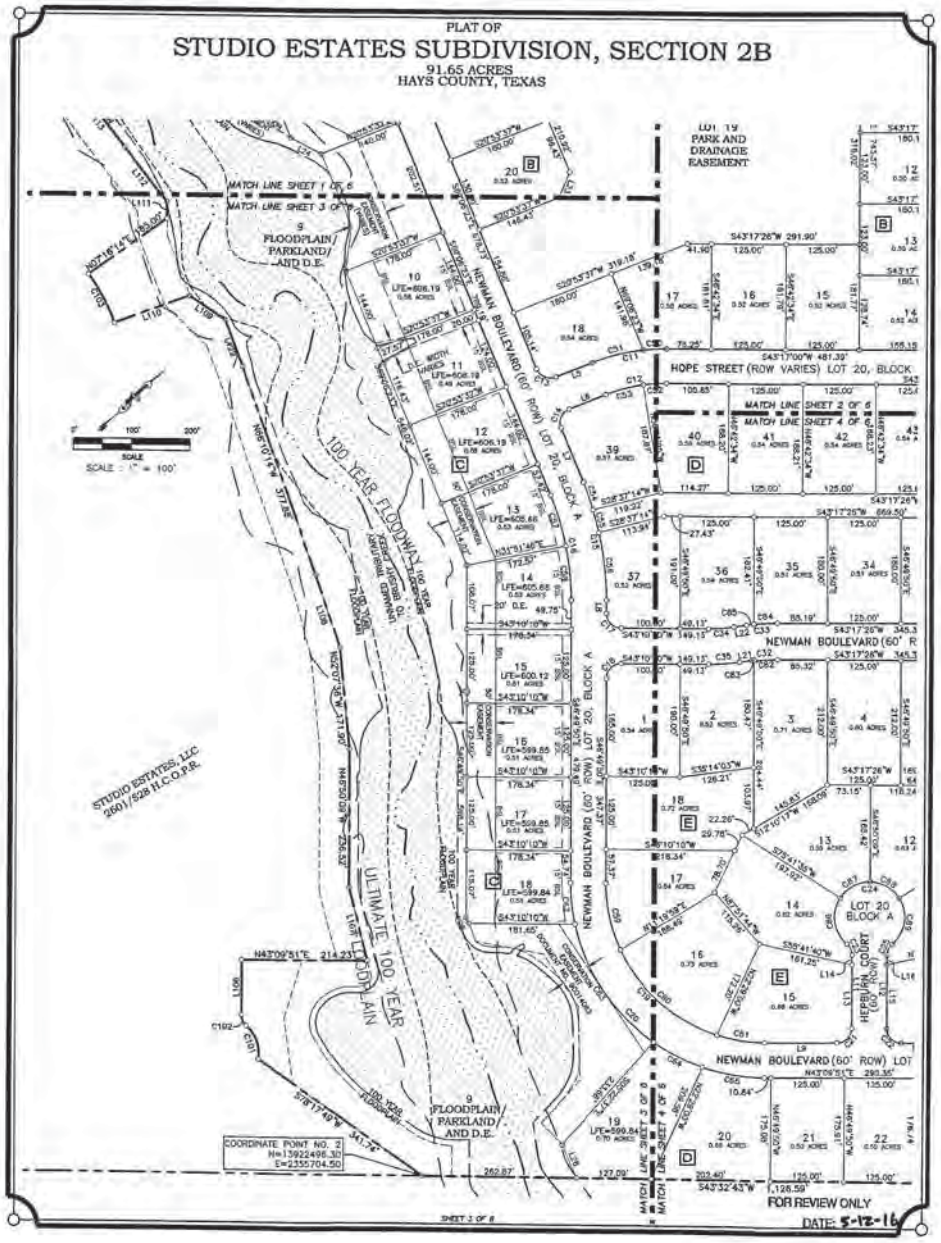
SUMMARY

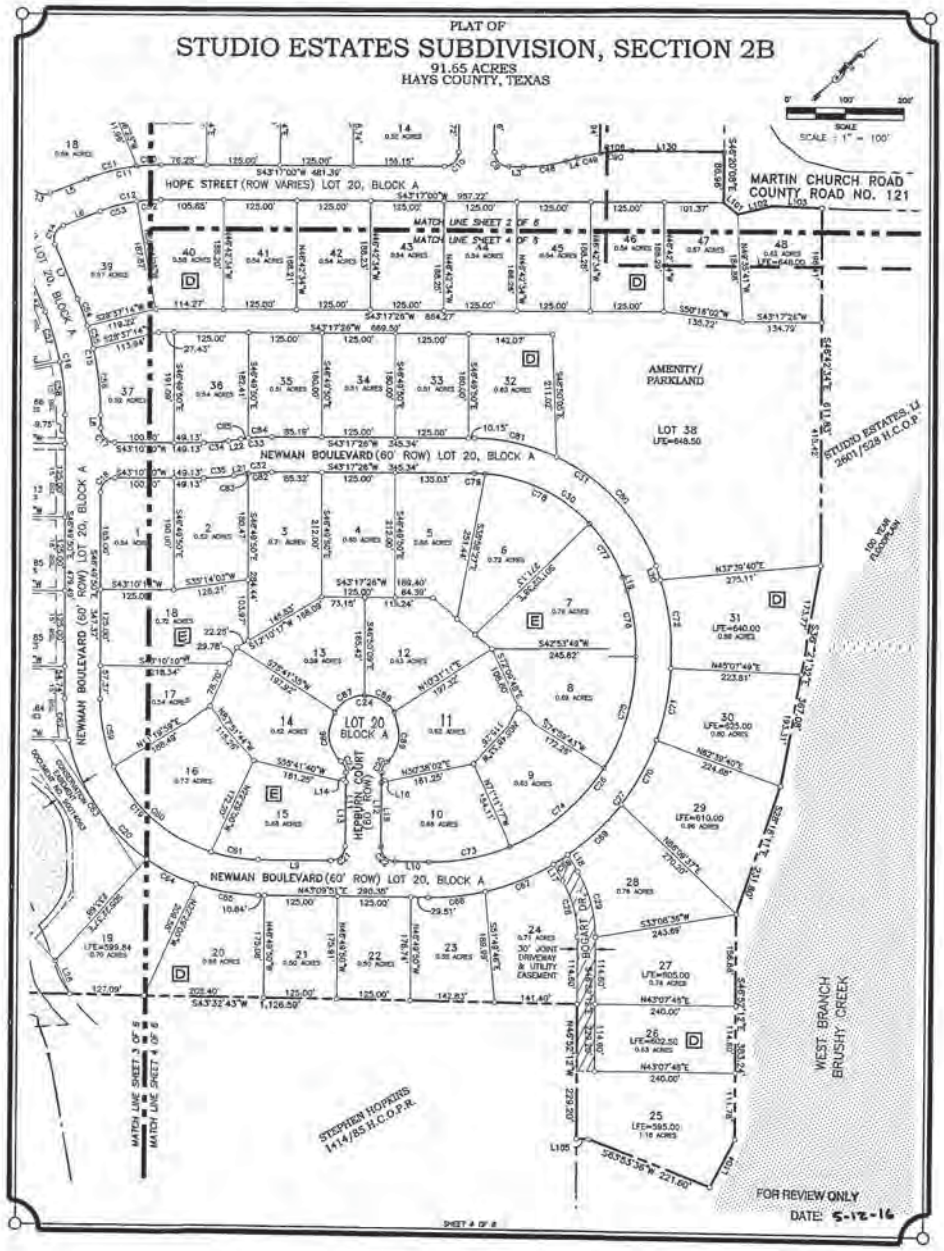
The preliminary plan for the Studio Estates development, approved in March 2009, encompasses 258 acres off of Goforth Road in precinct 2. Section 2B consists of 96 lots with an average lot size of 0.95 acres. Water service will be provided by Goforth SUD and wastewater treatment will be accomplished by individual advanced on-site sewage facilities.

The majority of street and drainage improvements have been completed for Studio Estates, Section 2B. Fiscal surety in the amount of $25,000 has been posted for the remaining drainage improvements that are required.


PLAT OF
STUDIO ESTATES SUBDIVISION, SECTION 2B
91.65 ACRES
HAYS COUNTY, TEXAS
LOCATION MAP
PROJECT SITE
KEY MAP
LEGEND
COORDINATE POINTS
COUNTY ROAD NO. 157
PECK STREET (60' ROW) LOT 20, BLOCK A
GABLE STREET (60' ROW)
STUDIO ESTATES SUBDIVISION SECTION 1 VOL. 15, PAGE 185-186
STUDIO ESTATES SUBDIVISION SECTION 2A VOL. 17, PAGE 92-93
LOT 19 PARK AND DRAINAGE EASEMENT
FLOODPLAIN/ PARKLAND/ AND D.E.
MATCH LINE SHEET 1 OF 6
MATCH LINE SHEET 3 OF 6
FOR REVIEW ONLY
DATE: 5-12-16


PLAT OF
STUDIO ESTATES SUBDIVISION, SECTION 2B
91.65 ACRES
HAYS COUNTY, TEXAS
COUNTY ROAD NO. 157
PECK STREET (60' ROW) LOT 20, BLOCK A
GABLE STREET (60' ROW)
HOPE STREET (ROW VARIES) LOT 20, BLOCK A
NEWMAN BOULEVARD (60' ROW) LOT 20, BLOCK A
LOT 19 PARK AND DRAINAGE EASEMENT
COMMERCIAL LOT
CHURCH
MARTIN CHURCH ROAD
COUNTY ROAD NO. 121
AMENITY/ PARKLAND
MATCH LINE SHEET 2 OF 6
MATCH LINE SHEET 4 OF 6
FOR REVIEW ONLY
DATE: 5-12-16


PLAT OF
STUDIO ESTATES SUBDIVISION, SECTION 2B
91.65 ACRES
HAYS COUNTY, TEXAS
LOT 19
PARK AND
DRAINAGE
EASEMENT
MATCH LINE SHEET 1 OF 6
MATCH LINE SHEET 3 OF 6
FLOODPLAIN/
PARKLAND/
AND D.E.
HOPE STREET (ROW VARIES) LOT 20, BLOCK
MATCH LINE SHEET 2 OF 6
MATCH LINE SHEET 4 OF 6
NEWMAN BOULEVARD (60' ROW) LOT 20, BLOCK A
100 YEAR FLOODWAY
ULTIMATE 100 YEAR
FLOODPLAIN
STUDIO ESTATES, LLC
2601/528 H.C.O.P.R.
LOT 20
BLOCK A
HEPBURN COURT
(60' ROW)
COORDINATE POINT NO. 2
N=13922496.30
E=2355704.50
SCALE : 1" = 100'
FOR REVIEW ONLY
DATE: 5-12-16


PLAT OF
STUDIO ESTATES SUBDIVISION, SECTION 2B
91.65 ACRES
HAYS COUNTY, TEXAS
MARTIN CHURCH ROAD
COUNTY ROAD NO. 121
HOPE STREET (ROW VARIES) LOT 20, BLOCK A
MATCH LINE SHEET 2 OF 6
MATCH LINE SHEET 4 OF 6
AMENITY/
PARKLAND
LOT 38
NEWMAN BOULEVARD (60' ROW) LOT 20, BLOCK A
STUDIO ESTATES, LLC
2601/528 H.C.O.P.R.
LOT 20
BLOCK A
HEPBURN COURT
(60' ROW)
HOBART DR.
WEST BRANCH
BRUSHY CREEK
STEPHEN HOPKINS
1414/85 H.C.O.P.R.
SCALE : 1" = 100'
FOR REVIEW ONLY
DATE: 5-12-16

PLAT OF

STUDIO ESTATES SUBDIVISION, SECTION 2B

91.65 ACRES
HAYS COUNTY, TEXAS

BOUNDARY LINE TABLE		
LINE	LENGTH	BEARING
L100	1.69	S46°07'52"E
L101	31.36	N83°14'28"E
L102	41.81	N09°24'28"E
L103	84.15	N45°22'58"E
L104	91.84	S19°07'58"E
L105	20.00	S43°07'48"W
L106	93.75	N46°01'00"W
L107	129.09	N61°17'52"W
L108	129.86	N61°17'58"W
L109	73.56	S77°42'29"W
L110	137.00	S22°42'39"W
L111	28.33	N47°43'48"W
L112	115.24	N64°34'46"W
L113	123.67	N84°15'05"W
L114	128.17	N73°32'12"W
L115	25.52	N61°23'20"W
L116	137.68	N71°15'00"W
L117	100.00	N28°06'51"E
L118	120.54	N42°18'27"E
L119	48.13	S12°40'50"E
L120	120.43	S48°41'33"E
L121	63.99	S86°41'33"E
L122	112.77	N43°18'27"E
L123	60.94	N48°41'33"W
L124	24.75	S89°06'23"E
L125	50.00	N20°53'37"E
L126	23.78	N43°18'27"E
L127	20.00	S89°06'23"E
L128	73.38	N20°53'37"E
L129	85.44	N67°17'23"E
L130	137.45	N43°39'52"E

LINE TABLE		
LINE	LENGTH	BEARING
L1	4.90	N04°41'08"W
L2	4.89	N04°41'08"W
L3	24.49	S47°17'00"W
L4	20.02	S27°31'06"W
L5	67.45	S20°53'37"W
L6	67.45	S20°53'37"W
L7	133.48	S69°06'23"E
L8	22.12	S46°48'50"E
L9	123.17	N43°09'51"E
L10	57.19	N43°09'51"E
L11	125.53	N46°50'09"W
L12	125.53	S46°50'09"E
L13	109.10	N46°50'09"W
L14	16.43	N46°50'09"W
L15	109.10	N46°50'09"W
L16	16.43	N46°50'09"W
L17	21.85	S77°11'29"E
L18	23.40	S77°11'29"E
L19	23.27	N64°15'22"W
L20	24.81	N64°15'22"W
L21	21.22	S34°09'12"W
L22	21.22	S34°09'12"W
L23	47.48	S24°06'23"E
L24	38.12	N70°53'37"E
L25	10.80	S70°02'07"E
L26	91.71	S70°02'07"E
L27	79.69'	S69°06'23"E

CURVE TABLE					
CURVE	ARC LENGTH	RADIUS	CHORD LENGTH	CHORD BEARING	DELTA
C1	226.80'	380.00'	223.45'	S60°24'21"W	34°11'46"
C2	35.86'	25.00'	32.87'	N38°24'34"E	82°11'22"
C3	21.68'	25.00'	21.00'	N29°31'31"W	49°40'47"
C4	292.54'	60.00'	77.65'	S86°18'52"W	279°21'34"
C5	21.68'	25.00'	21.00'	S20°09'16"W	49°40'47"
C6	35.87'	25.00'	32.87'	S45°47'08"E	82°12'01"
C7	502.52'	320.00'	452.45'	S86°17'44"W	89°58'32"
C8	268.41'	380.00'	260.99'	N58°48'04"W	40°28'08"
C9	39.27'	25.00'	35.36'	N88°17'00"E	90°00'00"
C10	39.27'	25.00'	35.36'	N01°43'00"W	90°00'00"
C11	128.96'	330.00'	128.14'	S32°06'19"W	22°23'23"
C12	105.51'	270.00'	104.84'	S32°06'19"W	22°23'23"
C13	39.27'	25.00'	35.36'	N88°53'37"E	90°00'00"
C14	39.27'	25.00'	35.36'	S24°06'23"E	90°00'00"
C15	208.06'	530.00'	204.76'	N57°58'06"W	22°18'53"
C16	182.73'	470.00'	181.58'	N57°58'06"W	22°16'53"
C17	39.27'	25.00'	35.36'	N88°12'10"E	90°00'00"
C18	39.27'	25.00'	35.36'	S01°41'33"E	90°00'00"
C19	424.14'	270.00'	381.86'	N88°10'01"E	90°00'19"
C20	518.39'	330.00'	466.71'	N88°17'01"E	90°00'19"
C21	39.27'	25.00'	35.36'	N01°50'09"W	90°00'00"
C22	39.27'	25.00'	35.36'	N88°09'51"E	90°00'00"
C23	21.68'	25.00'	21.00'	N71°40'22"W	49°40'47"
C24	292.54'	60.00'	77.65'	S43°09'51"W	279°21'34"
C25	21.68'	25.00'	21.00'	S21°59'45"E	49°40'47"
C26	656.19'	350.00'	564.22'	N10°32'45"W	107°25'14"
C27	768.66'	410.00'	660.95'	N10°32'45"W	107°25'14"
C28	100.55'	190.00'	99.38'	N62°01'51"W	30°19'17"
C29	116.43'	220.00'	115.07'	N62°01'31"W	30°19'17"
C30	324.82'	270.00'	307.23'	S77°58'03"W	69°21'14"
C31	401.15'	330.00'	376.91'	S78°06'56"W	69°38'59"
C32	43.06'	270.00'	43.01'	S38°43'19"W	9°08'14"
C33	52.63'	330.00'	52.57'	S38°43'19"W	9°08'14"
C34	42.49'	270.00'	42.44'	N38°39'41"E	9°00'58"
C35	51.93'	330.00'	51.88'	N38°26'41"E	9°00'58"
C36	75.08'	380.00'	74.96'	S48°58'04"W	11°19'15"
C37	151.72'	380.00'	150.72'	S88°03'58"W	22°52'35"
C38	78.21'	60.00'	72.79'	S17°01'25"E	74°41'00"
C39	77.14'	60.00'	71.94'	S57°09'02"W	73°39'53"
C40	72.28'	60.00'	67.98'	N61°30'27"W	69°01'10"
C41	64.92'	60.00'	51.80'	N13°28'34"E	61°59'32"
C42	129.54'	380.00'	129.02'	N17°05'40"W	19°32'51"
C43	115.40'	380.00'	115.15'	N58°37'24"W	17°25'47"
C44	87.08'	320.00'	86.81'	S51°08'12"W	15°35'30"
C45	207.98'	320.00'	204.34'	S17°31'02"W	37°14'19"
C46	207.46'	320.00'	203.85'	N68°17'22"W	37°08'44"
C47	21.17'	380.00'	21.17'	N48°18'46"W	3°11'31"
C48	74.29'	270.00'	74.06'	S20°24'03"W	15°45'54"
C49	38.87'	330.00'	38.85'	S38°52'31"W	6°42'30"
C50	40.35'	330.00'	40.33'	S39°46'11"W	7°00'18"
C51	88.61'	330.00'	88.34'	S28°35'10"W	15°23'05"
C52	40.05'	270.00'	40.01'	S39°02'02"W	8°29'56"
C53	65.46'	270.00'	65.30'	S27°50'21"W	13°53'27"
C54	49.72'	530.00'	49.70'	N68°25'09"W	5°22'29"
C55	40.01'	530.00'	40.00'	N61°34'06"W	4°19'31"
C56	116.33'	530.00'	116.10'	N53°07'56"W	12°34'33"
C57	89.08'	470.00'	88.84'	N53°37'18"W	10°38'08"
C58	92.72'	470.00'	92.60'	N52°28'02"W	11°18'24"
C59	117.03'	270.00'	116.12'	S59°14'53"E	24°50'08"
C60	225.83'	270.00'	218.72'	N84°27'42"E	47°55'40"
C61	81.48'	270.00'	81.17'	N51°48'35"E	17°17'28"
C62	70.81'	330.00'	70.67'	S52°58'38"E	12°17'37"
C63	247.28'	330.00'	241.51'	S80°35'21"E	42°55'47"
C64	93.32'	330.00'	93.01'	N69°50'42"E	16°12'07"
C65	107.01'	330.00'	106.54'	N52°27'15"E	18°34'47"
C66	97.69'	410.00'	97.46'	N36°20'18"E	13°39'06"
C67	125.69'	410.00'	125.19'	N20°43'50"E	17°33'51"
C68	30.05'	410.00'	30.04'	N09°50'57"E	4°11'56"
C69	125.08'	410.00'	124.60'	S00°59'24"W	17°28'46"
C70	126.01'	410.00'	125.51'	S18°32'04"W	17°36'33"
C71	125.45'	410.00'	124.96'	N36°06'15"W	17°31'51"
C72	138.73'	410.00'	138.07'	N54°35'47"W	19°23'11"
C73	142.69'	350.00'	141.70'	N31°29'06"E	23°21'31"
C74	212.59'	350.00'	209.14'	N02°25'16"E	34°48'05"
C75	200.22'	350.00'	197.50'	N31°21'32"W	32°46'37"
C76	100.90'	350.00'	100.55'	N59°59'52"W	16°31'01"
C77	107.50'	270.00'	106.79'	N78°45'41"W	22°48'42"
C78	200.95'	270.00'	196.34'	S68°30'42"W	42°38'32"
C79	16.36'	270.00'	16.37'	S40°14'26"W	3°54'00"
C80	257.38'	330.00'	250.81'	N69°23'39"W	44°40'10"
C81	143.58'	330.00'	142.74'	S55°46'51"W	24°55'46"
C82	39.82'	270.00'	39.79'	S39°03'50"W	8°27'02"
C83	3.24'	270.00'	3.24'	S34°20'48"W	0°41'12"
C84	39.90'	330.00'	39.88'	S39°49'36"W	6°55'42"
C85	12.72'	330.00'	12.72'	S35°15'29"W	2°12'32"
C86	86.49'	60.00'	79.18'	S55°13'18"E	82°35'15"
C87	59.79'	60.00'	57.34'	S14°37'05"W	57°05'32"
C88	59.79'	60.00'	57.34'	S71°42'37"W	57°05'31"
C89	86.49'	60.00'	79.18'	N38°27'00"W	82°35'16"
C90	54.32'	330.00'	54.26'	S28°56'54"W	9°25'58"

BOUNDARY CURVE TABLE					
CURVE	ARC LENGTH	RADIUS	CHORD LENGTH	CHORD BEARING	DELTA
C101	62.48'	40.00'	50.07'	N88°35'22"W	59°51'08"
C102	21.68'	25.00'	21.00'	N71°40'32"W	49°40'47"
C103	95.37'	330.00'	95.04'	N74°27'05"W	16°33'32"
C104	63.88'	670.00'	63.86'	N64°07'14"W	5°27'47"
C105	58.23'	60.00'	55.97'	S86°49'53"E	55°36'09"
C106	54.32'	330.00'	54.26'	N38°58'54"E	9°25'58"

PLAT NOTES

1. LOT 20, BLOCK A IS HEREBY DEDICATED AS PRIVATE ROADS TO PROVIDE INGRESS AND EGRESS TO ALL LOTS WITHIN THIS SUBDIVISION. STREETS SHALL BE PAVED AND PRIVATELY MAINTAINED BY THE STUDIO ESTATES PROPERTY OWNERS ASSOCIATION, OR ITS ASSIGNS.
2. ACCORDING TO THE NATIONAL FLOOD INSURANCE RATE MAP COMMUNITY PANEL NO. 48209C0285 F, NO. 48209C0293 F, AND NO. 48209C0281 F, EFFECTIVE DATE SEPTEMBER 2, 2005, AS AMENDED BY APPROVED LOMR (CASE: 12-06-2611 P) DATED APRIL 3, 2013 AFFECTING PANELS 48209C0285F AND 48209C0293F, A PORTION OF THIS TRACT IS IN ZONE AE, SPECIAL FLOOD HAZARD AREAS INUNDATED BY 100 YEAR FLOOD.
3. THIS SUBDIVISION IS WITHIN THE HAYS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT BOUNDARIES.
4. THIS SUBDIVISION LIES PARTIALLY WITHIN THE CORPORATE LIMITS OF THE CITY OF NIEDERWALD AND PARTIALLY WITHIN THE CITY OF NIEDERWALD E.T.J.
5. THE FOLLOWING EASEMENTS ARE HEREBY DESIGNATED:
   PRIVATE R.O.W. FRONT – 15' P.U.E.
   EXISTING R.O.W. FRONT – 15' P.U.E.
6. COMMON AREAS WILL BE MAINTAINED BY THE STUDIO ESTATES PROPERTY OWNERS ASSOCIATION. REFER TO RESTRICTIVE COVENANTS OF RECORD AFFECTING THIS SUBDIVISION.
7. BUILDING SETBACK LINES SHALL BE IN CONFORMANCE WITH THE RESTRICTIVE COVENANTS OF RECORD AFFECTING THIS SUBDIVISION.
8. THE FULLY DEVELOPED, CONCENTRATED STORM WATER RUNOFF FOR THE 100 YEAR STORM AND THE 100 YEAR REGULATORY FLOODPLAIN SHALL BE CONTAINED WITHIN DRAINAGE EASEMENTS.
9. UTILITY PROVIDERS:
   WATER: GOFORTH S.U.D.
   WASTEWATER: ONSITE SEPTIC SYSTEM
   ELECTRICITY: PEDERNALES ELECTRIC COMPANY
   TELEPHONE: SBC
10. NO PORTION OF THIS SUBDIVISION LIES WITHIN THE BOUNDARIES OF THE EDWARDS AQUIFER RECHARGE ZONE.
11. "IN ORDER TO PROMOTE SAFE USE OF ROADWAYS AND PRESERVE THE CONDITIONS OF PUBLIC ROADWAYS, NO DRIVEWAY CONSTRUCTED ON ANY LOT WITHIN THIS SUBDIVISION SHALL BE PERMITTED TO ACCESS ONTO A PUBLIC ROADWAY UNLESS (A) A PERMIT FOR USE OF THE COUNTY ROADWAY RIGHT-OF-WAY HAS BEEN ISSUED UNDER CHAPTER 751, AND, (B) THE DRIVEWAY SATISFIES THE MINIMUM SPACING REQUIREMENT SET FORTH IN CHAPTER 721 OF THE HAYS COUNTY DEVELOPMENT REGULATIONS."
12. ALL LOTS SHALL HAVE A MINIMUM DRIVEWAY CULVERT SIZE OF 18", UNLESS SHOWN OTHERWISE SHOWN ON MASTER DRAINAGE PLAN.
13. RESIDENTIAL LOTS ARE LIMITED TO ONE SINGLE-FAMILY RESIDENCE PER LOT.
14. LOTS ARE LIMITED TO THE USE OF ADVANCED ON-SITE SEWAGE FACILITIES.
15. ALL RESIDENTIAL LOTS WITHIN THIS SUBDIVISION ARE RESTRICTED FROM DRILLING INDIVIDUAL WATER WELLS.
16. LOT 48 BLOCK D, SHALL HAVE DRIVEWAY ACCESS TO COUNTY ROAD 121 (MARTIN CHURCH RD.)
17. DIRECT VEHICULAR ACCESS IS PROHIBITED TO COUNTY ROAD 157 (GOFORTH RD) FROM LOTS 2, 3, 4, 5, 6, 7, AND 8 BLOCK A.
18. THE PERMITTEE WILL DEDICATE IN PERPETUITY, AS A CONSERVATION EASEMENT, THE APPROXIMATELY 17.2-ACRE MITIGATION AREA IDENTIFIED IN THE MITIGATION PLAN, "MITIGATION PLAN FOR THE STUDIO ESTATES SUBDIVISION, HAYS COUNTY, TEXAS," DATED JULY 11, 2008. THE FOLLOWING LOT ARE TO BE ADDED TO THIS RESTRICTION, BLOCK C LOTS 6-19 THE ONLY EXCEPTIONS TO THE DEED RESTRICTION SHALL BE EASEMENTS IN EXISTENCE ON JULY 11, 2008. THE MITIGATION AREA WILL NOT BE DISTURBED, EXCEPT BY THOSE ACTIVITIES THAT WOULD NOT ADVERSELY AFFECT THE INTENDED EXTENT, CONDITION, AND FUNCTION OF THE MITIGATION AREA OR BY THOSE ACTIVITIES SPECIFICALLY PROVIDED FOR IN THE APPROVED MITIGATION PLAN OR IN THE SPECIAL CONDITIONS FOR THIS PERMIT. UNLESS OTHERWISE SPECIFIED, LIVESTOCK GRAZING, LOGGING, MOWING, AND SIMILAR ACTIVITIES WILL NOT BE ALLOWED IN THE MITIGATION AREA. THE PERMITTEE WILL SURVEY THE MITIGATION AREA, DEVELOP AN APPROPRIATE DEED RESTRICTION FOR THE SURVEYED AREA, SUBMIT THE DRAFT DEED RESTRICTION TO THE USACE FOR REVIEW AND APPROVAL, AND THEN RECORD THE USACE DEED RESTRICTION WITH THE HAYS COUNTY CLERK. THE PERMITTEE WILL PROVIDE A COPY OF THE RECORDED DEED RESTRICTION TO THE USACE BY JUNE 1, 2009. SEE CONSERVATION EASEMENT AGREEMENT AS RECORDED IN DOCUMENT NO.2009-90014083 OF THE HAYS COUNTY OFFICIAL PUBLIC RECORDS. THE RESTRICTION WILL NOT BE MODIFIED OR REMOVED FROM THE DEED WITHOUT THE WRITTEN APPROVAL OF THE USACE. THE CONVEYANCE OF ANY INTEREST IN THE PROPERTY SHALL BE SUBJECT TO THIS DEED RESTRICTION.
19. CONSERVATION EASEMENTS ON LOT 9, BLOCK C, THAT CONTAIN FLOODPLAIN SHALL HAVE THE SAME RESTRICTIONS AS REQUIRED IN HAYS COUNTY DEVELOPMENT REGULATIONS FOR DRAINAGE EASEMENTS.
20. LOTS 25-27, BLOCK D SHALL HAVE EQUAL ACCESS RIGHTS TO THE 30' JOINT ACCESS EASEMENT.

FOR REVIEW ONLY
DATE: 5-12-16

SHEET 5 OF 8

PLAT OF

STUDIO ESTATES SUBDIVISION, SECTION 2B

91.65 ACRES
HAYS COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF HAYS

KNOW ALL MEN BY THESE PRESENTS, THAT STUDIO ESTATES, LLC, BEING THE OWNERS OF 257.89 ACRES OF LAND OUT OF THE Z. HINTON SURVEY NO. 4, ABSTRACT NO. 219, THE NOLL MCLANE SURVEY NO. 164, ABSTRACT NO. 326 AND THE JAMES W. HALL SURVEY NO. 166, ABSTRACT NO. 227, HAYS COUNTY, TEXAS, CONVEYED TO US BY DEED RECORDED IN VOLUME 2901, PAGE 528, OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, DO HEREBY SUBDIVIDE 91.65 ACRES OF LAND, TO BE KNOWN AS "STUDIO ESTATES SUBDIVISION, SECTION 2B", IN ACCORDANCE WITH THE PLAT SHOWN HEREON, SUBJECT TO ANY AND ALL EASEMENTS OR RESTRICTIONS HERETOFORE GRANTED, AND DOES HEREBY DEDICATE TO THE PUBLIC THE USE OF THE STREETS AND EASEMENTS SHOWN HEREON.

WITNESS MY HAND THIS ______ DAY OF ______________, 20__

STUDIO ESTATES, LLC
310 MARTIN CHURCH ROAD
KYLE, TEXAS 78640

____

DAVID CUDDY, OWNER AND MANAGER
STUDIO ESTATES, LLC

BEFORE ME, A NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS, ON THIS DAY PERSONALLY APPEARED DAVID CUDDY KNOWN TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT OF WRITING, AND HE ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATIONS THEREIN EXPRESSED AND IN THE CAPACITY THEREIN STATED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS ______ DAY OF ______________, 20__

(SEAL)

____

NOTARY PUBLIC'S SIGNATURE

SURVEYOR:

STATE OF TEXAS
COUNTY OF HAYS

I, THE UNDERSIGNED, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS, HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECT, THAT IT WAS PREPARED FROM AN ACTUAL SURVEY OF THE PROPERTY MADE UNDER MY SUPERVISION ON THE GROUND, AND THAT ALL NECESSARY SURVEY MONUMENTS ARE CORRECTLY SET OR FOUND AS SHOWN HEREON.

____

GEORGE E. LUCAS
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 4160
STATE OF TEXAS
CUATRO CONSULTANTS, LTD.
3601 KYLE CROSSING, SUITE B
KYLE, TEXAS 78640

ENGINEER:

STATE OF TEXAS
COUNTY OF HAYS

I, THE UNDERSIGNED, A REGISTERED PROFESSIONAL ENGINEER IN THE STATE OF TEXAS, HEREBY CERTIFY THAT PROPER ENGINEERING CONSIDERATION HAS BEEN GIVEN THIS PLAT.

____

HUGO ELIZONDO, JR., REGISTERED PROFESSIONAL ENGINEER NO. [illegible]
CUATRO CONSULTANTS, LTD.
3601 KYLE CROSSING, SUITE B.
KYLE, TEXAS 78640

GOFORTH SPECIAL UTILITY DISTRICT:

GOFORTH SPECIAL UTILITY DISTRICT, A PUBLIC WATER SYSTEM HOLDING RETAIL WATER CERTIFICATE OF CONVENIENCE AND NECESSITY NO. 11304, HAS SUFFICIENT CAPACITY AND ACCEPTABLE WATER QUALITY TO SERVE EACH LOT IN THIS SUBDIVISION.

____

GSUD OFFICIAL

CITY OF NIEDERWALD:

THE SUBDIVIDER IS RESPONSIBLE FOR THE CONSTRUCTION OF ALL STREETS AND FACILITIES NEEDED TO SERVE THE LOTS WITHIN THE SUBDIVISION.

APPROVED BY THE CITY OF NIEDERWALD FOR FILING AT THE OFFICE OF THE COUNTY CLERK OF HAYS COUNTY, TEXAS.

APPROVED BY: CITY COUNCIL, CITY OF NIEDERWALD, TEXAS

_______________________________ DATE

REYNELL SMITH
MAYOR, CITY OF NIEDERWALD

DEVELOPMENT SERVICES DEPARTMENT:

NO STRUCTURE IN THIS SUBDIVISION SHALL BE OCCUPIED UNTIL CONNECTED TO A STATE APPROVED COMMUNITY WATER SYSTEM. DUE TO DECLINING WATER SUPPLIES AND DIMINISHING WATER QUALITY, PROSPECTIVE PROPERTY OWNERS ARE CAUTIONED BY HAYS COUNTY TO QUESTION THE SELLER CONCERNING GROUND WATER AVAILABILITY. RAINWATER COLLECTION IS ENCOURAGED AND IN SOME AREAS MAY OFFER THE BEST RENEWABLE WATER RESOURCE.

NO STRUCTURE IN THIS SUBDIVISION SHALL BE OCCUPIED UNTIL CONNECTED TO A PUBLIC SEWER SYSTEM OR TO AN ON-SITE WASTEWATER SYSTEM WHICH HAS BEEN APPROVED AND PERMITTED BY HAYS COUNTY DEVELOPMENT SERVICES.

NO CONSTRUCTION OR OTHER DEVELOPMENT WITHIN THIS SUBDIVISION MAY BEGIN UNTIL ALL HAYS COUNTY DEVELOPMENT PERMIT REQUIREMENTS HAVE BEEN MET.

_______________________________ DATE

JAMES "CLINT" GARZA, DIRECTOR
HAYS COUNTY DEVELOPMENT AND COMMUNITY SERVICES

_______________________________ DATE

TOM POPE, R.S., C.F.M.
HAYS COUNTY FLOODPLAIN ADMINISTRATOR

COUNTY:

STATE OF TEXAS
COUNTY OF HAYS

I, LIZ Q. GONZALEZ, COUNTY CLERK OF HAYS COUNTY, TEXAS, DO HEREBY CERTIFY THAT ON THE ____ DAY OF ______ A.D., 20__, THE COMMISSIONERS COURT OF HAYS COUNTY, TEXAS PASSED AN ORDER AUTHORIZING THE FILING FOR RECORD OF THIS PLAT, AND SAID ORDER HAS BEEN DULY ENTERED IN THE MINUTES OF THE SAID COURT IN BOOK ______ PAGE____

WITNESS MY HAND AND SEAL OF OFFICE THIS THE ____ DAY OF _____ A.D., 20__

_______________________________ _______________________________

BERT COBB, M.D.
COUNTY JUDGE,
HAYS COUNTY, TEXAS

LIZ Q. GONZALEZ
COUNTY CLERK,
HAYS COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF HAYS

I, LIZ Q. GONZALEZ COUNTY CLERK OF HAYS COUNTY, TEXAS, DO HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT OF WRITING WITH ITS CERTIFICATE OF AUTHENTICATION WAS FILED FOR RECORD IN MY OFFICE ON THE ____ DAY OF _____ 20__, AT ____ O'CLOCK __M. AND DULY RECORDED ON THE ____ DAY OF _____ 20__, AT ____ O'CLOCK __M., IN THE PLAT RECORDS OF HAYS COUNTY, TEXAS IN BOOK ____ PAGE____

____

LIZ Q. GONZALEZ, COUNTY CLERK
HAYS COUNTY, TEXAS

FOR REVIEW ONLY
DATE: 5-12-16

SHEET 6 OF 8

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court

Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Discussion and possible action to authorize the Sheriff's Office to hire one new Deputy SRO position for the Hays Consolidated Independent School District ("HCISD") effective August 1st using salary savings for the 25% cost share; and to authorize the County Judge to execute a 2nd Letter Amendment to the Interlocal Cooperation Agreement between Hays County and HCISD.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
ACTION-MISCELLANEOUS	May 31, 2016	$3,303

LINE ITEM NUMBER

001-618-00]

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** BILL HERZOG

REQUESTED BY	SPONSOR	CO-SPONSOR
Sheriff Gary Cutler	JONES	N/A

SUMMARY

Hays CISD has approved additional funding in their FY 2017 budget for 75% cost sharing for one new SRO position. The additional SRO position will be assigned to the new McCormick Middle School effective 8/1/2016 to prepare for the upcoming school year. Salary savings within the Sheriff's Office operating budget have been identified to cover the two month 25% cost share. The matching funds have also been requested in the FY 2017 budget process.

Annualized impact for position (based on current applications):
$79,259
$19,815 - 25% Hays County
$59,444 - 75% Hays CISD

EXHIBIT "A"

I. The cost to Hays CISD of providing the full-time deputies is $625,286for three (3) quarters of the Agreement, calculated on the basis of annual costs totaling $825,381 for the deputies, effective as of the date of this Agreement.

A. Salaries: $569,570 (Actual Costs for ten (10) SROs)

- Hays CISD 75% - $427,178
- Hays County 25% - $142,392

B. Indirect Personnel Costs: $230,811 (e.g. insurance, fringe)

- Hays CISD 75% - $173,108
- Hays County 25% - $57,703

C. Vehicle Maintenance: $25,000 ($2,500.00 per vehicle for ten (10) vehicles)

- Hays CISD 100% - (Fuel and routine maintenance estimates for 9 month period)

II. The costs of providing one or more full time deputies for the last quarter of the Agreement shall be calculated after HCISD has indicated which deputies it wishes to utilize for the last quarter, but shall cost ***no less than $22,779*** which represents utilization of the lowest number of SRO's allowed under this agreement.

III. TOTAL MINIMUM CONTRACT COST:

1st Quarter (August – October):	**$208,428.60**
2nd Quarter (November – January):	**$208,428.60**
3rd Quarter (February – April):	**$208,428.60**
4th Quarter (May – July):	**$22,779.00 (option for more)**

Division of Business and Operations

21003 N IH 35
Kyle, Texas 78640

Date: September 3, 2015

Subject: Interlocal Cooperation Agreement

To: Hays County Criminal District Attorney's Office
712 S Stagecoach Trail, Ste 2057
San Marcos, Texas 78666

We transmit:

☒ herewith ☐ under separate cover via ☐ in accordance with your request

Copies	Description
1	Fully executed Interlocal Cooperation Agreement regarding School Resource Officers for Hays CISD

Remarks:

Should you have any questions or comments regarding the enclosed, do not hesitate to contact our office at 512-268-2141.

By: Tina Constable
Administrative Assistant,
Deputy Superintendent

FIRST AMENDMENT TO THE INTERLOCAL COOPERATION AGREEMENT BETWEEN HAYS COUNTY AND THE HAYS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

This 1ST Amendment to the Interlocal Cooperation Agreement, attached as Exhibit "B" and executed September, 2013 ("Amendment") is made this 4 day of August, 2015, by and between Hays County, a political subdivision of the State of Texas (herein referred to as "County"), and the Hays Consolidated Independent School District (herein referred to as "HCISD"). The above-cited parties are collectively referred to as "the parties to this Agreement" or "the parties."

Section II. B. of the Agreement shall be amended to reflect the following modifications.

B. It is contemplated that NINE (9) full-time deputies will be assigned to provide the law enforcement services described herein and that these deputies shall be assigned to areas as agreed upon by the Sheriff's Office and the HCISD.

1. Two (2) deputies will divide their time between Hays High School and Live Oak Academy.
2. Two (2) deputies assigned to Lehman High School
3. One (1) deputy assigned to Barton Middle School
4. One (1) deputy assigned to Wallace Middle School
5. One (1) deputy assigned to Simon Middle School
6. One (1) deputy assigned to Chapa Middle School
7. One (1) deputy will divide his/her time between Dahlstrom Middle School and Impact Alternative Education Program facility

Exhibit "A" of the Agreement shall be amended to reflect the modifications attached as Exhibit "A".

EXCEPT FOR THE ABOVE MODIFICATION, ALL OTHER TERMS AND CONDITIONS OF THE AGREEMENT SHALL REMAIN UNCHANGED, UNLESS PROPERLY MODIFIED BY SUBSEQUENT AMENDMENT UNDER THE TERMS OF THE AGREEMENT.

This 1st Amendment to the Interlocal Cooperation Agreement is hereby executed this 4 day of August, 2015, as is evidenced by the authorized signatures of the Parties, below.

HCISD

Meridith Keller

By: Meridith Keller
Title: President

COUNTY

HAYS COUNTY, TEXAS
BERT COBB, M.D.
HAYS COUNTY JUDGE

COMMISSIONERS COURT HAYS COUNTY, TEXAS

ATTEST:
LIZ Q. GONZALEZ
HAYS COUNTY CLERK

EXHIBIT

A

EXHIBIT "A"

I. The cost of providing the full-time deputies is $559,773 for three (3) quarters of the Agreement, calculated on the basis of annual costs totaling $738,864, effective as of the date of this Agreement.

A. Salaries: $510,546 (Actual Costs for nine (9) SROs)

B. Indirect Personnel Costs: $205,818 (e.g. insurance, fringe)

C. Vehicle Maintenance: $22,500.00 ($2,500.00 per vehicle for nine (9) vehicles)
(Fuel and routine maintenance)

II. The costs of providing one or more full time deputies for the last quarter of the Agreement shall be calculated after HCISD has indicated which deputies it wishes to utilize for the last quarter, but shall cost ***no less than $19,228*** which represents utilization of the lowest number of SRO's allowed under this agreement.

III. TOTAL MINIMUM CONTRACT COST:

1st Quarter (August – October):	**$186,591**
2nd Quarter (November – January):	**$186,591**
3rd Quarter (February – April):	**$186,591**
4th Quarter (May – July):	**$ 19,228 (option for more)**

EXHIBIT
B

INTERLOCAL COOPERATION AGREEMENT
BETWEEN HAYS COUNTY, TEXAS, AND
THE HAYS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

THIS Interlocal Cooperation Agreement is made and entered into by and between the following parties: Hays County, Texas, (the "COUNTY") and the Hays Consolidated Independent School District (the "HCISD").

WHEREAS, the HCISD and COUNTY, acting through the Hays County Sheriff's Office, desire to enter into an interlocal cooperation agreement pursuant to which Sheriff's deputies will be assigned to HCISD campuses as School Resource Officers ("SRO's") under the terms and conditions stated herein;

WHEREAS, the HCISD and COUNTY, have agreed to a cooperative approach in response to the problems with drugs, alcohol, and campus safety in which the SRO positions are an integral part;

NOW, THEREFORE, the COUNTY and the HCISD agree as follows:

I.

A. The goals of this collaborative effort include, but are not limited to, the following:

1. Provide for the safety of students and staff;
2. Provide problem resolution and enforcement of laws when necessary;
3. Reduce delinquent behavior amongst youth in and around the schools;
4. Prevent and/or reduce incidents of school violence;
5. Form better communication between youth and law enforcement;
6. Establish officers as integral participants in planning efforts related to the prevention, management, and follow-up efforts related to campus crime response and emergency response;
7. Establish officers as a resource and educational tool for campus / district staff on the recognition and consequences of criminal conduct;
8. Educate youth by providing relevant and informative educational programs.

B. All law enforcement officers, dispatchers, and other personnel, who provide services pursuant to this interlocal cooperation agreement are employees of the Sheriff, and the Sheriff shall maintain supervisory control and command over such employees. This Agreement shall not be construed to constitute an illegal restraint upon or delegation of the Sheriff's authority with regard to the performance of his/her duties and responsibilities under Texas law.

C. The Sheriff shall:

1. Engage in necessary law enforcement actions.
2. Provide for necessary officer supervision and training.

3. Provide, if desired, law enforcement related training to students by the officer in subjects agreed upon by HCSO and HCISD personnel.
4. Provide for replacement officers for those times when the primary officer assigned pursuant to this agreement is absent due to extended sick time, vacation time, FMLA, Workers Compensation, etc. Routine absences may not be covered due to staffing demands within the Sheriff's Office.
5. The Sheriff, in its sole discretion, shall have the power and authority to hire, discharge, and discipline SROs.

D. The District shall:

1. Via its School Officials, allow SROs to inspect and copy any public records maintained by the school to the extent allowed by law.
2. If some information in a student's record is needed in an emergency to protect health or safety of the student or other individuals, school officials may disclose to the SRO that information which is needed to respond to the emergency situation based on the seriousness of the threat to someone's health or safety; the need of the information to meet the emergency situation and the extent to which time is of the essence.
3. If confidential student records information is needed by an SRO, but no emergency situation exists, the information may be released only as allowed by law.

E. The SRO will not be involved in ordinary school discipline, UNLESS it pertains to preventing a potential disruption and/ or climate that places students at risk of harm. Disciplining students is a school district responsibility, and only when the principal and the SRO agree that the SRO's assistance is needed to maintain a safe and proper school environment would the principal request SRO involvement.

F. The SRO is first and foremost a law enforcement officer. This fact must be constantly reinforced.

G. Each SRO shall be responsible for the following day-to-day duties;

1. Reporting activities to the campus/district administrator, which shall be subject to assignments that are mutually agreed upon by the campus/district administrator and the Sheriff.
2. Notifying the campus/district administration in advance, when possible, regarding the SRO's absences, which may be due to court appearances and/or training.
3. During duty hours, remaining on the SRO's assigned school campus(es) and attend to school activities. Responses to local area law enforcement calls are to be limited to extreme emergencies and observation of criminal acts. The SRO shall notify campus administrators upon departure and return when responding to local calls, circumstances permitting.
4. Attending campus meetings, briefings and training as requested by the campus/ district administration.

5. Assisting with the coordination of security for major school events and extracurricular activities.
6. Assisting school officials in drills and simulations related to crises management, emergency response, and threat mediation.
7. Performing duties consistent with law enforcement including administrative reports and duties, classroom visits and presentations, traffic enforcement and direction, security monitoring and consulting, investigation of campus crimes, parking lot monitoring, etc.
8. Participating in school safe behavior programs, as appropriate.
9. Maintaining confidentiality as it relates to student privacy under the Family Educational Rights and Privacy Act (FERPA).
10. Submitting an activity report for the deputies assigned to the district. These statistics shall be presented monthly to the superintendent or his/ her designee.

II.

A. HCISD agrees to pay per quarter for services rendered by the HCSO pursuant to this Agreement, calculated in accordance with the itemization of costs of providing the required services set forth in Exhibit "A" which is attached hereto and made a part hereof. Services will be provided during the regular school year generally beginning in August and ending in May, and upon the request of the HCISD, during the summer months of June and July. Payment for services shall be on a quarterly basis, with the regular school year representing the first three (3) quarters of this Agreement, and with the summer months representing the last quarter of this Agreement. Should HCISD not request utilization of every SRO during the last quarter of this Agreement, then the amount owed by HCISD for the last quarter shall be reduced by subtracting the itemization in Exhibit "A" for the SROs not being utilized. HCISD agrees that is shall request utilization of at least one (1) SRO for the last quarter of the Agreement.

B. It is contemplated that SEVEN (7) full-time deputies will be assigned to provide the law enforcement services described herein and that these deputies shall be assigned to areas as agreed upon by the Sheriff's Office and the HCISD.
    1. Two (2) deputies will divide their time between Hays High School and Live Oak Academy
    2. Two (2) deputies assigned to Lehman High School
    3. One (1) deputy will divide his/her time between Barton Middle School and Wallace Middle School
    4. One (1) deputy will divide his/her time between Simon Middle School and Chapa Middle School
    5. One (1) deputy will divide his/her time between Dahlstrom Middle School and Impact Alternative Education Program facility

C. In addition, HCISD will be responsible for any overtime charges associated with the provision of services under this Agreement in accordance with the rates set forth in Exhibit "A".

D. HCISD shall pay the COUNTY at the rates set forth in Exhibit "A" for the actual time spent by any substitute deputy as if they were the standard assigned deputy.

E. COUNTY shall invoice HCISD quarterly for the services rendered and the HCISD shall pay COUNTY for the services rendered within thirty (30) days of the date the invoice is received by HCISD.

F. The Parties acknowledge that the cost to the COUNTY of providing the services described herein may change over time. Hence, the Parties agree that the COUNTY may change the monthly compensation rates stated in this section II by giving HCISD a written Notice of Rate Change delivered in accordance with section IV.B at least sixty (60) days prior to the effective date of the rate change. Such Notice of Rate Change shall include an itemization of costs as set forth in Exhibit A. If HCISD does not desire to continue to receive services at the rates stated in the Notice of Rate Change, it may terminate this Agreement or negotiate a mutually-agreed-upon rate change prior to the effective date of the rate change by giving the COUNTY written notice delivered in accordance with section IV.B. If HCISD does not terminate this Agreement or negotiate a mutually-agreed-upon modification to the rate change, HCISD will be deemed to have accepted the rate change and shall pay the rates stated in the Notice of Rate Change for any services provided by the HCSO pursuant to this Agreement on or after the effective date of the rate change.

III.

A. Initial Term. The Initial Term of this Agreement shall commence on the date of execution, but not later than August 2013, and shall continue in full force and effect through July 2014, unless sooner terminated by either party in accordance with this Agreement.

B. Renewal Terms. Subject to continued funding, this Agreement shall thereafter automatically renew each August for subsequent one (1) year periods.

C. Termination. Either party may terminate this Agreement for any reason by giving the other party written notice at least ninety (90) days prior to the end of the school year.

IV.

A. This is the entire agreement between the COUNTY and the HCISD. No other agreements, statements, or promises relating to the subject matter of this agreement which are not contained herein shall be valid or binding. This agreement may not be amended, except in writing signed by both parties. NO OFFICIAL, AGENT, EMPLOYEE, OR REPRESENTATIVE OF HAYS COUNTY HAS ANY AUTHORITY TO ALTER, AMEND, OR MODIFY THE TERMS OF THIS CONTRACT, EXCEPT IN ACCORDANCE WITH SUCH EXPRESS AUTHORITY AS MAY BE GRANTED BY THE HAYS COUNTY COMMISSIONERS COURT.

B. All notices under this Agreement shall be in writing and may be either hand-delivered or se t by certified mail, postage prepaid, return receipt requested to the following:

COUNTY:
Sheriff Gary Cutler
1307 Uhland Rd.
San Marcos, TX. 78666

HAYS CISD:
Carter Scherff (or his successor)
21003 Interstate 35
Kyle, TX 78640

C. HCISD agrees, to the fullest extent permitted by law, to indemnify and hold harmless Hays County, its officers, directors and employees against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by HCISD's negligence and that of its employees, other contractors, or anyone for whom HCISD is responsible or legally liable.

Hays County agrees, to the fullest extent permitted by law, to indemnify and hold harmless HCISD, its officers, directors, employees and subcontractors against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by the County's negligent acts (and the negligent act of its employees) in connection with this Agreement.

Neither the County nor HCISD shall be obligated to indemnify the other party in any manner whatsoever for the other party's negligence.

D. If any provision of this Agreement is found to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect the remaining provisions of the Interlocal Agreement.

E. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. Any lawsuit, claim, or action, whether in law or in equity, arising from this Agreement will be brought in Hays County, Texas.

F. This Agreement (including any and all Exhibits attached hereto) constitutes the entire agreement between the parties hereto with respect to the subject matter hereof. Any amendments to this Agreement must be made in writing and signed by the parties to this Agreement prior to the performance of any terms or conditions contained in said amendments.

(SIGNATURES FOLLOW ON THE NEXT PAGE)

EXECUTED AS OF THE LATER DATE SET FORTH BELOW.

HAYS COUNTY, TEXAS

Attest: _____
Liz Q. Gonzalez
Hays County Clerk

_____
Judge Bert Cobb, M.D.
Hays County Judge

Date: 8-6-2013

_____
Sheriff Gary Cutler

Date: 8-6-2013

HAYS CISD

By: _____

Name: Willie Tenorio

Title: Board President
Hays CISD

Date: 9-6-13

SECOND AMENDMENT TO THE INTERLOCAL COOPERATION AGREEMENT BETWEEN HAYS COUNTY AND THE HAYS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

This Second Amendment to the First Amendment Interlocal Cooperation Agreement, attached as Exhibit "B" and executed August 4, 2015 ("Amendment") is made this 31st day of May, 2016, by and between Hays County, a political subdivision of the State of Texas (herein referred to as "County"), and the Hays Consolidated Independent School District (herein referred to as "HCISD"). The above-cited parties are collectively referred to as "the parties to this Agreement" or "the parties."

Section II. B. of the Agreement shall be amended to reflect the following modifications.

B. It is contemplated that TEN (10) full-time deputies will be assigned to provide the law enforcement services described herein and that these deputies shall be assigned to areas as agreed upon by the Sheriff's Office and the HCISD.

1. Two (2) deputies will divide their time between Hays High School and Live Oak Academy.
2. Two (2) deputies assigned to Lehman High School
3. One (1) deputy assigned to Barton Middle School
4. One (1) deputy assigned to Wallace Middle School
5. One (1) deputy assigned to Simon Middle School
6. One (1) deputy assigned to Chapa Middle School
7. One (1) deputy will divide his/her time between Dahlstrom Middle School and Impact Alternative Education Program facility
8. One (1) deputy assigned to McCormick Middle School

Exhibit "A" of the Agreement shall be amended to reflect the modifications attached as Exhibit "A".

EXCEPT FOR THE ABOVE MODIFICATION, ALL OTHER TERMS AND CONDITIONS OF THE AGREEMENT SHALL REMAIN UNCHANGED, UNLESS PROPERLY MODIFIED BY SUBSEQUENT AMENDMENT UNDER THE TERMS OF THE AGREEMENT.

This Second Amendment to the Interlocal Cooperation Agreement is hereby executed this 31st day of May, 2016, as is evidenced by the authorized signatures of the Parties, below.

HCISD

_____

By:_____

Title:_____

COUNTY

_____

HAYS COUNTY, TEXAS
BERT COBB, M.D.
HAYS COUNTY JUDGE

ATTEST: _____

LIZ Q. GONZALEZ
HAYS COUNTY CLERK

EXHIBIT "A"

I. The cost to Hays CISD of providing the full-time deputies is $625,286for three (3) quarters of the Agreement, calculated on the basis of annual costs totaling $825,381 for the deputies, effective as of the date of this Agreement.

A. Salaries: $569,570 (Actual Costs for ten (10) SROs)
- Hays CISD 75% - $427,178
- Hays County 25% - $142,392

B. Indirect Personnel Costs: $230,811 (e.g. insurance, fringe)
- Hays CISD 75% - $173,108
- Hays County 25% - $57,703

C. Vehicle Maintenance: $25,000 ($2,500.00 per vehicle for ten (10) vehicles)
- Hays CISD 100% - (Fuel and routine maintenance estimates for 9 month period)

II. The costs of providing one or more full time deputies for the last quarter of the Agreement shall be calculated after HCISD has indicated which deputies it wishes to utilize for the last quarter, but shall cost ***no less than $22,779*** which represents utilization of the lowest number of SRO's allowed under this agreement.

III. TOTAL MINIMUM CONTRACT COST:

1st Quarter (August – October):	**$208,428.60**
2nd Quarter (November – January):	**$208,428.60**
3rd Quarter (February – April):	**$208,428.60**
4th Quarter (May – July):	**$22,779.00 (option for more)**

EXHIBIT "B"

FIRST AMENDMENT TO THE INTERLOCAL COOPERATION AGREEMENT BETWEEN HAYS COUNTY AND THE HAYS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

This 1ST Amendment to the Interlocal Cooperation Agreement, attached as Exhibit "B" and executed September, 2013 ("Amendment") is made this 4 day of August, 2015, by and between Hays County, a political subdivision of the State of Texas (herein referred to as "County"), and the Hays Consolidated Independent School District (herein referred to as "HCISD"). The above-cited parties are collectively referred to as "the parties to this Agreement" or "the parties."

Section II. B. of the Agreement shall be amended to reflect the following modifications.

B. It is contemplated that NINE (9) full-time deputies will be assigned to provide the law enforcement services described herein and that these deputies shall be assigned to areas as agreed upon by the Sheriff's Office and the HCISD.

1. Two (2) deputies will divide their time between Hays High School and Live Oak Academy.
2. Two (2) deputies assigned to Lehman High School
3. One (1) deputy assigned to Barton Middle School
4. One (1) deputy assigned to Wallace Middle School
5. One (1) deputy assigned to Simon Middle School
6. One (1) deputy assigned to Chapa Middle School
7. One (1) deputy will divide his/her time between Dahlstrom Middle School and Impact Alternative Education Program facility

Exhibit "A" of the Agreement shall be amended to reflect the modifications attached as Exhibit "A".

EXCEPT FOR THE ABOVE MODIFICATION, ALL OTHER TERMS AND CONDITIONS OF THE AGREEMENT SHALL REMAIN UNCHANGED, UNLESS PROPERLY MODIFIED BY SUBSEQUENT AMENDMENT UNDER THE TERMS OF THE AGREEMENT.

This 1st Amendment to the Interlocal Cooperation Agreement is hereby executed this 4 day of August, 2015, as is evidenced by the authorized signatures of the Parties, below.

HCISD

Meridoth Keller

By: Meridoth Keller
Title: President

COUNTY

Bert Cobb

HAYS COUNTY, TEXAS
BERT COBB, M.D.
HAYS COUNTY JUDGE

COMMISSIONERS COURT HAYS COUNTY, TEXAS

ATTEST: Liz Q. Gonzalez
LIZ Q. GONZALEZ
HAYS COUNTY CLERK

I. The cost of providing the full-time deputies is $559,773 for three (3) quarters of the Agreement, calculated on the basis of annual costs totaling $738,864, effective as of the date of this Agreement.

A. **Salaries: $510,546** (Actual Costs for nine (9) SROs)

B. **Indirect Personnel Costs: $205,818** (e.g. insurance, fringe)

C. **Vehicle Maintenance: $22,500.00** ($2,500.00 per vehicle for nine (9) vehicles)
(Fuel and routine maintenance)

II. The costs of providing one or more full time deputies for the last quarter of the Agreement shall be calculated after HCISD has indicated which deputies it wishes to utilize for the last quarter, but shall cost ***no less than $19,228*** which represents utilization of the lowest number of SRO's allowed under this agreement.

III. **TOTAL MINIMUM CONTRACT COST:**

1st Quarter (August – October):	**$186,591**
2nd Quarter (November – January):	**$186,591**
3rd Quarter (February – April):	**$186,591**
4th Quarter (May – July):	**$ 19,228 (option for more)**

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Discussion and possible action to approve an Order by the Commissioners Court of Hays County, Texas, authorizing the issuance of "Hays County, Texas Pass-Through Toll Revenue and Limited Tax Bonds;" Levying an annual ad valorem tax, within limitations prescribed by law, for the payment of the Bonds and further securing said Bonds by a lien on and pledge of certain pledged revenues; prescribing the form, terms, conditions, and resolving other matters incident and related to the issuance, sale, and delivery of the Bonds; authorizing the execution of a Paying Agent/Registrar Agreement and a Purchase Contract; Delegating the authority to certain members of the Commissioners Court and County staff to execute certain documents relating to the sale of the Bonds.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
ACTION-MISCELLANEOUS	May 31, 2016	N/A

LINE ITEM NUMBER

N/A

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
WEGMILLER	COBB	N/A

SUMMARY

A summary of this Bond Issuance will be provided by Bonds Counsel and Financial Advisor. Otherwise, see backup.

AN ORDER BY THE COMMISSIONERS COURT OF HAYS COUNTY, TEXAS AUTHORIZING THE ISSUANCE OF "HAYS COUNTY, TEXAS PASS-THROUGH TOLL REVENUE AND LIMITED TAX BONDS"; LEVYING AN ANNUAL AD VALOREM TAX, WITHIN THE LIMITATIONS PRESCRIBED BY LAW, FOR THE PAYMENT OF THE BONDS AND FURTHER SECURING SAID BONDS BY A LIEN ON AND PLEDGE OF CERTAIN PLEDGED REVENUES; PRESCRIBING THE FORM, TERMS, CONDITIONS, AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, AND DELIVERY OF THE BONDS; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND A PURCHASE CONTRACT; DELEGATING THE AUTHORITY TO CERTAIN MEMBERS OF THE COMMISSIONERS COURT AND COUNTY STAFF TO EXECUTE CERTAIN DOCUMENTS RELATING TO THE SALE OF THE BONDS

WHEREAS, the Commissioners Court (the "Commissioners Court") of Hays County, Texas (the "County") has determined that it is in the best interests of the residents of the County to construct improvements to the Texas state highway system located within the County (the "Project"), in accordance with the provisions of the Texas Transportation Code; and

WHEREAS, the State of Texas (the "State"), acting through the Texas Department of Transportation (the "Department"), will ultimately own the Project and the State and the County will have full responsibility for its design, construction, operation, and maintenance of the Project; and

WHEREAS, the Texas Transportation Commission has, pursuant to Minute Order Number 110537 adopted on May 25, 2006, Minute Order Number 111258 adopted on February 28, 2009, and Minute Order Number 113047 adopted on March 29, 2012, approved the Project and authorized the Department staff to negotiate a pass-through toll agreement or execute an amendment thereto, with the County with respect to the Project; and

WHEREAS, the County and the Department have entered into a Pass-Through Toll Agreement, as amended from time to time (the "Agreement"), originally effective on December 20, 2006 and amended on May 21, 2008, August 6, 2009 and May 9, 2012 (a copy of which is attached hereto as Exhibit C); and

WHEREAS, pursuant to the Agreement, the County is required to deliver funds to the State prior to the date set for construction letting associated with each segment of the Project, which County funds will be escrowed by the State and applied only to Project-related construction costs; and

WHEREAS, commencing within 60 days after the first three months of the date on which the first segment of the Project is substantially complete and open to the public, and continuing thereafter within 60 days after each succeeding three month anniversary of such event, the Department will reimburse the County for its contribution to the Project in an amount calculated

based on vehicular traffic utilizing the Project, but never more than $13,317,000 nor less than $6,658,500 per year, until the County has been fully reimbursed for Project costs incurred in an amount not to exceed $133,170,000; and

WHEREAS, the County previously issued (i) its $49,575,000 Pass-Through Toll Revenue and Limited Tax Bonds, Series 2009; (ii) its $9,990,000 Unlimited Tax Road Bonds, Series 2009; (iii) its $42,115,000 Pass-Through Toll Revenue and Unlimited Tax Bonds, Series 2011; (iv) its $36,835,000 Unlimited Tax Road Bonds, Series 2011; its $25,920,000 Pass-Through Toll Revenue and Unlimited Tax Bonds, Series 2013; it's $27,410,000 Pass-Through Toll Revenue and Unlimited Tax Bonds, Series 2015; and

WHEREAS, the Commissioners Court hereby finds and determines that the issuance of pass-through toll revenue and limited tax bonds (the "Bonds") is in the best interests of the citizens of the County; and

WHEREAS, at an election held on November 4, 2008, in the County, the resident, qualified electors in the County authorized the issuance of $207,110,000 (the "2008 Authorization") in bonds for the purpose of the construction, acquisition by purchase, maintenance, and operation of macadamized, graveled, or paved roads, or in aid thereof, being, generally (but not by way of limitation), construction, designing, improving, extending expanding, upgrading and/or developing county roads and/or state highways, including right-of-way acquisition, utility relocation, drainage improvements relating to these road improvements, traffic safety, other safety, and operational improvements, and other transportation related improvements (the "2008 Road Bond Proposition"); and

WHEREAS, to the extent that any portion of the principal amount of the Bonds will be allocated by the County to state highway projects also identified in the 2008 Road Bond Proposition, the Commissioners Court intends to count such principal amount against the 2008 Authorization; and

WHEREAS, pursuant to Section 1371.053, Texas Government Code, as amended, the Commissioners Court desires to delegate the authority to effect the sale of the Bonds to an Authorized Official (as defined herein); and

WHEREAS, in accordance with the provisions of Section 81.006, as amended, Texas Local Government Code, the Commissioners Court hereby finds and determines that this order was adopted at a regularly scheduled meeting of the Commissioners Court; now, therefore,

BE IT ORDERED BY THE COMMISSIONERS COURT OF HAYS COUNTY, TEXAS THAT:

Section 1: Authorization - Designation - Principal Amount - Purpose- Date. Pass-through toll agreement and limited tax general obligation bonds of the County shall be and are hereby authorized to be issued in the aggregate principal amount not to exceed $38,500,000 to be designated and bear the title of "Hays County, Texas Pass-Through Toll Revenue and Limited Tax Bonds, Series _____" (the "Bonds"), for the purpose of providing funds for the (i) designing, developing, financing, constructing, maintaining, operating, extending, expanding, and improving roads on the Texas state highway system located within the County, (ii) capitalizing interest on the Bonds, and (iii) payment of the costs of issuance relating to these

Bonds, all in conformity with the laws of the State of Texas, particularly Article VIII, Section 9, as amended, of the Texas Constitution; Chapter 1479, as amended, Texas Government Code; and this order adopted by the Commissioners Court on May 31, 2016. The series of such Bonds shall be designated by the Authorized Official in the Approval Certificate

As authorized by Chapter 1371, as amended, Texas Government Code ("Chapter 1371"), each Authorized Official (hereinafter defined) is hereby authorized, appointed, and designated as the officers of the County authorized to act on behalf of the County in selling and delivering the Bonds authorized herein and carrying out the procedures specified in this Order, including approval of the following terms and provisions for the Bonds:

1. Approval of the aggregate principal amount of the Bonds and of each maturity of the Bonds;

2. Approval of the series designation of the Bonds.

3. Approval of the rate of interest to be borne on the principal amount of each maturity;

4. Approval of the interest payment dates;

5. Approval of the extraordinary optional, optional, and/or mandatory redemption provisions;

6. Approval of the pricing of the Bonds, including use of premium, amount of capitalized interest, discount, underwriters compensation, and costs of issuance;

7. Approval of the principal amount of the Bonds allocable to state highway projects identified in the 2008 Road Bond Proposition;

8. Approval, replacement or confirmation, as applicable, of the Paying Agent/Registrar; and

9. Approval, replacement, or confirmation, as applicable, of the underwriting syndicate, to consist of one or more financial institutions included in the County's underwriters pool, and the establishment or confirmation, as applicable, of the respective roles of the members of such syndicate, which approval, replacement, and establishment (if any) shall supersede prior action or actions of the Commissioners Court concerning the same.

The Bonds shall be issued within the following parameters:

1. The principal amount of the Bonds authorized to be issued pursuant to this Order shall not exceed $38,500,000;

2. The maximum maturity of the Bonds will be August 15, 2041; and

3. The maximum net effective per annum interest rate shall not exceed a rate greater than the maximum interest rate permitted by Chapter 1204, as amended, Texas Government Code ("Chapter 1204"), calculated in a manner consistent with the provisions of Chapter 1204.

Any Authorized Official, acting for and on behalf of the County, is authorized to execute the Approval Certificate in substantially the form as attached hereto as Schedule I. As specified above, the Bonds shall be issued in the principal amount not to exceed $38,500,000, the maximum maturity of the Bonds will be August 15, 2041, and the net effective per annum interest rate shall not exceed a rate greater than the maximum interest rate permitted by Chapter 1204, calculated in a manner consistent with the provisions of Chapter 1204.

Any Authorized Official is authorized to select the bond insurer, if any, with respect to the Bonds. The execution of the Approval Certificate shall evidence the sale date of the Bonds by the County to the Purchasers (hereinafter defined) in accordance with the provisions of Chapter 1371 and as set forth in Schedule I. It is further provided, however, that notwithstanding the foregoing provisions, the Bonds shall not be delivered unless prior to delivery, the Bonds have been rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for long term obligations, as required by Chapter 1371.

Any Authorized Official may approve modifications to this Order to conform to the terms of the Bonds, as approved by the Authorized Official, and execute any instruments, agreements and other documents as the Authorized Official shall deem necessary or appropriate in connection with the issuance, sale and delivery of the Bonds pursuant to this Order. Any finding by the Authorized Official relating to the sale and delivery of the Bonds shall have the same force and effect as a finding or determination made by the Commissioners Court.

The authority to act on behalf of the Commissioners Court in selling Bonds conferred by this Section and to execute a Purchase Contract pursuant to Section 23 shall expire at 11:59 p.m. on the 365th day following the date of this Order (the "Expiration Date"). Bonds sold pursuant to a Purchase Contract executed on or before the Expiration Date may be delivered after such date.

Section 2: Fully Registered Obligations - Authorized Denominations - Stated Maturities - Interest Rates - Bond Date. The Bonds shall be numbered consecutively from R-l upward. The Bonds shall be in denominations of principal equal to $5,000 or any integral multiple thereof. The Bonds shall bear interest at the rates, mature, serially or otherwise, on the dates, in the years, and in the principal amounts, respectively, and dated all as set forth in the Approval Certificate to be executed and delivered by the Authorized Official pursuant to Section 1 of this Order. The Approval Certificate is hereby incorporated in and made a part of this Order and shall be filed in the minutes of the Commissioners Court as a part of this Order.

The Bonds shall bear interest on the unpaid principal amounts from the Bond Date, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, to Stated Maturity, or prior redemption, while Outstanding, at the rates per annum shown in the above schedule (calculated on the basis of a 360-day year of twelve 30-day months). Interest on

the Bonds shall be payable on the Interest Payment Date, commencing as set forth in the Approval Certificate (the "Interest Payment Date"), while the Bonds are Outstanding.

Section 3: Payment of Bonds- Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds due and payable by reason of Stated Maturity, redemption, or otherwise shall be payable, without exchange or collection charges to the registered owners of the Bonds (the "Holder" or "Holders"), appearing on the Security Register (hereinafter defined) maintained by the Paying Agent/Registrar (hereinafter defined), in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

The Authorized Official's selection and appointment of the initial paying agent/registrar for the Bonds (the "Paying Agent/Registrar") is hereby approved and confirmed, and the County agrees and covenants to cause to be kept and maintained at the corporate trust office of the Paying Agent/Registrar books and records (the Security Register) for the registration, payment, and transfer of the Bonds, all as provided herein, in accordance with the terms and provisions of a Paying Agent/Registrar Agreement, attached hereto in substantially final form as Exhibit A, and such reasonable rules and regulations as the Paying Agent/Registrar and the County may prescribe. The County covenants to maintain and provide a Paying Agent/Registrar at all times while the Bonds are Outstanding, and any successor Paying Agent/Registrar shall be (i) a national or state banking institution, or (ii) an association or a corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers. Such Paying Agent/Registrar shall be subject to supervision or examination by federal or state authority and shall be authorized by law to serve as a Paying Agent/Registrar.

The County reserves the right to appoint a successor Paying Agent/Registrar upon providing the previous Paying Agent/Registrar with a certified copy of a resolution or order terminating such agency. Additionally, the County agrees to promptly cause a written notice of this substitution to be sent to each Holder of the Bonds by United States mail, first-class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Both principal of, premium, if any, and interest on the Bonds, due and payable by reason of Stated Maturity, redemption, or otherwise, shall be payable only to the Holder or Holders maintained on behalf of the County by the Paying Agent/Registrar as hereinafter provided (i) on the Record Date (hereinafter defined) for purposes of payment of interest on the Bonds, (ii) on the date of surrender of the Bonds for purposes of receiving payment of principal thereof at the Bonds' Stated Maturity or upon redemption of the Bonds, and (iii) on any other date for any other purpose. The County and the Paying Agent/Registrar, and any agent of either, shall treat the Holder as the owner of a Bond for purposes of receiving payment and all other purposes whatsoever, and neither the County nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary.

Principal of and premium, if any, on the Bonds shall be payable only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its corporate trust office. Interest on the Bonds shall be paid to the Holder whose name appears in the Security Register at the close of business on the last business day of the month next preceding an Interest Payment Date for the

Bonds (the "Record Date") and shall be paid (i) by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, by the Paying Agent/Registrar, to the address of the Holder appearing in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested in writing by the Holder at the Holder's risk and expense.

If the date for the payment of the principal of, premium, if any, or interest on the Bonds shall be a Saturday, a Sunday, a legal holiday, or a day on which banking institutions in the city where the corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a day. The payment on such date shall have the same force and effect as if made on the original date any such payment on the Bonds was due.

In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the County. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date" - which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Holder of a Bond appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

Section 4: Redemption.

A. Mandatory Redemption. The Bonds shall be subject, if at all, to mandatory redemption before their scheduled maturity as provided in the Approval Certificate.

B. Optional Redemption The Bonds shall be subject, if at all, to optional redemption, before their scheduled maturity as provided in the Approval Certificate.

C. Exercise of Redemption Option. At least forty-five (45) days prior to a date set for the redemption of Bonds (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the County shall notify the Paying Agent/Registrar of its decision to exercise the right to redeem Bonds, the principal amount of each Stated Maturity to be redeemed, and the date set for the redemption thereof. The decision of the County to exercise the right to redeem Bonds shall be entered in the minutes of the Commissioners Court of the County.

D. Selection of Bonds for Redemption. If less than all Outstanding Bonds of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall select at random and by lot the Bonds to be redeemed, provided that if less than the entire principal amount of a Bond is to be redeemed, the Paying Agent/Registrar shall treat such Bond then subject to redemption as representing the number of Bonds Outstanding which is obtained by dividing the principal amount of such Bond by $5,000.

E. Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Bonds, the Paying Agent/Registrar shall cause a notice of redemption to be sent by

United States mail, first-class postage prepaid, in the name of the County and at the County's expense, by the Paying Agent/Registrar to each Holder of a Bond to be redeemed in whole or in part at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder.

All notices of redemption shall (i) specify the date of redemption for the Bonds, (ii) identify the Bonds to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Bonds, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified, and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, and (v) specify that payment of the redemption price for the Bonds, or the principal amount thereof to be redeemed, shall be made at the corporate trust office of the Paying Agent/Registrar only upon presentation and surrender thereof by the Holder. If a Bond is subject by its terms to redemption and has been called for redemption and notice of redemption thereof has been duly given or waived as herein above provided, such Bond (or the principal amount thereof to be redeemed) so called for redemption shall become due and payable, and if money sufficient for the payment of such Bonds (or of the principal amount thereof to be redeemed) at the then applicable redemption price is held for the purpose of such payment by the Paying Agent/Registrar, then on the redemption date designated in such notice, interest on the Bonds (or the principal amount thereof to be redeemed) called for redemption shall cease to accrue, and such Bonds shall not be deemed to be Outstanding in accordance with the provisions of this Order. This notice may also be published once in a financial publication, journal, or reporter of general circulation among securities dealers in the City of New York, New York (including, but not limited to, *The Bond Buyer* and *The Wall Street Journal*), or in the State of Texas (including, but not limited to, *The Texas Bond Reporter*). Additionally, this notice may also be sent by the County to any registered securities depository and to any national information service that disseminates redemption notices.

F. Transfer/Exchange of Bonds. Neither the County nor the Paying Agent/Registrar shall be required (1) to transfer or exchange any Bond during a period beginning forty-five (45) days prior to the date fixed for redemption of the Bonds or (2) to transfer or exchange any Bond selected for redemption, provided, however, such limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond which is subject to redemption in part.

Section 5: Execution - Registration. The Bonds shall be executed on behalf of the County by its County Judge under the seal of the Commissioners Court reproduced or impressed thereon, registered by the County Treasurer, and countersigned by the County Clerk and Ex-Officio Clerk of the Commissioners Court. The signature of any of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who were, at the time of the Bond Date, the proper officers of the County shall bind the County, notwithstanding that such individuals or either of them shall cease to hold such offices prior to the delivery of the Bonds to the Purchasers and with respect to Bonds delivered in subsequent

exchanges and transfers, all as authorized and provided in Chapter 1201, as amended, Texas Government Code.

No Bond shall be entitled to any right or benefit under this Order, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 8C hereof, executed by the Comptroller of Public Accounts of the State of Texas or his duly authorized agent by manual signature, or a certificate of registration substantially in the form provided in Section 8D hereof, executed by the Paying Agent/Registrar by manual signature, and either such certificate upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified or registered and delivered.

Section 6: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of every owner of the Bonds, or, if appropriate, the nominee thereof. Any Bond may, in accordance with its terms and the terms hereof, be transferred or exchanged for Bonds of other authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/ Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for transfer of any Bond at the corporate trust office of the Paying Agent/Registrar, the County shall execute and the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Bonds of authorized denomination and having the same Stated Maturity and of a like interest rate and aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange upon surrender of the Bonds to be exchanged at the corporate trust office of the Paying Agent/Registrar. Whenever any Bonds are so surrendered for exchange, the County shall execute, and the Paying Agent/Registrar shall register and deliver the Bonds to the Holder requesting the exchange.

All Bonds issued upon any transfer or exchange of Bonds shall be delivered at the corporate trust office of the Paying Agent/Registrar, or be sent by registered mail to the Holder at his request, risk, and expense, and upon the delivery thereof, the same shall be the valid and binding obligations of the County, evidencing the same obligation to pay, and entitled to the same benefits under this Order, as the Bonds surrendered upon such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be Predecessor Bonds, evidencing all or a portion, as the case may be, of the same debt evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term Predecessor Bonds shall include any Bond registered and delivered pursuant to Section 19 in lieu of a mutilated, lost, destroyed, or stolen Bond which shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Section 7: Initial Bond(s). The Bonds herein authorized shall be issued initially either (i) as a single fully registered Bond in the aggregate principal amount and with principal installments to become due and payable as provided in the Approval Certificate and numbered T-1, or (ii) as one (1) fully registered Bond for each year of Stated Maturity in the applicable principal amount, interest rate, and denomination and to be numbered consecutively from T-1 and upward (collectively, the Initial Bond(s)) and, in either case, the Initial Bond(s) shall be registered in the name of the Purchasers or the designee thereof. The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval and certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas. At any time after the delivery of the Initial Bond(s) to the Purchasers, the Paying Agent/Registrar, upon written instructions from the Purchasers, or their designee, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts, and bearing applicable interest rates for transfer and delivery to the Holders named and at the addresses identified therefor; all in accordance with and pursuant to such written instructions from the Purchasers, or their designee, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

Section 8: Forms.

A. Forms Generally. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Bonds shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Order and may have such letters, numbers, or other marks of identification (including insurance legends in the event the Bonds, or any Stated Maturities thereof, are insured and identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as may, consistent herewith, be established by the County or determined by the officers executing the Bonds as evidenced by their execution thereof. Any portion of the text of any Bond may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds shall be printed, lithographed, or engraved, produced by any combination of these methods, or produced in any other similar manner, all as determined by the officers executing the Bonds as evidenced by their execution thereof, but the Initial Bond(s) submitted to the Attorney General of Texas may be typewritten or photocopied or otherwise reproduced.

B. Form of Definitive Bond.

REGISTERED
NO.

REGISTERED
PRINCIPAL AMOUNT
$ _____

United States of America
State of Texas
HAYS COUNTY, TEXAS
PASS-THROUGH TOLL REVENUE AND LIMITED TAX BOND,
SERIES _____

Bond Date: Interest Rate: Stated Maturity: CUSIP NO:

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____ DOLLARS

Hays County, Texas (the "County"), a body corporate and a political subdivision of the State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner specified above, or the registered assigns thereof, on the Stated Maturity date specified above, the Principal Amount specified above (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount hereof from the date of initial delivery, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for until such Principal Amount has become due and payment thereof has been made or duly provided for to the earlier of redemption or Stated Maturity, while Outstanding, at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____* and _____* of each year, commencing _____, 20__* (each an "Interest Payment Date").

Principal and premium, if any, on this Bond shall be payable to the Registered Owner hereof (the "Holder"), upon presentation and surrender, at the corporate trust office of the Paying Agent/Registrar executing the registration certificate appearing hereon or a successor thereof. Interest shall be payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Order hereinafter referenced) whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the last business day of the month next preceding each Interest Payment Date. All payments of principal of and interest on this Bond shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the

* To be completed in accordance with the Approval Certificate.

address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by the Holder hereof at the Holder's risk and expense.

This Bond is one of the series specified in its title issued in the aggregate principal amount of $_____* (the "Bonds") pursuant to an order adopted by the governing body of the County (the "Order"), for the purpose of providing funds for the (i) designing, developing, financing, constructing, maintaining, operating, extending, expanding, and improving roads on the Texas state highway system located within the County, (ii) [capitalizing approximately _____ (__) months of interest on the Bonds],* and (iii) the payment of the costs of issuance relating to these Bonds, under and in conformity with the laws of the State of Texas, including Chapters 1371 and 1479, as amended, Texas Government Code, Article VIII, Section 9 of the Texas Constitution.

[The Bonds stated to mature on _____, 20__* and _____, 20__* are referred to as the "Term Bonds". The Term Bonds are subject to mandatory sinking fund redemption prior to their stated maturities from money required to be deposited in the Bond Fund for such purpose and shall be redeemed in part, by lot or other customary method, at the principal amount thereof plus accrued interest to the date of redemption in the following principal amounts on February __ in each of the years as set forth below:

Term Bonds Stated to Mature on _____, 20__		Term Bonds Stated to Mature on _____, 20__	
Year	Principal Amount ($)	Year	Principal Amount ($)
	†		†

†Payable at Stated Maturity.]

[The principal amount of a Term Bond required to be redeemed pursuant to the operation of such mandatory redemption provisions shall be reduced, at the option of the County, by the principal amount of any Term Bonds of such Stated Maturity which, at least 50 days prior to the mandatory redemption date (1) shall have been defeased or acquired by the County and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the County with money in the Bond Fund, or (3) shall have been redeemed pursuant to the optional redemption provisions set forth in the Order and not theretofore credited against a mandatory redemption requirement.]

[This Bond is not subject to optional redemption prior to maturity.][As specified in the Order, the Bonds stated to mature on and after _____, 20__* shall be subject to redemption prior to Stated Maturity, at the option of the County, on _____, 20__*, or on any date thereafter, in whole or in part in principal amounts of $5,000 or any integral multiple thereof (and if within a Stated Maturity selected at random and by lot by the Paying

*To be completed in accordance with the Approval Certificate.

Agent/Registrar) at the redemption price of par, together with accrued interest to the date of redemption, and upon thirty (30) days prior written notice being given by United States mail, first-class postage prepaid, to Holders of the Bonds to be redeemed, and subject to the terms and provisions relating thereto contained in the Order. If this Bond is subject to redemption prior to Stated Maturity and is in a denomination in excess of $5,000, portions of the principal sum hereof in installments of $5,000 or any integral multiple thereof may be redeemed, and, if less than all of the principal sum hereof is to be redeemed, there shall be issued, without charge therefor, to the Holder hereof, upon the surrender of this Bond to the Paying Agent/Registrar at its corporate trust office, a new Bond or Bonds of like Stated Maturity and interest rate in any authorized denominations provided in the Order for the then unredeemed balance of the principal sum hereof.

If this Bond (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption has been duly given, then upon such redemption date this Bond (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and, if money for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption is held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable hereon from and after the redemption date on the principal amount hereof to be redeemed. If this Bond is called for redemption, in whole or in part, the County or the Paying Agent/Registrar shall not be required to issue, transfer, or exchange this Bond within forty-five (45) days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance hereof in the event of its redemption in part.]

The Bonds of this series are payable from the proceeds of an annual ad valorem tax levied upon all taxable property within the County, within the limitations prescribed by law, and are further payable from and equally and ratably secured, together with the currently outstanding Parity Obligations, by a lien on and pledge of the Pledged Revenues, such lien on and pledge of the Pledged Revenues being subordinate and inferior to the lien on and pledge of all or any portion of the Pledged Revenues securing payment of any Prior Lien Obligations or Junior Lien Obligations hereafter issued by the County, but senior and superior to the lien on and pledge of all or any portion of the Pledged Revenues securing payment of any Inferior Lien Obligations hereafter issued by the County. In the Order, the County reserves and retains the right to issue Prior Lien Obligations, Junior Lien Obligations, Additional Parity Obligations, and Inferior Lien Obligations while the Bonds are Outstanding, without limitation as to principal amount but subject to any terms, conditions or restrictions as may be applicable thereto under law or otherwise.

Reference is hereby made to the Order, a copy of which is on file in the corporate trust office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied and the revenues pledged for the payment of the Bonds; the terms and conditions under which the County may issue Prior Lien Obligations, Junior Lien Obligations, Additional Parity Obligations, and Inferior Lien Obligations; the terms and conditions relating to the transfer or exchange of the Bonds; the conditions upon which the Order may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the County and the Paying Agent/Registrar; the terms and provisions upon which this Bond may

be redeemed or discharged at or prior to its Stated Maturity and deemed to be no longer Outstanding thereunder; and for the other terms and provisions specified in the Order. Capitalized terms used herein have the same meanings assigned in the Order.

This Bond, subject to certain limitations contained in the Order, may be transferred on the Security Register upon presentation and surrender at the corporate trust office of the Paying Agent/Registrar with the Assignment hereon, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by the Holder hereof, or his duly authorized agent, and thereupon one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued to the designated transferee or transferees.

The County and the Paying Agent/Registrar, and any agent of either, shall treat the Holder hereof whose name appears on the Security Register (i) on the Record Date as the owner hereof for purposes of receiving payment of interest hereon, (ii) on the date of surrender of this Bond as the owner hereof for purposes of receiving payment of principal hereof at its Stated Maturity or its redemption, in whole or in part, and (iii) on any other date as the owner hereof for all other purposes, and neither the County nor the Paying Agent/Registrar, or any such agent of either, shall be affected by notice to the contrary. In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the County. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date" - which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, covenanted, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to the issuance of this Bond in order to render the same a legal, valid, and binding obligation of the County have been performed, exist, and have been done, in regular and due time, form, and manner, as required by law, and that issuance of the Bonds does not exceed any constitutional or statutory limitation; and that due provision has been made for the payment of the principal of, premium, if any, and interest on the Bonds by the levy of a tax and the pledge of the Pledged Revenues as aforestated. In case any provision in this Bond or any application thereof shall be deemed invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Order shall be construed in accordance with and shall be governed by the laws of the State of Texas.

[*The remainder of this page intentionally left blank*]

IN WITNESS WHEREOF, the Commissioners Court of the County has caused this Bond to be duly executed under the official seal of its Commissioners Court.

HAYS COUNTY, TEXAS

By _____
County Judge

COUNTERSIGNED:

By _____
County Clerk and Ex-Officio Clerk
of the Commissioners Court

REGISTERED:

By _____
County Treasurer

(SEAL OF THE COMMISSIONERS COURT)

[*The remainder of this page intentionally left blank*]

C. Form of Registration Certificate of Comptroller of Public Accounts to Appear on Initial Bond(s) Only.*

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

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 duly 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)

* Note to Printer: Not to appear on Definitive Bonds

D. Form of Certificate of Paying Agent/Registrar to Appear on Definitive Bonds Only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued under the provisions of the within-mentioned Order; the Bond or Bonds of the above-entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

Registered this date: _____,
as Paying Agent/Registrar

_____

By:_____
Authorized Signature

*NOTE TO PRINTER: Print on Definitive Bonds.

E. Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee): _____
_____
(Social Security or other identifying number): _____
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

_____
NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular.

Signature guaranteed:

_____

F. The Initial Bond(s) shall be numbered T-1 or numbered consecutively from T-1 and upward, as applicable, and in the form set forth in paragraph B of this Section, except that the form of the single fully registered Initial Bond shall be modified as follows:

(i) immediately under the name of the Bonds the headings "Interest Rate _____" and "Stated Maturity _____" shall both be completed "as shown below";

(ii) the heading "CUSIP" shall be omitted; and

(iii) the first two paragraphs shall read as follows:

Registered Owner: _____

Principal Amount: _____ DOLLARS

Hays County, Texas (the "County"), a body corporate and a political subdivision of the State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner named above (the "Holder"), or the registered assigns thereof, the Principal Amounts specified above on the _____ day of _____* in each of the years and in Principal Amounts and bearing interest at the per annum rates in accordance with the following schedule:

Years of Stated Maturity	Principal Amounts ($)	Interest Rates (%)

(Information to be inserted from
schedule in Approval Certificate).

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amounts hereof from the Bond Date, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for to Stated Maturity or prior redemption, while Outstanding, at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____* and _____* in each year, commencing _____, 20__* (each an "Interest Payment Date").

Principal, and premium if any, of this Bond shall be payable to the Registered Owner hereof (the "Holder"), upon its presentation and surrender, at the corporate trust office of The _____, _____,* Texas (the "Paying Agent/Registrar"). Interest shall be payable to the Holder of this Bond whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the last business day of the month next preceding each Interest Payment Date. All payments of principal of and interest on this Bond shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder hereof.

G. Insurance Legend. If bond insurance is obtained by the County or the Purchasers for the Bonds, the Definitive Bonds and the Initial Bond(s) shall bear an appropriate legend as provided by the insurer.

Section 9: Definitions. For all purposes of this Order (as defined below), except as otherwise expressly provided or unless the context otherwise requires: (i) the terms defined in this Section have the meanings assigned to them in this Section, and certain terms used in Sections 24 and 41 of this Order have the meanings assigned to them in such Sections, and all such terms include the plural as well as the singular; (ii) all references in this Order to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of this Order as originally adopted; and (iii) the words "herein", "hereof', and "hereunder" and other words of similar import refer to this Order as a whole and not to any particular Section or other subdivision.

A. "Act" shall mean Chapters 1371 and 1479, as amended, Texas Government Code, as amended.

B. "Additional Parity Obligations" shall mean (i) obligations hereafter issued by the County payable, in whole or in part, from and equally and ratably secured by a lien on and

pledge of all or any portion of the Pledged Revenues, all as provided in Section 21 of this Order, and (ii) obligations hereafter issued to refund any of the foregoing as determined by the Commissioners Court in accordance with any applicable law.

C. "Agreement" shall mean the Pass-Through Toll Agreement between the County and the Texas Department of Transportation, originally effective on December 20, 2006 and amended on May 21, 2008, August 6, 2009 and May 9, 2012.

D. "Authorized Officials" shall mean any of the County Judge, County Clerk and Ex-Officio Clerk of the Commissioners Court, County Treasurer, County Auditor and/or the General Counsel to the Commissioners Court.

E. "Bond Date" shall mean the date of the Bonds as designated by the Approval Certificate.

F. "Bond Fund" shall mean the special Fund created and established by the provisions of Section 10 of this Order.

G. "Bonds" shall mean the "Hays County, Texas Pass-Through Toll Revenue and Limited Tax Bonds, Series _____" authorized by this Order and subject to the terms and conditions set forth in the Approval Certificate, and certified or authenticated and delivered hereunder, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "Bond" shall mean any of the Bonds.

H. "Closing Date" shall mean the date of physical delivery of the Initial Bond(s) in exchange for the payment in full by the Purchasers thereof.

I. "Collection Date" shall mean, when reference is being made to the levy and collection of annual ad valorem taxes, the date the annual ad valorem taxes levied each year by the County become delinquent.

J. "County" shall mean Hays County, Texas and, where appropriate, the Commissioners Court of the County as its governing body.

K. "Debt Service Requirements" shall mean, as of any particular date of computation, with respect to any obligations and with respect to any period, the aggregate of the amounts to be paid or set aside by the County as of such date or in such period for the payment of the principal of, premium, if any, and interest (to the extent not capitalized) on such obligations; assuming, in the case of obligations without a fixed numerical rate, that such obligations bear interest at the maximum rate permitted by the terms thereof and further assuming in the case of obligations required to be redeemed or prepaid as to principal prior to Stated Maturity, the principal amounts thereof will be redeemed prior to Stated Maturity in accordance with the mandatory redemption provisions applicable thereto.

L. "Depository" shall mean an official depository bank of the County.

M. "Fiscal Year" shall mean the annual financial accounting period for the County now ending on September 30th of each year; provided, however, the Commissioners Court may

change such annual financial accounting period to end on another date if such change is found and determined to be necessary for accounting purposes or is required by applicable law.

N. "Government Securities", as used herein, shall mean (i) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by, the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent; or (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent.

O. "Holder" or "Holders" shall mean the registered owner, whose name appears in the Security Register, for any Bond.

P. "Inferior Lien Obligations" shall mean (i) any revenue or combination revenue and tax bonds, certificates of obligation, notes, or similar obligations of the County hereafter issued in one or more installments, pursuant to the provisions of the Act or other available law, payable from and equally and ratably secured by a lien on and pledge of all or any portion (including a limited pledge) of the Pledged Revenues, which lien and pledge is subordinate and inferior to the lien thereon and pledge thereof securing any Prior Lien Obligations, Junior Lien Obligations, or Obligations Similarly Secured, and (ii) obligations hereafter issued to refund any of the foregoing that are payable from and equally and ratably secured by a subordinate and inferior lien on and pledge of all or a portion of the Pledged Revenues, as determined by the Commissioners Court in accordance with any applicable law.

Q. "Interest Payment Date" shall mean the date semiannual interest is payable on the Bonds commencing on the interest commencement date as specified in the Approval Certificate, while any of the Bonds remain Outstanding.

R. "Junior Lien Obligations" shall mean (i) any revenue or combination revenue and tax bonds, certificates of obligation, notes, or similar obligations of the County hereafter issued in one or more installments, pursuant to the provisions of the Act or other available law, payable from and equally and ratably secured by a junior and inferior lien on and pledge of all or any portion of the Pledged Revenues, which lien and pledge is junior and inferior to the lien thereon and pledge thereof securing any Prior Lien Obligations, but senior and superior to the lien thereon and pledge thereof securing any Obligations Similarly Secured or Inferior Lien Obligations, and (ii) obligations hereafter issued to refund any of the foregoing that are payable from and equally and ratably secured by a junior and inferior lien on and pledge of all or a portion of the Pledged Revenues as determined by the Commissioners Court in accordance with any applicable law.

S. "Obligations Similarly Secured" shall mean the Parity Obligations and any Additional Parity Obligations.

T. "Order" as used herein and in the Bonds shall mean this order authorizing the issuance of the Bonds.

U. "Outstanding" when used in this Order with respect to Bonds shall mean, as of the date of determination, all Bonds issued and delivered under this Order, except:

(1) those Bonds canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Bonds for which payment has been duly provided by the County in accordance with the provisions of Section 26 of this Order by the irrevocable deposit with the Paying Agent/ Registrar, or an authorized escrow agent, of money or Government Securities, or both, in the amount necessary to fully pay the principal of, premium, if any, and interest thereon to Stated Maturity or redemption, as the case may be, provided that, if such Bonds are to be redeemed, notice of redemption thereof shall have been duly given pursuant to this Order or irrevocably provided to be given to the satisfaction of the Paying Agent/Registrar, or waived; and

(3) those Bonds that have been mutilated, destroyed, lost, or stolen and replacement Bonds have been registered and delivered in lieu thereof as provided in Section 19 of this Order.

V. "Parity Obligations" shall mean (i) the outstanding and unpaid obligations of the County that are payable, in whole or in part, from and equally and ratably secured by a lien on and pledge of the Pledged Revenues, all as provided in Section 21 of this Order, and designated as (a) Hays County, Texas Pass-Through Toll Revenue and Limited Tax Bonds, Series 2009, dated August 15, 2009, in the original principal amount of $49,575,000; (b) Hays County, Texas Pass-Through Toll Revenue and Unlimited Tax Bonds, Series 2011, dated June 15, 2011, in the original principal amount of $42,115,000; (c) Hays County, Texas Pass-Through Toll Revenue and Unlimited Tax Bonds, Series 2013, dated November 15, 2013, in the original principal amount of $25,920,000; (d) Hays County, Texas Pass-Through Toll Revenue and Unlimited Tax Bonds, Series 2015, dated April 1, 2015, in the original principal amount of $27,410,000; and (ii) the Bonds; and (iii) obligations hereinafter issued to refund and of the foregoing that are payable in whole or in part, from and equally and ratably secured by a lien on and pledge of the Pledged Revenues, all as provided in Section 21 of this Order, as determined by the Commissioner Court in accordance with any applicable law.

W. "Pledged Revenues" shall mean (i) the Revenues, plus (ii) any additional revenues, income, receipts, or other resources, including, without limitation, any additional revenues derived from any amendment, grants, donations or income received or to be received from the United States Government, or any other public or private source, whether pursuant to an agreement or otherwise, which hereafter are pledged by the County to the payment of the Obligations Similarly Secured.

X. "Prior Lien Obligations" shall mean (i) any revenue or combination revenue and tax bonds, certificates of obligation, notes, or similar obligations of the County hereafter issued in one or more installments, pursuant to the provisions of the Act or other available law, that are payable from and secured, in whole or in part, by a first and prior lien on and pledge of all or any portion of the Pledged Revenues, all as provided in Section 21 of this Order, and (ii) obligations hereafter issued to refund any of the foregoing that are payable from and equally and ratably secured by a first and prior lien on all or any portion of the Pledged Revenues, as determined by the Commissioners Court in accordance with any applicable law.

Y. "Purchasers" shall mean the initial purchasers of the Bonds named in Approval Certificate.

Z. "Revenues" shall mean all revenues, payments, income and receipts of every nature derived or received by the County pursuant to the Agreement, including the interest income from investment or deposit of money in any fund, account or subaccount created by this Order, or maintained by the County in connection therewith and any other revenues hereafter, if any, pledged to the payment of the Prior Lien Obligations, the Junior Lien Obligations, the Obligations Similarly Secured, the Inferior Lien Obligations, or any other permissible obligations of the County or any non-profit corporation created by the County. Any "Revenues" to be received pursuant to the Agreement are subject to the appropriation of funds by the State Legislature.

AA. "Stated Maturity" when used with respect to any Bond, shall mean the date specified in such Bond as the fixed date on which the principal of such Bond is due and payable.

BB. "2008 Authorization" shall have the meaning assigned to such term in the recitals hereto.

CC. "2008 Road Bond Proposition" shall have the meaning assigned to such term in the recitals hereto.

Section 10: Bond Fund; Investments. For the purpose of paying the interest on and to provide a sinking fund for the payment, redemption, and retirement of the Bonds, there shall be and is hereby created a special Fund to be designated "PASS-THROUGH TOLL REVENUE AND LIMITED TAX BONDS, SERIES _____, INTEREST AND SINKING FUND" (the "Bond Fund"), which series to be designated in accordance with the designation of the Bonds set forth in the Approval Certificate, which Fund shall be kept and maintained at the Depository, and money deposited in such Fund shall be used for no other purpose and shall be maintained as provided in Section 24. Authorized Officials of the County are hereby authorized and directed to make withdrawals from the Bond Fund sufficient to pay the principal of, premium, if any, and interest on the Bonds as the same become due and payable and shall cause to be transferred to the Paying Agent/Registrar from money on deposit in the Bond Fund an amount sufficient to pay the amount of principal and/or interest stated to mature on the Bonds, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the last business day next preceding each interest and principal payment date for the Bonds.

Pending the transfer of funds to the Paying Agent/Registrar, money deposited in any fund or account established or described in this Order, at the option of the County, may be placed in time deposits, certificates of deposit, guaranteed investment contracts, or similar contractual agreements, as permitted by the provisions of the Public Funds Investment Act, as amended, Chapter 2256, Texas Government Code, secured (to the extent not insured by the Federal Deposit Insurance Corporation) by obligations of the type hereinafter described, or be invested, as authorized by any law, including investments held in book-entry form, in securities including, but not limited to, direct obligations of the United States of America, obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligations, or invested in indirect obligations of the United States of America, including, but not limited to, evidences of indebtedness issued, insured or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, Farmers Home Administration, Federal Home Loan Mortgage Association, Small Business Administration, or Federal Housing Association; provided that all such deposits and investments shall be made in such a manner that the money required to be expended from such fund or account will be available at the proper time or times. All interest and income derived from deposits and investments in such fund or account shall be credited to, and any losses debited to, such fund or account. All such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds.

Section 11: Tax Levy. To provide for the payment of the Debt Service Requirements on the Bonds being (i) the interest on the Bonds, and (ii) a sinking fund for their redemption at Stated Maturity or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied for the current year and each succeeding year thereafter while the Bonds or any interest thereon shall remain Outstanding, a sufficient tax, within the limitations prescribed by law, on each one hundred dollars' valuation of taxable property in the County, adequate to pay such Debt Service Requirements, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected each year and applied to the payment of the Debt Service Requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Bond Fund and are thereafter pledged to the payment of the Bonds. The Commissioners Court hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay such Debt Service Requirements, it having been determined that the existing and available taxing authority of the County for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness and other obligations of the County.

The amount of taxes to be provided annually for the payment of the principal of and interest on the Obligations Similarly Secured shall be determined and accomplished in the following manner:

A. Prior to the date the Commissioners Court establishes the annual tax rate and passes an order levying ad valorem taxes each year, the Commissioners Court shall determine:

(1) the amount of Debt Service Requirements to become due and payable on the Obligations Similarly Secured between the Collection Date for the taxes then to be

levied and the Collection Date for the taxes to be levied during the next succeeding calendar year; and

(2) the amount on deposit in the Bond Fund after (a) deducting therefrom the total amount of Debt Service Requirements to become due on Obligations Similarly Secured prior to the Collection Date for the ad valorem taxes to be levied and (b) adding thereto the amount of the Pledged Revenues or other lawfully available funds appropriated and allocated during such year to pay such Debt Service Requirements, prior to the Collection Date for the ad valorem taxes to be levied; and

(3) the amount of Pledged Revenues appropriated and set aside for the payment of the Debt Service Requirements on the Obligations Similarly Secured between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding Fiscal Year.

B. The amount of taxes to be levied annually each year by the Commissioners Court to pay the Debt Service Requirements on the Obligations Similarly Secured shall be the amount established in paragraph (1) above less the sum total of the amounts established in paragraphs (2) and (3), after taking into consideration delinquencies and costs of collecting such annual taxes.

Section 12: Pledge of Pledged Revenues.

A. The County hereby covenants and agrees that, subject to any superior lien on and pledge of all or any portion of the Pledged Revenues to the payment and security of any Prior Lien Obligations or Junior Lien Obligations hereafter issued by the County, the Pledged Revenues are hereby irrevocably pledged to the payment of the principal of and interest on the Obligations Similarly Secured and the pledge of Pledged Revenues herein made for the payment of the Obligations Similarly Secured shall constitute a lien on the Pledged Revenues in accordance with the terms and provisions hereof and be valid and binding without any physical delivery thereof or further act by the County.

B. Chapter 1208, Texas Government Code, applies to the issuance of the Obligations Similarly Secured and the pledge of taxes and Pledged Revenues granted by the County under Section 11 and subsection (A) of this Section, respectively, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Obligations Similarly Secured are outstanding and unpaid such that the pledge of the taxes and Pledged Revenues granted by the County is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Obligations Similarly Secured the perfection of the security interest in this pledge, the County agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in this pledge to occur.

Section 13: Revenue Fund. The County hereby covenants and agrees that all Revenues shall be kept separate and apart from all other funds, accounts and money of the County and shall be deposited as collected into the "HAYS COUNTY PLEDGED REVENUE

FUND" (the "Revenue Fund"). All money deposited in the Revenue Fund shall be pledged and appropriated to the extent required for the following purposes and in the order of priority shown:

A. *First*: to the payment of all amounts required to be deposited in the special funds and accounts established for the payment, security, and benefit of any Prior Lien Obligations hereafter issued by the County in accordance with the terms and provisions of any orders authorizing their issuance; provided, however, that the County may utilize any money on deposit in the Revenue Fund first to reimburse itself or to pay any costs, fees, or expenses related to the Project or any future projects;

B. *Second*: to the payment of all amounts required to be deposited in the special funds and accounts established for the payment, security, and benefit of any Junior Lien Obligations hereafter issued by the County in accordance with the terms and provisions of any orders authorizing their issuance;

C. *Third*: to the payment of all amounts required to be deposited in the special funds and accounts established for the payment, security, and benefit of the Obligations Similarly Secured, including any Additional Parity Obligations hereafter issued by the County in accordance with the terms and provisions of any orders authorizing their issuance; and

D. *Fourth*: to the payment of the amounts required to be deposited in the special funds and accounts created and established for the payment, security, and benefit of any Inferior Lien Obligations hereafter issued by the County in accordance with the terms and provisions of the orders authorizing their issuance.

Any Pledged Revenues remaining in the Revenue Fund after satisfying the foregoing payments, or making adequate and sufficient provision for the payment, security and benefit thereof, may be appropriated and used for any other County purpose now or hereafter permitted by law.

Section 14: Deposits to Bond Fund; Surplus Bond Proceeds. The County hereby covenants and agrees to cause to be deposited in the Bond Fund prior to a principal and interest payment date for the Obligations Similarly Secured from the Pledged Revenues in the Revenue Fund, after the deduction of all payments required to be made to the special funds or accounts created for the payment and security of any Prior Lien Obligations or Junior Lien Obligations hereafter issued by the County, any amounts budgeted to be paid therefrom in such Fiscal Year.

Accrued and capitalized interest received from the Purchasers of the Bonds shall be deposited to the Bond Fund and ad valorem taxes levied and collected shall be deposited to the Bond Fund. In addition, any surplus proceeds from the sale of the Bonds, including investment income thereon, not expended for authorized purposes shall be deposited in the Bond Fund, and such amounts so deposited shall reduce the sums otherwise required to be deposited in said Fund from ad valorem taxes.

Section 15: Security of Funds. All money on deposit in the Funds for which this Order makes provision (except any portion thereof as may be at any time properly invested as provided herein) shall be secured in the manner and to the fullest extent required by the laws of

the State of Texas for the security of public funds, and money on deposit in such Funds shall be used only for the purposes permitted by this Order.

Section 16: Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the County covenants and agrees particularly that in the event the County (a) defaults in the payments to be made to the Bond Fund, or (b) defaults in the observance or performance of any other of the covenants, conditions, or obligations set forth in this Order, the Holders of any of the Bonds shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the County and other officers of the County to observe and perform any covenant, condition, or obligation prescribed in this Order.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive.

Section 17: Notices to Holders; Waiver. Wherever this Order provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first-class postage prepaid, to the address of each Holder as it appears in the Security Register.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Holders. Where this Order provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 18: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the County, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The County may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the County may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Bonds held by the Paying Agent/Registrar shall be destroyed as directed by the County.

Section 19: Mutilated, Destroyed, Lost, and Stolen Bonds. If (1) any mutilated Bond is surrendered to the Paying Agent/Registrar, or the County and the Paying Agent/Registrar receive evidence to their satisfaction of the destruction, loss, or theft of any Bond, and (2) there is delivered to the County and the Paying Agent/Registrar such security or indemnity as may be

required to save each of them harmless, then, in the absence of notice to the County or the Paying Agent/Registrar that such Bond has been acquired by a bona fide purchaser, the County shall execute and, upon its request, the Paying Agent/Registrar shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Bond, a new Bond of the same Stated Maturity and interest rate and of like tenor and principal amount, bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost, or stolen Bond has become or is about to become due and payable, the County in its discretion may, instead of issuing a new Bond, pay such Bond.

Upon the issuance of any new Bond or payment in lieu thereof, under this Section, the County may require payment by the Holder of a sum sufficient to cover any tax or other governmental charge imposed in relation thereto and any other expenses or charges (including attorney's fees and the fees and expenses of the Paying Agent/Registrar) connected therewith.

Every new Bond issued pursuant to this Section in lieu of any mutilated, destroyed, lost, or stolen Bond shall constitute a replacement of the prior obligation of the County, whether or not the mutilated, destroyed, lost, or stolen Bond shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Order equally and ratably with all other Outstanding Bonds. The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Bonds.

Section 20: Special Covenants. The County hereby further covenants that:

A. it has the lawful power to pledge the Pledged Revenues supporting the currently outstanding Parity Obligations and the Bonds and has lawfully exercised said powers under the laws of the State of Texas, including power existing under the Act; and

B. other than the pledge of the Pledged Revenues for the payment of the currently outstanding Parity Obligations and the Bonds, the Revenues have in any manner been pledged to the payment of any debt or obligation of the County.

Section 21: Issuance of Additional Obligations. The County hereby expressly reserves the right to hereafter issue Prior Lien Obligations, without limitation as to principal amount, but subject to any terms, conditions or restrictions applicable thereto under law or otherwise, provided that the order authorizing the issuance of any Prior Lien Obligations provides that such obligations are payable from and secured, in whole or in part, by a first and prior lien on the Revenues or any combination of all or any part of the Revenues.

The County hereby expressly reserves the right to hereafter issue Junior Lien Obligations payable from and secured, in whole or in part, by a lien on and pledge of the Revenues that is junior and inferior to the lien on and pledge thereof securing the payment of any Prior Lien Obligations hereafter issued by the County, but prior and superior to the lien on and pledge of the Revenues securing the payment of any Obligations Similarly Secured or Inferior Lien Obligations hereafter issued by the County.

The County hereby expressly reserves the right to hereafter issue Additional Parity Obligations, without limitation as to principal amount, but subject to any terms, conditions or restrictions applicable thereto under law or otherwise, provided that the order authorizing the issuance of any Additional Parity Obligations provides that such obligations are payable from and secured, in whole or in part, by a lien on and pledge of the Revenues which is junior and inferior to the Prior Lien Obligations and the Junior Lien Obligations, but have a lien on the Revenues on parity with the lien on and pledge of the Revenues securing the payment of the Bonds and any other Additional Parity Obligations resulting from the pledge of Pledged Revenues as security therefor.

The County hereby expressly reserves the right to hereafter issue Inferior Lien Obligations, without limitation as to principal amount, but subject to any terms, conditions or restrictions applicable thereto under law or otherwise, provided that the order authorizing the issuance of any Inferior Lien Obligations provides that such obligations are payable from and secured, in whole or in part, by a lien on and pledge of the Revenues (including a limited pledge) of the Revenues on a priority that is subordinate and inferior to the lien on and pledge of the Pledged Revenues securing the currently outstanding Parity Obligations and the Bonds and any other Additional Parity Obligations.

Any Prior Lien Obligations or Junior Lien Obligations hereafter issued by the County shall be payable, in whole or in part, from a lien on and pledge of the Revenues, such lien or liens being prior and superior to the lien on and pledge of the Pledged Revenues securing the payment of the currently outstanding Parity Obligations and the Bonds and any other Additional Parity Obligations.

Prior Lien Obligations, Junior Lien Obligations, Additional Parity Obligations, and Inferior Lien Obligations, if issued, may be payable, in whole or in part, from Revenues (without impairment of the obligation of contract with the Holders of the Bonds and any other Obligations Similarly Secured) upon such terms and conditions as the Commissioners Court may determine.

Section 22: Application of the Covenants and Agreements of the Prior Lien Obligations or Junior Lien Obligations. It is the intention of the County and accordingly hereby recognized and stipulated that the provisions, agreements, and covenants contained herein bearing upon the administering and application of the Pledged Revenues, shall to the extent possible be harmonized with like provisions, agreements and covenants contained in the orders authorizing the issuance of the Prior Lien Obligations or Junior Lien Obligations and to the extent of any irreconcilable conflict between the provisions contained herein and in the orders authorizing the issuance of the Prior Lien Obligations or Junior Lien Obligations, the provisions, agreements, and covenants contained therein shall prevail to the extent of such conflict and be applicable to this Order, especially the priority of rights and benefits conferred thereby to the owners of any Prior Lien Obligations or Junior Lien Obligations, as appropriate.

Section 23: Sale of Bonds - Approval of Purchase Contract - Official Statement Approval- Use of Proceeds. The Bonds authorized by this Order shall be sold and delivered to the purchasers, who shall be designated in the Purchase Contract (the "Purchasers", having all the rights, benefits, and obligations of a Holder), at the price set forth in the Approval Certificate and in accordance with the terms of the Purchased Contract (the "Purchase Contract"), which an

Authorized Official is hereby authorized to execute. The Initial Bond(s) shall be registered in the name set forth in the Approval Certificate. The Commissioners Court hereby finds, determines and declares that the representations, warranties, and agreements of the County contained in the Purchase Contract are true and correct in all material respects and shall be honored and performed by the County. Delivery of the Bonds to the Purchasers shall occur as soon as practicable after the adoption of this Order, upon payment therefor in accordance with the terms of the Purchase Contract.

Any Authorized Official is hereby authorized to approve, in the name and on behalf of the County, in connection with the sale of the Bonds, the preparation and distribution of a Preliminary Official Statement and a final Official Statement relating to the Bonds to be used by the Purchasers in marketing the Bonds. In addition, an Authorized Official is authorized to deem such Preliminary Official Statement "final" for purposes of the Rule. The appropriate officials of the County are hereby authorized to sign such Official Statement and/or to deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

Proceeds from the sale of the Bonds shall be applied as follows:

A. The proceeds from the sale of the Bonds, including any net original issue premium, shall, promptly upon receipt by the County, be applied in accordance with the provision set forth in the Approval Certificate.

B. The balance of the proceeds derived from the sale of the Bonds (after paying costs of issuance and the other deposits referred to in paragraph A above) shall be deposited into the special construction account or accounts created for the Project and to pay the costs of issuance of the Bonds. This special construction account shall be established and maintained at the Depository and shall be invested in accordance with the provisions of Section 10 of this Order. Interest earned on the proceeds of the Bonds pending completion of the projects financed with such proceeds shall be accounted for, maintained, deposited, and expended as permitted by the provisions of Chapter 1201, as amended, Texas Government Code, or as required by any other applicable law. Thereafter, such amounts shall be expended in accordance with Section 14 of this Order.

Section 24: Covenants to Maintain Tax-Exempt Status.

A. Definitions. When used in this Section, the following terms have the following meanings:

"*Code*" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"*Computation Date*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Gross Proceeds*" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

"*Investment*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Nonpurpose Investment*" means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"*Rebate Amount*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Regulations*" means any proposed, temporary, or final Income Tax Regulations issued pursuant to sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"*Yield*" of

(1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and

(2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

B. Not to Cause Interest to Become Taxable. The County shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the County receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the County shall comply with each of the specific covenants in this Section.

C. No Private Use or Private Payments. Except to the extent that it will not cause the Bonds to become "private activity bonds" within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the County shall at all times prior to the last Stated Maturity of Bonds:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property

the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the County or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

D. No Private Loan. Except to the extent that it will not cause the Bonds to become "private activity bonds" within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the County 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, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such 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 any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

E. Not to Invest at Higher Yield. Except to the extent that it will not cause the Bonds to become "arbitrage bonds" within the meaning of section 148 of the Code and the Regulations and rulings thereunder, the County shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment, if as a result of such investment the Yield of any Investment acquired with Gross Proceeds, whether then held or previously disposed of, materially exceeds the Yield of the Bonds.

F. Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the County shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

G. Information Report. The County shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

H. Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The County shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last Outstanding Bond is discharged. However, to the extent permitted by law, the County may commingle Gross Proceeds of the Bonds with other money of the County, provided that the County separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the County shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The County shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the County shall pay to the United States out of the Bond Fund or its general fund, as permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The County shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

I. Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the County shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection H of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

J. Bonds Not Hedge Bonds.

(1) The County reasonably expects to spend at least 85% of the spendable proceeds of the Bonds within three years after such Bonds are issued.

(2) Not more than 50% of the proceeds of the Bonds will be invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

K. Elections. The County hereby directs and authorizes any Authorized Official, or the County's legal advisor, either or any combination of them, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document. Such elections shall be deemed to be made on the Closing Date.

Section 25: Control and Custody of Bonds. The County Judge shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas and shall take and have charge and control of the Bonds pending their approval by the Attorney General, including the printing and supply of definitive Bonds, the registration thereof by the Comptroller of Public Accounts and the delivery of the Bonds to the Purchasers.

Furthermore, the County Judge, County Clerk, Deputy County Clerk, County Treasurer, County Auditor, or the County's legal advisor, either or all, are hereby authorized and directed to furnish and execute such documents relating to the County and its financial affairs as may be necessary for the issuance of the Bonds, the approval of the Attorney General and their registration by the Comptroller of Public Accounts and, together with the County's financial advisors, Bond Counsel, and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Bond(s) to the Purchasers and the initial exchange thereof for definitive Bonds.

Section 26: Satisfaction of Obligation of County. If the County shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Order, then the lien on and pledge of the Pledged Revenues and the pledge of taxes levied under this Order and all covenants, agreements, and other obligations of the County to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Bonds, or any principal amount(s) thereof, shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof at Stated Maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, and/or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any money deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. The County covenants that no deposit of money or Government Securities will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as arbitrage bonds within the meaning of section 148 of the Code (as defined in Section 24 hereof).

Any money so deposited with the Paying Agent/Registrar, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such money has been so deposited shall be remitted to the County or deposited as directed by the County. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds such money was deposited and is held in trust to pay shall upon the request of the County be remitted to the County against a written receipt therefor, subject to the unclaimed property laws of the State of Texas.

Notwithstanding any other provision of this Order to the contrary, it is hereby provided that any determination not to redeem defeased Bonds that is made in conjunction with the payment arrangements specified in subsection (i) or (ii) above shall not be irrevocable, provided that: (1) in the proceedings providing for such defeasance, the County expressly reserves the right to call the defeased Bonds for redemption; (2) gives notice of the reservation of that right to the owners of the defeased Bonds immediately following the defeasance; (3) directs that notice of the reservation be included in any redemption notices that it authorizes; and (4) at the time of the redemption, satisfies the conditions of (i) or (ii) above with respect to such defeased debt as though it was being defeased at the time of the exercise of the option to redeem the defeased Bonds, after taking the redemption into account in determining the sufficiency of the provisions made for the payment of the defeased Bonds.

Section 27: Printed Opinion. The Purchasers' obligation to accept delivery of the Bonds is subject to its being furnished a final opinion of Andrews Kurth LLP, as Bond Counsel, approving certain legal matters as to the Bonds, said opinion to be dated and delivered as of the date of initial delivery and payment for the Bonds. Printing of a true and correct copy of said opinion on the reverse side of each of the Bonds, with appropriate certificate pertaining thereto executed by facsimile signature of the County Clerk or Deputy County Clerk of the County is hereby approved and authorized.

Section 28: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Bonds shall be of no significance or effect as regards the legality thereof, and neither the County nor attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Bonds.

Section 29: Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

Section 30: Order a Contract; Amendments - Outstanding Bonds. The County acknowledges that the covenants and obligations of the County herein contained are a material inducement to the purchase of the Bonds. This Order shall constitute a contract with the Holders from time to time, shall be binding on the County and its successors and assigns, and shall not be amended or repealed by the County so long as any Bond remains Outstanding except as permitted in this Section. The County may, without the consent of or notice to any Holders, from time to time and at any time, amend this Order in any manner not detrimental to the

interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the County may, with the written consent of Holders holding a majority in aggregate principal amount of the Bonds then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Order; provided, however, that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, and interest on the Bonds, reduce the principal amount thereof, the redemption price therefor, 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, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required for consent to any such amendment, addition, or rescission.

Section 31: Benefits of Order. Nothing in this Order, expressed or implied, is intended or shall be construed to confer upon any person other than the County, Bond Counsel, the Paying Agent/Registrar, and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Order or any provision hereof, this Order and all its provisions being intended to be and being for the sole and exclusive benefit of the County, Bond Counsel, the Paying Agent/Registrar, and the Holders.

Section 32: Inconsistent Provisions. All orders and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Order are hereby repealed to the extent of such conflict, and the provisions of this Order shall be and remain controlling as to the matters ordered herein.

Section 33: Governing Law. This Order shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 34: Severability. If any provision of this Order or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Order and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Commissioners Court hereby declares that this Order would have been enacted without such invalid provision.

Section 35: Incorporation of Preamble Recitals. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Order for all purposes and are adopted as a part of the judgment and findings of the Commissioners Court.

Section 36: Construction of Terms. If appropriate in the context of this Order, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

Section 37: Authorization of Paying Agent/Registrar Agreement. The Commissioners Court of the County hereby finds and determines that it is in the best interest of the County to authorize the execution of a Paying Agent/Registrar Agreement concerning the payment, exchange, registration, and transferability of the Bonds. A copy of the Paying Agent/Registrar

Agreement is attached hereto, in substantially final form, as Exhibit A and is incorporated by reference to the provisions of this Order.

Section 38: Public Meeting. It is officially found, determined, and declared that the meeting at which this Order was adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Order, was given, all as required by Chapter 551, as amended, Texas Government Code.

Section 39: Unavailability of Authorized Publication. If, because of the temporary or permanent suspension of any newspaper, journal, or other publication, or, for any reason, publication of notice cannot be made meeting any requirements herein established, any notice required to be published by the provisions of this Order shall be given in such other manner and at such time or times as in the judgment of the County or of the Paying Agent/Registrar shall most effectively approximate such required publication and the giving of such notice in such manner shall for all purposes of this Order be deemed to be in compliance with the requirements for publication thereof.

Section 40: No Recourse Against County Officials. No recourse shall be had for the payment of principal of, premium, if any, or interest on any Bond or for any claim based thereon or on this Order against any official of the County or any person executing any Bond.

Section 41: Continuing Disclosure Undertaking.

A. Definitions.

As used in this Section, the following terms have the meanings ascribed to such terms below:

"EMMA" means the MSRB's Electronic Municipal Market Access system, accessible by the general public, without charge, on the internet through the uniform resource locator (URL) http://www.emma.msrb.org.

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

B. Annual Reports.

The County shall file annually with the MSRB, on or before March 31 of each year (or if the County's Fiscal Year changes, within six months after the end of each Fiscal Year) commencing with Fiscal Year ending September 30, 2016, financial information and operating data with respect to the County of the general type included in the final Official Statement authorized by Section 23 of this Order being the information described in Exhibit B hereto and if not provided as part of such financial information and operating data, audited financial statements of the County, when and if available. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit B hereto, or

such other accounting principles as the County may be required to employ from time to time pursuant to state law or regulation, and (ii) audited, if the County commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the County shall provide unaudited financial statements within such period and audited for the applicable fiscal year to the MSRB, when and if the audit report on such statements becomes available. Under current Texas law, including, but not limited to, Chapter 103, as amended, Texas Local Government Code, the County must have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit. The annual financial statement, including the auditor's opinion on the statement, shall be filed in the office of the County Auditor on or before March 31 of each year (or if the County's Fiscal Year changes, within six months after the last day of the County's fiscal year). Additionally, upon the filing of this financial statement and the annual audit, these documents are subject to the Texas Open Records Act, as amended, Texas Government Code, Chapter 552.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC.

C. Event Notices.

The County shall provide notice of any of the following events with respect to the Bonds 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 status of the Bonds, or other material events affecting the tax status of the Bonds;

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

(13) The consummation of a merger, consolidation, or acquisition involving the County 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; and

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

For these purposes, any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the County 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 or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County.

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

D. Limitations, Disclaimers, and Amendments.

The County shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the County remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the County in any event will give notice of any deposit that causes the Bonds to be no longer Outstanding.

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

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

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

The provisions of this Section may be amended by the County from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the County, but only if (1) the provisions of this Section, 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 Holders 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 County (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The County may also repeal or amend the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the County also may amend the provisions of this Section in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds, giving effect to (a) such provisions as so amended and (b) any amendments or interpretations of the Rule. If the County so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection B of this Section 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. If the County so amends the provisions of this Section, the County shall include with any amended financial information or operating data next provided in accordance with this Section 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.

E. Information Format - Incorporation by Reference.

The County information required under this Section 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 Section 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 United States Securities and Exchange Commission.

Section 42: Book-Entry Only System.

It is intended that the Bonds initially be registered so as to participate in a securities depository system (the "DTC System") with the Depository Trust Company, New York, New York, or any successor entity thereto ("DTC"), as set forth herein. Each Stated Maturity of the Bonds shall be issued (following cancellation of the Initial Bond(s) described in Section 7) in the form of a separate single definitive Bond. Upon issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as the nominee of DTC, and all of the Outstanding Bonds shall be registered in the name of Cede & Co., as the nominee of DTC. The County and the Paying Agent/Registrar are authorized to execute, deliver, and take the actions set forth in such letters to or agreements with DTC as shall be necessary to effectuate the DTC System.

With respect to the Bonds registered in the name of Cede & Co., as nominee of DTC, the County and the Paying Agent/Registrar shall have no responsibility or obligation to any broker-dealer, bank, or other financial institution for which DTC holds the Bonds from time to time as securities depository (a "Depository Participant") or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds (an "Indirect Participant"). Without limiting the immediately preceding sentence, the County and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any Depository Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Depository Participant or any other person, other than a registered owner of the Bonds, as shown on the Security Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the delivery to any Depository Participant or any Indirect Participant or any other Person, other than a Holder of a Bond, of any amount with respect to principal of, premium, if any, or interest on the Bonds. While in the DTC System, no person other than Cede & Co., or any successor thereto, as nominee for DTC, shall receive a Bond evidencing the obligation of the County to make payments of principal, premium, if any, and interest pursuant to this Order. 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 Order with respect to interest checks or drafts being mailed to the Holder, the word "Cede & Co." in this Order shall refer to such new nominee of DTC.

In the event that (a) the County determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (b) the Representation Letter

shall be terminated for any reason, or (c) DTC or the County determines that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the County shall notify the Paying Agent/Registrar, DTC, and the Depository Participants of the availability within a reasonable period of time through DTC of bond certificates, and the Bonds shall no longer be restricted to being registered in the name of Cede & Co., as nominee of DTC. At that time, the County may determine that the Bonds shall be registered in the name of and deposited with a successor depository operating a securities depository system, as may be acceptable to the County, or such depository's agent or designee, and if the County and the Paying Agent/Registrar do not select such alternate securities depository system then the Bonds may be registered in whatever name or names the Holders of Bonds transferring or exchanging the Bonds shall designate, in accordance with the provisions hereof.

Notwithstanding any other provision of this Order to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representation Letter.

Section 43: Further Procedures. The officers and employees of the County are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the County all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Order, the initial sale and delivery of the Bonds, the Paying Agent/Registrar Agreement, the Purchase Contract, and the Official Statement. In addition, prior to the initial delivery of the Bonds, the County Judge, or the County Clerk and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Order or to any of the instruments authorized and approved by this Order necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Order and as described in the Official Statement, (ii) obtain a rating from any of the national bond rating agencies, or (iii) obtain the approval of the Bonds by the Texas Attorney General's office. In case any officer of the County whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 44: Attorney General Examination Fee. The County recognizes that under Section 1202.004, Texas Government Code, the Attorney General of Texas requires a nonrefundable examination fee be paid at the time of submission of the transcript of the proceedings authorizing the Bonds and that such fee is to be calculated as provided in said Section 1202.004. Bond Counsel is accommodating the County by paying such fee upon such submission of such transcript. Officials of the County are, however, hereby authorized to reimburse Bond Counsel such amount as soon as possible and whether or not the Bonds are ever delivered and such amount is hereby appropriated from available funds for such purpose. The County is also authorized to reimburse the fund used for such repayment with proceeds of the Bonds.

Section 45: Effective Date. This Order shall be in force and effect from and after its final passage, and it is so ordered.

[*The remainder of this page intentionally left blank*]

PASSED AND ADOPTED on the 31st day of May, 2016.

HAYS COUNTY, TEXAS

_____
County Judge

ATTEST:

_____
County Clerk and Ex-Officio Clerk of the
Commissioners Court

(SEAL OF COMMISSIONERS COURT)

Schedule I - Form of Approval Certificate
Exhibit A - Form of Paying Agent/Registrar Agreement
Exhibit B - Description of Annual Financial Information
Exhibit C - Pass-Through Toll Agreement

SCHEDULE I

APPROVAL CERTIFICATE

I, the undersigned, _____, _____ of Hays County, Texas (the "***County***"), pursuant to Section 1 of the order adopted on May 31, 2016 (the "***Order***") authorizing the issuance of obligations designated as "Hays County, Texas Pass-Through Toll Revenue and Limited Tax Bonds, Series _____" (the "***Bonds***") do hereby approve the following terms of the Bonds:

(i) the total principal amount of the Bonds of $_____; which principal amount, plus $_____ of the net reoffering premium generated in connection with the sale thereof, the respective authorized purposes and amounts authorized to be issued therefor, amounts previously issued, amounts being issued pursuant to the Order;

(ii) the purchase price for the Bonds is $_____ (representing the original principal amount of the Bonds of $_____, plus an original issue reoffering premium on the Bonds of $_____, plus accrued interest in the amount of $_____, and less an Underwriters' discount of $_____);

(iii) the Bonds are dated _____;

(iv) the interest rates, yields, and maturity schedule for the Bonds are as set forth below:

Years of Stated Maturity (_____)	Principal Amounts($)	Interest Rates(%)	Yield(%)

(v) interest on the Bonds will accrue from _____ and will be payable _____ and _____ in each year commencing _____.

(vi) the Purchasers of the Bonds are_____, as the authorized representative of a group of underwriters;

(vii) the County hereby ratifies, confirms, and approves in all respects (a) the Preliminary Official Statement was, as of its date, "deemed final" in accordance with SEC Rule 15c2-12 and (b) the use and distribution of the Preliminary Official Statement by the Purchasers in connection with the public offering and sale of the Bonds. The final Official Statement, being a modification and amendment of the Preliminary Official Statement to reflect the terms of sale, [attached as Exhibit __] to the Purchase Contract (together with such changes approved by an Authorized Official), shall be and is hereby in all respects approved and the Purchasers are hereby authorized to use and distribute the final Official Statement, dated _____, 20__, in the reoffering, sale and delivery of the Bonds to the public;

(viii) the Paying Agent/Registrar of the Bonds is _____;

(ix) [the Bonds stated to mature on _____, 20__ are referred to as the "Term Bonds". The Term Bonds are subject to mandatory sinking fund redemption prior to their stated maturities from money required to be deposited in the Bond Fund for such purpose and shall be redeemed in part, by lot or other customary method, at the principal amount thereof plus accrued interest to the date of redemption in the following principal amounts on _____ in each of the years as set forth below:

Term Bonds
Stated to Mature
on _____, 20__

Year	Principal Amount ($)
20__	
20__	*

*Payable at Stated Maturity.

The principal amount of a Term Bond required to be redeemed pursuant to the operation of such mandatory redemption provisions shall be reduced, at the option of the County, by the principal amount of any Term Bonds of such Stated Maturity which, at least 50 days prior to the mandatory redemption date (1) shall have been defeased or acquired by the County and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the County with money in the Bond Fund, or (3) shall have been redeemed pursuant to the optional redemption provisions set forth in the Order and not theretofore credited against a mandatory redemption requirement;]

(x) [the Bonds having Stated Maturities on and after _____, 20__, shall be subject to redemption prior to Stated Maturity, at the option of the County, on _____, 20__, or on any date thereafter, in whole or in part, in principal amounts of $5,000 or any integral multiple thereof (and if within a Stated Maturity selected at random and by lot by the Paying Agent/Registrar), at the redemption price of par plus accrued interest to the date of redemption;]

(xi) the Form of Bonds shall be substantially in the forms set forth in Section 8 of the Order and Exhibit A attached hereto with appropriate insertions, and omissions, and substitutions completed in accordance with this Approval Certificate;

(xii) the net effective interest rate on the Bonds is _____%;

(xiii) Bond proceeds will be used to capitalize _____ months of interest on the Bonds;

(xiv) the Bond proceed, including the net premium, shall be deposited or used as follows: (a) $_____ shall be deposited into the construction fund, (b) $_____ shall be used to pay costs of issuance, including underwriters' discount, and (c) $_____ shall be deposited into the Bond Fund as excess premium;

(xv) net original issue premium from the sale of the Bonds in the amount of $_____ is allocated in the following manner: (a) $_____ to pay the Underwriters' compensation, (b) $_____ shall be deposited to the Bond Fund to pay capitalized interest, (c) $_____ is allocated against the County's voted authorization and shall be deposited to the construction fund, (d) $_____ to pay certain costs of issuance and (e) $_____ shall be deposited to the Bond Fund as the rounding amount;

(xvi) [the County hereby finds that a portion of the principal amount of the Bonds, in the amount of $_____, will be allocable to state highway projects identified in the 2008 Road Bond Proposition and hereby determines that such principal amount shall count against the 2008 Authorization as follows:]

Purposes	Amounts Authorized	Amounts Previously Issued	Amounts Sold this Sale	Premium Allocated to Voted Authorization	Unissued Bonds
Road Construction	$207,110,000	$178,228,000	$_____	$_____	$_____

(xvii) the County hereby confirms the representations, covenants, and warranties made with respect to continuing disclosure undertaking in Section 41 of the Order and Exhibit B attached hereto;

(xviii) the undersigned Authorized Official, upon consultation with the County's financial advisor, hereby determines that the terms of the sale as set forth in this Certificate and the Order are in the County's best interest; and

(xix) in accordance with the requirements of the Order, this Certificate complies with and satisfies the terms and provisions of the Order in accordance with the delegation contained herein; and

(xx) capitalized terms utilized herein and not defined shall have the meanings ascribed thereto in the Order.

* * *

EXECUTED AND DELIVERED THIS _____, 20__.

HAYS COUNTY, TEXAS

By: _____
Title: _____

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

THIS PAYING AGENT/REGISTRAR AGREEMENT entered into as of _____, 20__ (this "Agreement"), by and between the HAYS COUNTY, TEXAS (the "Issuer"), and _____, _____, Texas, a banking association duly organized and existing under the laws of the United States of America (the "Bank").

RECITALS

WHEREAS, the Issuer has duly authorized and provided for the issuance of its "Hays County, Texas Pass-Through Toll Revenue and Limited Tax Bonds, Series _____" (the "Securities"), such Securities to be issued in fully registered form only as to the payment of principal and interest thereon;

WHEREAS, the Securities are scheduled to be delivered to the initial purchaser thereof as provided in the Order (hereinafter defined);

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of and interest on the Securities and with respect to the registration, transfer, and exchange thereof by the registered owners thereof;

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE I. APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01. Appointment. The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities. As Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal of and interest on the Securities as the same become due and payable to the registered owners thereof, all in accordance with this Agreement and the Order.

The Issuer hereby appoints the Bank as Registrar with respect to the Securities. As Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Order.

The Bank hereby accepts its appointment, and agrees to serve as the Paying Agent and Registrar for the Securities.

Section 1.02. Compensation. As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in Schedule A attached hereto for the first year of this Agreement and thereafter the fees and

amounts set forth in the Bank's current fee schedule then in effect for services as Paying Agent/Registrar for municipalities, which shall be supplied to the Issuer on or before 90 days prior to the close of the Fiscal Year of the Issuer, and shall be effective upon the first day of the following Fiscal Year.

In addition, the Issuer agrees to reimburse the Bank, upon its request, for all reasonable expenses, disbursements, and advances incurred or made by the Bank in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

ARTICLE II. DEFINITIONS

Section 2.01. Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

"Approval Certificate" means one or more approval certificates approved by an Authorized Official in connection with the issuance of a series of Securities issued under the Order.

"Authorized Official" means any of the County Judge, the County Clerk, the County Auditor and/or the County Attorney.

"Bank Office" means the designated principal corporate trust office of the Bank as indicated on the signature page hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

"Bank Principal Payment Office" means _____, Texas.

"Commissioner's Court" means the Commissioners Court of Hays County, Texas.

"Financial Advisor" means Specialized Public Finance Inc., or any successors thereto.

"Fiscal Year" means the fiscal year of the Issuer, ending September 30.

"Holder" and "Security Holder" each means the Person in whose name a Security is registered in the Security Register.

"Issuer Request" means a written request or order signed in the name of the Issuer by the Authorized Official of the Issuer, any one or more of said officials, delivered to the Bank.

"Order" means the order of the governing body of the Issuer pursuant to which the Securities are issued, certified by the County Clerk of the Commissioners Court of Hays County, Texas, or any other officer of the Issuer, together with an approval certificate of a designated officer of the Issuer as authorized by the order approving the final terms of the sale of the Securities, and delivered to the Bank.

"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.

"Predecessor Securities" of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to the Order).

"Redemption Date" when used with respect to any Security to be redeemed means the date fixed for such redemption pursuant to the terms of the Order.

"Responsible Officer" when used with respect to the Bank means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Security Register" means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfer of the Securities.

"Stated Maturity" means the date specified in the Order the principal of a Security is scheduled to be due and payable.

Section 2.02. <u>Other Definitions</u>. The terms "Bank", "Issuer", and "Securities (Security)" have the meanings assigned to them in the recital paragraphs of this Agreement.

The term "Paying Agent/Registrar" refers to the Bank in the performance of the duties and functions of this Agreement.

ARTICLE III. PAYING AGENT

Section 3.01. Duties of Paying Agent. As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date, or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the Bank Principal Payment Office.

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and preparing and sending checks by United States mail, first class postage prepaid, on each payment date, to the Holders of the Securities (or their Predecessor Securities) on the respective Record Date, to the address appearing on the Security Register or by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder's risk and expense.

Section 3.02. Payment Dates. The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Order.

ARTICLE IV. REGISTRAR

Section 4.01. Security Register - Transfers and Exchanges. The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Principal Payment Office books and records (herein sometimes referred to as the "Security Register") for recording the names and addresses of the Holders of the Securities, the transfer, exchange, and replacement of the Securities, and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. All transfers, exchanges, and replacement of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the National Association of Securities Dealers, in form satisfactory to the Bank, duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer, or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

Section 4.02. Securities. The Issuer shall provide an adequate inventory of printed Securities to facilitate transfers or exchanges thereof. The Bank covenants that the inventory of printed Securities will be kept in safekeeping pending their use, and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other political subdivisions or corporations for which it serves as registrar, or that is maintained for its own securities.

Section 4.03. Form of Security Register. The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer, and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04. List of Security Holders. The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security Register. The Issuer may also inspect the information contained in the Security

Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

Unless required by law, the Bank will not release or disclose the contents of the Security Register to any Person other than an authorized officer or employee of the Issuer or to another Person, upon receipt of an Issuer Request, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

Section 4.05. Return of Cancelled Securities. All Securities surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Bank, shall be promptly cancelled by it and, if surrendered to the Issuer, shall be delivered to the Bank and, if not already cancelled, shall be promptly cancelled by the Bank. The Issuer may at any time deliver to the Bank for cancellation any Securities previously authenticated and delivered which the Issuer may have acquired in any manner whatsoever, and all Securities so delivered shall be promptly cancelled by the Bank. All cancelled Securities held by the Bank shall be destroyed, and evidence of such destruction furnished to the Issuer at such reasonable intervals as it determines subject to applicable rules and regulations of the Securities and Exchange Commission.

Section 4.06. Mutilated, Destroyed, Lost, or Stolen Securities. The Issuer hereby instructs the Bank, subject to the applicable provisions of the Order, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an over issuance.

In case any Security shall be mutilated, or destroyed, lost, or stolen, the Bank, in its discretion, may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such destroyed lost or stolen Security, only after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss, or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution, and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, or destroyed, lost, or stolen.

Section 4.07. Transaction Information to Issuer. The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities it has paid pursuant to Section 3.01, Securities it has delivered upon the transfer or exchange of any Securities pursuant to Section 4.01, and Securities it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities pursuant to Section 4.06.

ARTICLE V. THE BANK

Section 5.01. Duties of Bank. The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof. The Bank is also authorized to transfer funds relating to the closing and final delivery of the Securities in the manner disclosed in the closing memorandum as prepared by the Issuer's Financial Advisor or other

agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum acknowledged by the Financial Advisor or the Issuer as the final closing memorandum. The Bank shall not be liable for any losses, costs, or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

Section 5.02. Transfer of Funds. The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum approved by the Issuer as prepared by the Issuer's Financial Advisor or other agent.

Section 5.03. Reliance on Documents, Etc. (a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security, or other paper or document supplied by Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

Section 5.04. Recitals of Issuer. The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

Section 5.05. May Hold Securities. The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

Section 5.06. Money Held by Bank. A special depository account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of money received from the Issuer and held hereunder for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities, to the extent permitted by law, shall be continuously collateralized by securities or obligations which qualify and are eligible under the laws of the State of Texas to secure and be pledged as collateral for deposits of public funds by an instrumentality and political subdivision of the State of Texas to the extent that such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such account shall be made by check drawn on such account unless the owner of such Securities shall, at its own expense and risk, request such other medium of payment.

All funds at any time and from time to time provided to or held by the Bank hereunder shall be deemed, construed, and considered for all purposes as being provided to or held by the Bank in trust. The Bank acknowledges, covenants, and represents that it is acting herein in trust in relation to such funds, and is not accepting, holding, administering, or applying such funds as a banking depository, but solely as a paying agent for and on behalf of the Security thereto. The Holders shall be entitled to the same preferred claim and first lien on the funds so provided as are enjoyed by the beneficiaries of trust funds generally. The funds provided to the Bank hereunder shall not be subject to warrants, drafts or checks drawn by the Issuer and, except as expressly provided herein, shall not be subject to compromise, setoff, or other charge or diminution by the Bank.

The Bank shall be under no liability for interest on any money received by it hereunder.

Subject to the unclaimed property laws of the State of Texas and any provisions in the Resolution to the contrary, any money deposited with the Bank for the payment of the principal, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be paid by the Bank to the issuer, and the Holder of such Security shall thereafter look only to the Issuer for payment thereof, and all liability of the Bank with respect to such money shall thereupon cease. If the Issuer does not elect, the Bank is directed to report and dispose of the funds in compliance with Title 6 of the Texas Property Code, as amended.

Section 5.07. Indemnification. To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.08. Interpleader. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the State and County where the

administrative offices of the Issuer are located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

Section 5.09. Depository Trust Company Services. It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements" currently in effect, which establish requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

Section 5.10. Reporting Requirements of Paying Agent/Registrar. To the extent required by the Code and the regulations promulgated and pertaining thereto, it shall be the duty of the Paying Agent/Registrar, on behalf of the Issuer, to report to the owners of the Certificates and the Internal Revenue Service (i) the amount of "reportable payments", if any, subject to backup withholding during each year and the amount of tax withheld, if any, with respect to payments of the Certificates and (ii) the amount of interest or amount treating as interest on the Certificates and required to be included in gross income of the owner thereof.

Section 5.11. Merger, Conversion, Consolidation, or Succession. Any corporation into which the Paying Agent/Registrar may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion, or consolidation to which the Paying Agent/Registrar shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Paying Agent/Registrar shall be the successor of the Paying Agent/Registrar hereunder without the execution or filing of any paper or any further act on the part of either of the parties hereto.

ARTICLE VI. MISCELLANEOUS PROVISIONS

Section 6.01. Amendment. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02. Assignment. This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03. Notices. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page of this Agreement.

Section 6.04. Effect of Headings. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 6.05. Successors and Assigns. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.06. Severability. In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.07. Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.08. Entire Agreement. This Agreement and the Order constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Order, the Order shall govern.

Section 6.09. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.10. Termination. This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon 60 days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. Furthermore, the Bank and Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay, or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.11. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

(Remainder of this page intentionally left blank)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

_____

By _____

Title _____
Address:

(BANK SEAL)

HAYS COUNTY, TEXAS

Attest:

By _____
County Clerk and Ex-Officio Clerk
of the Commissioners Court of
Hays County

By _____
County Judge
Address: 712 S. Stagecoach Trail, Ste. 2008
San Marcos, Texas 78666

(ISSUER SEAL)

SCHEDULE A

Paying Agent/Registrar Fee Schedule

EXHIBIT B

The following information is referred to in Section 41 of this Order.

Annual Financial Statements and Operating Data

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

(a) The County's audited financial statements for the most recently concluded fiscal year or to the extent these audited financial statements are not available, the portions of the unaudited financial statements of the County appended to the Official Statement as Appendix B, but for the most recently concluded fiscal year.

(b) Tables [1 through 5 and 7 through 12] as disclosed in the Official Statement and in Appendix B.

Accounting Principles

The accounting principles referred to in such Section are generally accepted accounting principles for governmental units as prescribed by the Government Accounting Standards Board from time to time.

EXHIBIT C

Pass-Through Toll Agreement

STATE OF TEXAS §

COUNTY OF HAYS §

ORIGINAL

PASS-THROUGH TOLL AGREEMENT

THIS AGREEMENT is entered between the State of Texas and the Developer under Transportation Code, §222.104.

Contracting Parties:

The Department:	The Texas Department of Transportation
The Developer:	Hays County

BACKGROUND

Texas Transportation Code, §201.103, authorizes the Department to plan and to make policies for the location, construction, and maintenance of a comprehensive system of state highways and public roads. Transportation Code, §222.104, authorizes the Department to enter into pass-through toll agreements for the purpose of improving the state highway system. The Texas Transportation Commission has implemented this provision by enacting rules to be found at 43 TAC Chapter 5, Subchapter E. On January 26, 2006, the Texas Transportation Commission passed Minute Order 110390, authorizing Hays County to construct improvements to FM 110 (San Marcos Loop), RM 12, and FM 1626. On May 25, 2006, the Texas Transportation Commission passed Minute Order 110537, authorizing the Department to enter into a pass-through toll agreement with the Developer. The governing body of the Developer has authorized entering into this agreement by resolution or ordinance. **Attachment A** (Location Map), **Attachment B** (Project Description and Scope of Work), **Attachment C** (Budget), **Attachment D** (Project Implementation), are attached to and incorporated by reference in this agreement. The highway improvements described in **Attachment B** are referenced in this agreement as the Project.

AGREEMENT

1. **Effective Date**
   This agreement becomes effective when signed by the last party whose signing makes the agreement fully executed.

2. **Amendments**

   Amendments to this agreement must be in writing and executed by both parties.

3. **Scope of Work**

   The scope of work for the Project as approved by the Texas Transportation Commission consists of constructing the improvements to FM 110 (San Marcos Loop), RR 12, and FM 1626. The scope of work is described in more detail in **Attachment B**, which is attached to and incorporated by reference in this agreement. The improvements listed in **Attachment B** will be referenced in this agreement as the Project.

4. Sources and Uses of Funds

a. The total estimated cost of the Project is shown in **Attachment C**, which is attached to and incorporated by reference in this agreement. **Attachment C** includes expected cash contributions from each source of funding. The Department will pay for only those Project costs that have been approved by the Texas Transportation Commission.
b. The Department is responsible only for securing the funding specifically identified as the responsibility of the Department on **Attachment C** and will make that funding available to the Developer as set forth in **Attachment C**. Unless this agreement is amended, the Department will not be responsible for any funding in excess of the maximum identified on **Attachment C**.
c. The Developer shall be responsible for all costs associated with the Project that are not shown as the responsibility of the Department. The Developer shall be responsible for all overruns in excess of the estimated cost shown in **Attachment C** unless this agreement is amended.
d. The Department may audit the Project at any time in good faith for the purpose of ensuring compliance with the provisions of this agreement. Upon completion of the Project, the Department or an independent auditor approved by the Department, at the Department's option, may perform an audit of the Project costs. Any funds due to the Developer, the Department, or others shall be paid by the owing party within thirty (30) days after notification that funds are due.
e. The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under the contract or indirectly through a subcontract under the contract. Acceptance of funds directly under the contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

5. Environmental Studies and Mitigation

Development of the Project shall comply with all applicable federal and state environmental laws, including the National Environmental Policy Act of 1969, the National Historic Preservation Act of 1966, the Clean Water Act, the Endangered Species Act, 43 TAC §2.50, and Natural Resources Code, Chapter 191.

a. The Developer is responsible for the identification and assessment of any environmental issues associated with the development of the Project to the extent permitted by 43 TAC §2.50 and 23 CFR Part 771. The Department and FHWA will independently evaluate all environmental documents and will fulfill all responsibilities assigned to them by 23 CFR Part 771.
b. Unless otherwise specified in **Attachment D** and except to the extent that the Department will have already met environmental requirements on the date this agreement is executed, the Developer is responsible for the cost of all environmental permitting, mitigation, remediation, and compliance.
c. Unless otherwise specified in **Attachment D**, the Developer is responsible for providing for all public meetings and public hearings required for development of the environmental decision; for preparation of the public meeting and public hearing summary and analysis; for comment and response reports; and for certifying that a

hearing has been held in accordance with 43 TAC §2.43, the Civil Rights Act of 1964, and the Civil Rights Restoration Act of 1987. Public hearings will be held in compliance with all applicable federal and state laws. Public hearings may not be held before environmental document approval is received or before approval of the schematic for any highway improvement that is part of the Project.

d. The Developer is responsible for the preparation of all documents required for the environmental clearance of the Project.
e. The Developer shall provide the Department with final drafts of all necessary requests for permits, reports, and findings relating to the Natural Resources Code, Chapter 191, and Section 106 of the National Historic Preservation Act, and the Department is responsible for making all necessary filings with the appropriate agencies. The Department is responsible for all coordination under those acts and will provide copies of that coordination to the Developer. The Developer is responsible for obtaining all other permits and is responsible for obtaining all permits and approvals resulting from changes that occur after environmental approval is first obtained, except as otherwise required by law or by agreement between the Department and a state or federal agency. The Department is responsible for obtaining those approvals in accordance with law or with the Department's agreements with those agencies.
f. Before construction is begun, the Developer shall provide the Department with written certification and documentation showing that all required environmental permits, issues, and commitments have been or will be completed. The Developer will provide the Department with copies of all permit applications and approvals from each regulatory agency with environmental jurisdiction over the Project.
g. All environmental reports and findings shall comply with the latest version of the Department's manuals. The Developer shall provide the Department with physical and electronic copies of all environmental documentation in a format approved by the Department.

6. Right of Way and Real Property

a. The Developer is responsible for the provision and acquisition of any needed right of way or real property to be placed in the State's name. The Developer shall also secure and provide the Department with easements over any other land in addition to normal highway right of way as indicated on the right of way map. This property is referenced in this agreement as New Right of Way.
b. Except as otherwise authorized by applicable state and federal policy and regulations for early acquisition, the Developer shall not proceed with the acquisition of the required right of way until the public involvement and environmental clearance procedures have been completed and right of way maps and field notes have been prepared. To the extent authorized by applicable state and federal policy and regulations for early acquisition and entirely at its own risk, the Developer may proceed with the acquisition of the required right of way before the public involvement and environmental clearance procedures have been completed and right of way maps and field notes have been prepared.
c. The Developer must comply with all applicable state and federal laws, regulations, policies, and procedures including the requirements of the Right of Way Manual Collection of the Department's Online Manual System and Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. §4601 et seq. Documentation to support compliance must be maintained. The Developer must obtain advance approval from the Department for any variance in

established procedures. The Department's executive director may exercise discretion in authorizing an alternative procedure if it is sufficient to discharge the Department's responsibilities for acquiring real property.

d. The Developer is responsible for any required relocation assistance along the route of the New Right of Way covered by this agreement, as may be determined to be eligible under the relocation assistance program. The relocation assistance plan must provide reasonable time frames for orderly relocation of residents and businesses on the Project. All costs associated with the relocation assistance, including payments to displacees, will be assumed by the Developer.

e. The Department may monitor and audit the Developer's acquisition of right of way on the Project at any time. On request, the Developer shall furnish the Department with satisfactory proof of compliance with applicable state and federal laws, regulations, policies, and procedures. If the Department determines that right of way maps, field notes, parcel plats, appraisals, access designations, acquisition documentation, relocation assistance benefits, or any other acquisition requirement is not in compliance with this agreement, the Developer shall take all necessary steps to achieve compliance. The cost for additional work to achieve compliance shall be borne by the Developer.

f. The Department will reimburse the Developer for right of way and real property in an amount proportional to its allocated share as reflected on **Attachment C.**

7. Utilities

If the required right of way encroaches on existing utilities and the Project requires their adjustment, removal, or relocation, the Developer shall be responsible for determining the scope of utility work and notifying the appropriate utility company to schedule adjustments. The Developer shall be responsible for the adjustment, removal, or relocation of utility facilities in accordance with applicable state and federal laws, regulations, rules, policies, and procedures, including Transportation Code, §203.092 (Reimbursement for Relocation of Utility Facilities), 43 TAC §15.55 (Construction Cost Participation); 43 TAC §21.21 (State Participation in Relocation, Adjustment, and/or Removal of Utilities); and 43 TAC §21.31 et seq. (Utility Accommodation). The Developer shall be responsible for all costs associated with additional adjustment, removal, or relocation during the construction of the Project unless this work is provided by the owners of the utility facilities or specified in separate agreements with the Austin District. Before construction on a segment of the Project is begun, a utility certification must be made available to the Department stating the status of all utility adjustments and the expected date when all utilities will be adjusted.

8. Engineering Services

The Developer has responsibility for the performance of architectural and engineering services, including the responsibility of ensuring that all environmental permits, issues, coordination, mitigation, and commitments are adequately addressed in design of the Project and carried out during construction of the Project. The engineering plans shall be developed in accordance with the latest version of the Department's manuals. The Department's executive director may exercise discretion in authorizing alternative criteria or granting exceptions to this requirement on a case-by-case basis if a particular criterion could not reasonably be met because of physical, environmental, or other relevant factors and if the proposed design is a prudent engineering solution. The Project shall comply with all federal requirements including those cited in 23 CFR Part 172 and those relating to

participation by disadvantaged business enterprises, the Americans with Disabilities Act, and environmental matters. Professional services shall be procured in compliance with Government Code Chapter 2254, Subchapter A. Unless an exception is granted by the Department, access to the facility shall be in compliance with the Department's access management policy.

9. Construction Responsibilities

a. The Developer shall advertise for construction bids, issue bid proposals, receive and tabulate the bids, and award and administer the contract for construction of the Project. Administration of the contract includes the responsibility for construction engineering and for issuance of any change orders, supplemental agreements, amendments, or additional work orders, which may become necessary after the award of the construction contract. The bidding process must be competitive and must comply with all applicable federal and state laws. The Project must be authorized by the Department before it is advertised for letting. The Project must also be authorized by FHWA before it is advertised for letting.

b. The Developer has the responsibility of overseeing all construction operations, including the responsibility of ensuring that all environmental permits, issues, coordination, mitigation, and commitments are adequately addressed, of assessing potential environmental effects of contract revisions, and of obtaining environmental permits, issues, coordination, mitigation, and commitments that may be required by contract revisions. The Developer shall hire a third party firm, approved by TxDOT Austin District, to provide independent QA/QC during construction. Contract revisions shall comply with the latest version of all national and state administrative criteria and manuals. No contract revision may be made without the prior written approval of the Department's executive director if it would affect prior environmental approvals, significantly revise the scope of the Project or the geometric design, or change the cost to the Department. Procedures governing approval are contained in **Attachment D.**

c. When the Project is complete, the Developer shall issue and sign a "Notification of Completion" acknowledging the Project's construction completion. Within six months after the Project is complete, the Developer shall file with the Department a set of as-built plans that incorporate any contract revisions. These plans shall be signed, sealed, and dated by a professional engineer licensed in Texas, who shall certify that the Project was constructed in accordance with the plans and specifications.

d. The parties to this agreement shall comply with federal construction requirements cited in 23 CFR Part 635 and with requirements cited in 23 CFR Part 633, and shall include the latest version of Form FHWA-1273 in the contract bidding documents. If force account work will be performed, a finding of cost effectiveness shall be made in compliance with 23 CFR 635, Part B.

e. The Department may audit the construction process at any time to ensure that the Developer is complying with this agreement and that the Developer is providing adequate inspection of construction. The Department may conduct its own inspection of construction at any time. Any deficiencies noted shall be reported to the Developer and shall be corrected by the Developer.

10. Maintenance

The Department shall be responsible for maintenance of the Project after completion of the work.

11. Repayment

a. This paragraph applies until the Project as a whole is substantially complete and all highway improvements are open to the public. The Department shall reimburse the Developer by paying a quarterly amount equal to $0.14 for each vehicle-mile traveled on the highway improvements that were substantially complete and open to the public at any time during the previous year. The total cumulative reimbursement by the Department shall not exceed 88% of the Developer Participation shown in **Attachment C** for the highways that are substantially complete and are open to the public. For each highway improvement that is opened after the first highway improvement, the number of vehicle-miles traveled on the Project during the previous year shall include vehicle-miles traveled on the newly opened highway improvement beginning on the date that the newly opened highway improvement is substantially complete and opened to the public.

b. This paragraph applies after the Project as a whole is substantially complete and all highway improvements are open to the public, The Department shall reimburse the Developer by paying a quarterly amount equal to $.14 for each vehicle-mile traveled on the Project during the previous year. The annual reimbursement will be no less than $6,658,500.00 and no more than $13,317,000.00. Under no circumstances will the total payments under this article during the course of this agreement exceed $ 133,170,000.00 unless this agreement is amended.

c. The number of vehicle-miles traveled on the Project during a year will be based on the Department's traffic estimates, which shall be derived from a mutually agreed upon counting method and performed in good faith and shall be conclusive and not subject to litigation in any forum.

d. The quarterly payment shall be made within 60 days after the first three months of the date on which the first highway improvement is substantially complete and opened to the public. Subsequent quarterly payments shall be made on or before each succeeding three month anniversary of the first quarterly payment.

12. Force Majeure

If there is substantial damage to the Project from Acts of God, comprising earthquakes, tidal waves, tornados, hurricanes, and other cataclysmic phenomena of nature, the parties may renegotiate the terms of this agreement to yield a fair allocation of costs.

13. Mutual Cooperation

The Department and the Developer shall use all reasonable efforts to meet all deadlines specified in this agreement. The Department and the Developer shall use their best efforts to provide each other with all necessary documents, information, and approvals in a prompt and timely fashion.

14. Precedence of Provisions

Except where a particular provision contains specific instructions with regard to the order of precedence of terms in this agreement, any conflict among the terms of this agreement shall be resolved by giving precedence to terms in the following order:

1. the main body of the agreement;

2. **Attachment C;**
3. **Attachment D;**
4. **Attachment B;**
5. **Attachment A.**

15. Termination

a. This agreement terminates automatically when the Department has reimbursed the Developer fully in accordance with article 11. In addition,
   1. the agreement may be terminated in writing with the mutual consent of the parties; or
   2. the agreement may be terminated by either party because of a material breach by the other party.

16. Remedies

This agreement shall not be considered as specifying the exclusive remedy for any default, but either party may avail itself of any remedy existing at law or in equity, and all remedies shall be cumulative.

17. Notices

All notices to either party shall be delivered personally or sent by certified or U.S. mail, postage prepaid, addressed to that party at the following address:

Developer:	Department:
County Judge Hays County Hays County Courthouse 111 E. San Antonio Street, Suite 300 San Marcos, TX 78666	Texas Department of Transportation Attn: Chief Financial Officer 125 East 11th Street Austin, TX 78701-2483

All notices shall be deemed given on the date delivered in person or deposited in the mail. Either party may change the above address by sending written notice of the change to the other party. Either party may request in writing that notices shall be delivered personally or by certified U.S. mail, and that request shall be carried out by the other party. A copy of each notice shall be provided to the Developer's Program Manager, Austin District Engineer and South Austin Area Engineer.

18. Assignment and Subcontracts

An assignment of this agreement may not be executed by the Developer without prior written authorization by the Department. Subcontracts in excess of $25,000 shall contain all applicable terms and conditions of this contract. No subcontract will relieve the Developer of its responsibility under this contract. Neither party shall assign any interest in this agreement.

19. Ownership of Property

After completion or termination of this agreement, all documents prepared by the Department shall remain the property of the Department. All data prepared under this agreement shall be made available to the Department without restriction or limitation on further use. All documents produced or approved or otherwise created by the Developer shall be transmitted to the Department in the form of photocopy reproduction as reasonably required by the Department. The originals shall remain the property of the Developer. The Developer shall grant the Department an irrevocable, perpetual, nonexclusive license to use all intellectual property acquired or developed under this contract.

20. Developer Resources

All employees of the Developer shall have adequate knowledge and experience to enable them to perform the duties assigned to them. The Developer certifies that it currently has adequate qualified personnel in its employment to perform the work required under this contract or will be able to obtain adequate qualified personnel from sources other than the Department. On receipt of written notice from the Department detailing supporting factors and evidence, the Developer shall remove from the Project any employee of the Developer who is incompetent or whose conduct becomes detrimental to the work. Unless otherwise specified, the Developer shall furnish all equipment, materials, supplies, and other resources required to perform the work.

21. Responsibilities of the Parties

Each party acknowledges that it is not an agent, servant, or employee of the other party. Each party is responsible for its own acts and deeds and for those of its agents, servants, or employees.

22. Compliance with Laws

The parties shall comply with all federal, state, and local laws, statutes, ordinances, rules, and regulations, and with the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of this agreement. When requested, the Developer shall furnish the Department with satisfactory proof of this compliance. The Developer shall provide or obtain all applicable permits, plans, or other documentation required by a federal or state entity.

23. Legal Construction

In case one or more of the provisions contained in this agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceability shall not affect any other provisions and this agreement shall be construed as if it did not contain the invalid, illegal, or unenforceable provision.

24. Insurance

To the extent that this agreement authorizes the Developer or its contractor to perform any work on Department right of way, before beginning work the entity performing the work shall provide the Department with a fully executed copy of the Department's Form 1560

Certificate of Insurance verifying the existence of coverage in the amounts and types specified on the Certificate of Insurance for all persons and entities working on Department right of way. This coverage shall be maintained until all work on the Department right of way is complete. If coverage is not maintained, all work on Department right of way shall cease immediately, and the Department may recover damages and all costs of completing the work.

25. Hold Harmless

To the extent permitted by law, each party shall save harmless the other party, its officers, and its employees from all claims and liability due to the materials or activities of the first party, its agents, or its employees, to the extent that those activities are performed under this contract and are caused by or result from error, omission, or negligent act of the first party or of any person employed by the first party. To the extent permitted by law, each party shall also save harmless the other party from any and all expense, including but not limited to attorney fees that may be incurred by the that party in litigation or otherwise resisting the claim or liabilities that may be imposed on the that party as a result of the materials or activities of the first party, its agents, or its employees.

26. Sole Agreement

This agreement constitutes the only agreement between the parties and supersedes any prior understandings or written or oral agreements concerning the agreement's subject matter.

27. Compliance with Texas Accessibility Standards and ADA

All parties to this agreement shall ensure that the plans for and the construction of the Project are in compliance with the Texas Accessibility Standards issued by the Texas Department of Licensing and Regulation and with the Americans with Disability Act Accessibility Guidelines issued by the U.S. Architectural and Transportation Barriers Compliance Board.

28. Gratuities

Any person who is doing business with or who reasonably speaking may do business with the Department under this contract may not make any offer of benefits, gifts, or favors to employees of the Department. The only exceptions allowed are ordinary business meals and items that have received the advanced written approval of the Department's executive director.

29. Conflict of Interest

The Developer shall not assign an employee to the Project if the employee:

a. owns an interest in or is an officer or employee of a business entity that has or may have a contract with the Department relating to the Project;
b. has a direct or indirect financial interest in the outcome of the Project;
c. has performed services regarding the subject matter of the Project for an entity that has a direct or indirect financial interest in the outcome of the Project or that has or may have a contract with the Department; or
d. is a current part-time or full-time employee of the Department.

30. Signatory Warranty

The signatories to this agreement warrant that each has the authority to enter into this agreement on behalf of the party represented.

31. Cost Principles

The parties shall comply with the cost principles established in OMB Circular A-87.

32. Procurement and Property Management Standards

The parties shall adhere to the procurement standard established in 49 CFR §18.36 and with the property management standard established in 49 CFR §18.32.

33. Inspection of Books and Records

The parties shall maintain all books, documents, papers, accounting records, and other documentation relating to costs incurred under this agreement and shall make those materials available to the Department, the Developer, FHWA, and the U.S. Office of the Inspector General for review and inspection at its office during the contract period and for four (4) years from the date of completion of work defined under this contract or until any impending claims are resolved. Additionally, the Department, the Developer, and the FHWA shall have access to all the governmental records that are directly applicable to this agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

34. Office of Management and Budget (OMB) Audit Requirements

The parties shall comply with the requirements of the Single Audit Act of 1984, P.L. 98-502, ensuring that the single audit report includes the coverage stipulated in OMB Circular A-133.

35. Civil Rights Compliance

The Developer shall comply with the regulations of the Department of Transportation as they relate to nondiscrimination (49 CFR Chapter 21 and 23 CFR §710.405(B)), and with Executive Order 11246, titled "Equal Employment Opportunity," as amended by Executive Order 11375 and as supplemented in the Department of Labor Regulations (41 CFR Part 60).

36. Disadvantaged Business Enterprise Program Requirements

The parties shall comply with the Disadvantaged/Minority Business Enterprise Program requirements established in 49 CFR Part 26. The Developer's program is subject to approval by the Department.

37. Debarment Certifications

The parties are prohibited from making any award at any tier to any party that is debarred or suspended or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549, "Debarment and Suspension." The parties to this contract shall require any party to a subcontract or purchase order awarded under this contract to certify its eligibility to receive federal funds and, when requested by

the Department, to furnish a copy of the certification in accordance with Title 49 CFR Part 29 (Debarment and Suspension).

38. Lobbying Certification

In executing this agreement, each signatory certifies that:

a. No federal appropriated funds have been paid or will be paid by or on behalf of the parties to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with federal contracts, grants, loans, or cooperative agreements, the signatory for the Developer shall complete and submit the federal Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

c. The parties shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

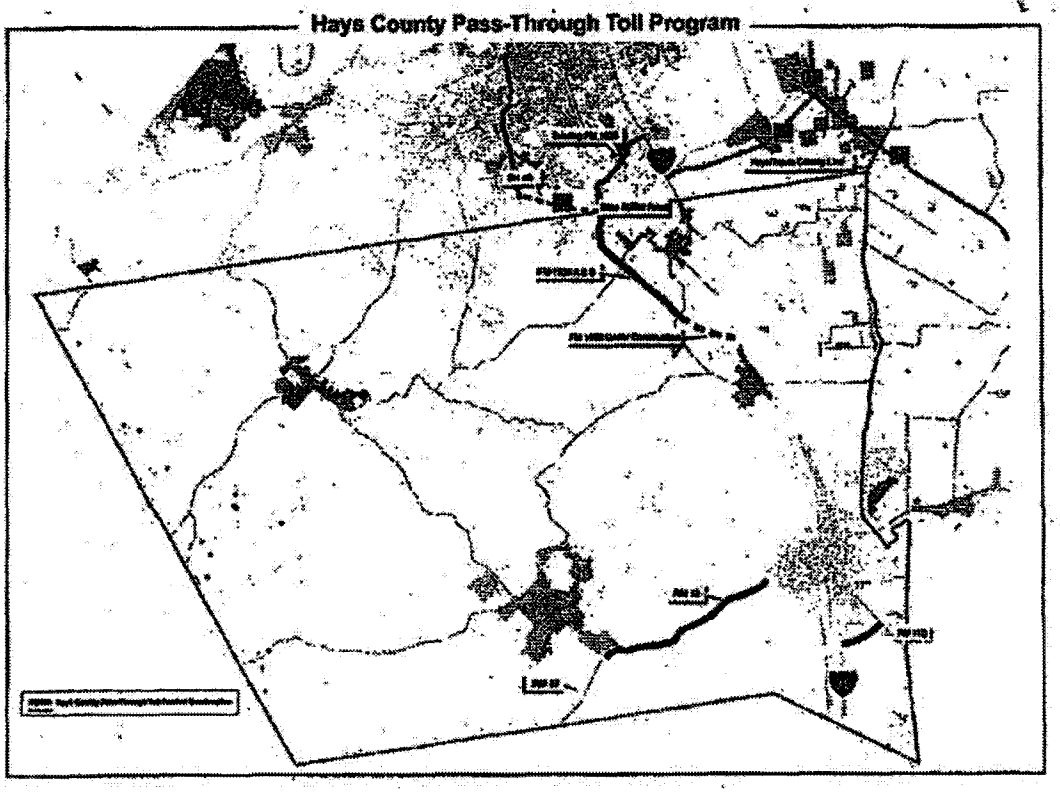
By executing this agreement, the parties affirm this lobbying certification with respect to the Project and affirm this certification of the material representation of facts upon which reliance will be made. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Title 31 U.S.C. §1352.

Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

THE UNDERSIGNED PARTIES bind themselves to the faithful performance of this contract.

Texas Department of Transportation	Hays County
James M. Bass	
James M. Bass Chief Financial Officer	Jim Powers County Judge
12-20-2006	11-21.06
Date	Date

ATTACHMENT A



ATTACHMENT B

PROJECT DESCRIPTION AND SCOPE OF WORK

FM 110 (San Marcos Loop)
IH 35/McCarty Road to SH 123

This project is the first segment of the proposed San Marcos Loop which connects IH 35 at McCarty Road on the south side of San Marcos to IH 35 at Yarrington Road north of San Marcos. The proposed loop is located east of IH 35. The first phase consists of 2 miles of 5-lane urban/rural roadway. Approximately 1 mile will involve the reconstruction of existing McCarty Road where the urban section will be built. The remainder of the first phase of the loop would then transition to a 5-lane rural, limited access roadway.

The 85% Environmental Assessment has been submitted and is pending review. The schematic prepared by the Austin District is being modified in preparation for a Fall 2006 Public Hearing. No right of way has been acquired. PS&E has not been started.

The cost of the project is $30,350,000.00, which includes an estimated $12,300,000.00 of right of way and utility relocation costs.

RM 12
RM 32 to San Marcos City Limits

RM 12 is a major east-west state highway in Central Hays County. The existing 2-lane rural section with minimal shoulders has an existing (2004) average daily traffic volume of 11,600 vehicles. The cost of the project is $52,700,000.00, which includes an estimated $8,900,000.00 of right of way and utility relocation costs. The proposed improvements consist of reconstructing the 9.6 mile section of RM 12 to a 5-lane rural roadway. Environmental documents and the schematic are being prepared by the Austin District. Both are 90% complete with environmental clearance anticipated in Fall 2006. No right of way has been acquired. PS&E is being prepared by the Austin District and is underway.

FM 1626 A&B
FM 2770 to Bliss Spillar Road

The project consists of reconstructing 6.8 miles of existing FM 1626. The existing roadway is a 2-lane rural roadway with limited or no shoulders and several low water areas. The roadway would be reconstructed as a 5-lane rural facility. Existing (2004) average daily traffic volumes range between 6,200 and 11,500 vehicles per day.

The cost of the project is $69,790,000.00, which includes an estimated $11,650,000.00 of right of way and utility relocation costs.

Environmental documents and the schematic are being prepared by the Austin District. Both are 90% complete with environmental clearance anticipated in early 2007 for the segment of FM 1626 from Bliss Spillar Road to RM 967. No work has been done on segment B.

Hays County Pass Through Toll Program PHASE I

Projects (2006 - 2011)	Construction	Right-of-Way Total	Right-of-Way State Participation	Right-of-Way County Participation	PSE/CEI	Eligible for Pass Through Toll	General Project Status	CSJ
FM 110 McCarty Road to SH 123 5-lane rural	$14,700,000	$12,300,000		$12,300,000	$3,350,000	$17,600,000	Schematic and environmental document under development by TxDOT; to be environmentally cleared late 2006.	
RM 12 RM 32 to San Marcos City Limits 5-lane rural	$39,200,000	$8,900,000	$8,010,000	$890,000	TxDOT $4,600,000	$51,810,000	Schematic, environmental document and right of way maps under development by TxDOT; to be environmentally cleared Fall 2006.	
FM 1626 A & B FM 2770 to Bliss Spillar Road 5-lane rural	$46,800,000	$11,650,000		$11,650,000	$11,340,000	$68,625,000	Schematic and environmental document for segment of FM 1626 from Bliss Spillar Road to RM 967 (Segment A) under development by TxDOT; both are 90% complete with environmental clearance anticipated in early 2007. No work has been done on segment from RM 967 to FM 2770 (Segment B).	
Total	$100,700,000	$32,850,000	$8,010,000	$24,840,000	$19,290,000	$138,035,000		

TOTAL PHASE I - Hays County

ATTACHMENT D

Project Implementation

Overview

This Attachment defines the roles, the responsibilities, and the working relationship between the Developer and the Department during the implementation of the Project.

1. **Environmental Studies and Mitigation**
   - 1.1. The Developer shall complete all environmental studies and documents required to secure environmental approval, including each of the following items.
     - 1.1.1. Preparation and completion of environmental studies, including obtaining right of entry to perform such studies. All environmental studies will be performed by environmental specialists who meet the requirements to perform those studies.
     - 1.1.2. Submission of appropriate documentation (categorical exclusion, environmental assessment, and environmental impact statement, including reevaluation, and supplemental documentation) for Department review and approval. Department review is detailed in section 1.2 below.
     - 1.1.3. Preparation of any document revisions.
     - 1.1.4. Submission to the Department of copies of the environmental studies and documentation adequate for distribution.
     - 1.1.5. Preparation of legal and public notices in accordance with 43 TAC §2.43 for Department review and use.
     - 1.1.6. Arrangements for appropriate public involvement, including court reporters and accommodations for persons with special communication or physical needs related to the public hearing, if requested. The Department will serve as the Hearing Official at any public hearing with the assistance of the Developer.
     - 1.1.7. Preparation of public meeting and hearing materials.
     - 1.1.8. Preparation of any necessary responses to comments.
     - 1.1.9. Preparation of the public meeting and public hearing summary and analysis, and the comment and response reports.
     - 1.1.10. Submission to the Department of a verbatim transcript of any public hearing and the original certification of the public involvement process as described in 43 TAC § 2.43.
     - 1.1.11. Preparation of required US Army Corps of Engineers permit applications and associated drawings for impacts to jurisdictional waters, including mitigation requirements. The permits will be issued in the Developer's name with the Developer being responsible wholly for any and all mitigation that would be required.
     - 1.1.12. The Developer is responsible for all Project-related environmental permits, issues, and commitments, including any mitigation or remediation that may be required under any law or regulation.
     - 1.1.13. Submission to the department of documentation showing that all environmental permits, issues, and commitments have been or will be completed, including copies of permits or other approvals required prior to construction in accordance with 23 CFR 771.109.

1.2. As set forth in Exhibit 1, Roles and Responsibilities, the Department will conduct concurrent environmental reviews throughout the clearance process in an attempt to expedite the environmental approval of the Project.

1.2.1. Except as otherwise required by law or by agreement between the Department and a state or federal agency, the Developer is responsible for coordinating with local governmental entities and applicable agencies throughout the Project planning process to assure compliance with applicable laws. The Developer and Department will make every reasonable effort to resolve disagreements with local governments and with state or federal agencies as they relate to environmental approval of the Project.

1.2.2. The Developer will coordinate the submission of documents for concurrent Agency review with the Department.

1.2.3. The Department is responsible for coordinating all review activities listed in the expedited review schedule defined in Exhibit 2, General Review Schedule. The Department is responsible for working with the lead agency, the cooperating agencies and any affected entities to ensure a timely and thorough coordination process through a specified staff working group. The Developer will be an integral participant throughout the concurrent review process to rapidly address comments and concerns necessary to secure clearance within the expedited review schedule.

2. Right-of-Way Acquisition

2.1. Except as provided in article 6, the Developer, independently of the Department, is responsible for the acquisition and provision of any right-of-way or real property needed for the Project.

2.2. The Developer will establish and maintain a project tracking system that is acceptable to the Department and that shows the right of way surveying and mapping, appraisal, acquisition, and relocation status of each parcel.

2.3. The Developer and the Department will, upon commencement of each individual highway improvement, agree on the form and format of all required conveyance documents and other right-of-way related deliverables required by the Department for their permanent files.

2.3.1. Within ten (10) days after commencement of work on each individual highway improvement, the Developer will confirm in writing all agreed-upon terms relating to the acquisition of right-of-way to the Department and all agreements will remain in effect until appropriate title to the New Right of Way is conveyed to the State of Texas.

2.3.2. The Developer will provide the Department with a certification that it has received the Department's Right of Way Manual Collection and that it will comply with the procedures in that collection.

2.3.3. For each parcel to be acquired, the Developer will use checklists approved by the Department.

2.4. The Developer will prepare right-of-way maps, field notes, parcel plats, and other data as needed to describe the right-of-way and access rights necessary for the Project.

2.4.1. The field notes and parcel plats will be signed and sealed by a Registered Professional Land Surveyor currently licensed by the "Texas Board of Professional Land Surveying."

2.4.2. Copies of this data for a representative segment of right-of-way will be delivered to the Department before beginning the standard process for acquisition of right of way for each individual highway improvement.

2.5. The Developer will acquire in the name of Hays County fee simple title and any required drainage channel easements free and clear of all liens and encumbrances for all land to be used as right-of-way for the Project.

2.5.1. Title to the New Right of Way will exclude oil, gas, and sulfur from the deed without any right in the owners to ingress or egress to or from the surface of the land for the purpose of exploring, developing, drilling, or mining.

2.6. The Developer is responsible for the negotiation of access points at the time of acquisition based on Department's Roadway Design Manual, the Department's Access Management Manual, and the preferred engineering access points shown on the schematic for the highway improvement.

2.6.1. The access points for each highway improvement will be incorporated into the deed when the property is acquired and will be transferred to the Department when that highway improvement is completed.

2.7. Subject to the force majeure provisions of this Agreement, the Developer will ensure that all right-of-way used in constructing the Project will be free and clear of all hazardous materials and contaminants. All costs associated with the detection and remediation of the hazardous materials and contaminants shall be borne by the Developer. The Developer shall provide written documentation from appropriate regulatory agencies that all known hazardous materials and contaminants in the right of way have been adequately mitigated or that the Developer otherwise meets the requirements for regulatory closure.

2.8. The Developer will, upon completion of individual highway improvements, convey all ownership of the New Right of Way to the State of Texas through the Department. The conveyance shall be in a form acceptable to the Department and shall be of fee simple title. Developer shall also convey all applicable conveyance instruments to the Department for its permanent files.

2.8.1. The Developer will also provide the Department with title insurance for the New Right of Way in the name of the State of Texas as the insured owner.

2.8.2. The Developer will provide tracings and electronic files of right-of-way maps to the Department.

2.8.3. The Developer will also provide the Department a final map showing the final location of all utility lines that were adjusted or remained in place and joint use numbers assigned to those utilities.

3. **Utilities**

3.1. The Developer is responsible for determining the scope of utility work if the required right of way encroaches on existing utilities and the Project requires their adjustment, removal, or relocation. Utilities will not be adjusted, removed, or relocated before environmental approval is secured.

3.2. The Developer is responsible for notifying the appropriate utility company to schedule adjustments.

3.3. The Department will grant the Developer or its authorized representative site access required to execute the work and will issue right of entry for the performance of utility relocation.

3.4. The Developer, unless specified in separate agreements with the Austin District, is responsible for all costs associated with additional adjustment, removal, or relocation during the construction of the Project unless this work is provided by the owners of the utility facilities.

4. **Engineering Services**

4.1. The Developer will remain the single point of contact for engineering and design issues. All correspondence and instruction to the design consultants will be the sole responsibility of the Developer.

4.2. At the commencement of an individual highway improvement, the Developer will coordinate a Design Concept Conference with the Department to establish the performance parameters and design requirements for the highway improvement, including the Pavement Design, Hydraulic Design, Design Concept Conference Forms and Typical Sections, which will remain in place throughout the implementation of the highway improvement.

4.3. All plans, specifications, and estimates developed by or on behalf of the Developer shall conform to the latest version of the Department's Standard Specifications for Construction and Maintenance of Highways, Streets, and Bridges, and shall conform to department-required special specifications and special provisions. The Department's executive director may exercise discretion in authorizing an alternative specification or alternative design criteria. The construction plans furnished to the Department shall be reproducible tracings on mylar or equivalent. Geopack Design files as defined by the Austin District shall be furnished to the Department within 30 days of project completion.

4.4. If the Department determines that the complete plans, specifications, and estimates are unacceptable, the Developer shall correct the design documents to the Department's satisfaction. Should additional specifications or data be required by the Department, the Developer shall redesign the plans and specifications to the Department's satisfaction. The costs for additional work on the plans, specifications, and estimates shall be borne by the Developer.

4.5. If exceptions to the Department's design criteria are required as specified in the Department Roadway Design Manual, a request for exceptions shall follow the procedure set forth in that manual.

4.5.1. If it becomes necessary to change a design after it has been approved by the Department, and if that change does not require the adoption of alternative design criteria or an exception to the Department's design criteria, the Developer will coordinate with the Department and FHWA for approval of the change.

4.5.2. The Department shall have no more than 10 business days after receiving a proposed design change to either (1) to approve the design change as

proposed by the Developer or (2) to respond with a Department-recommended alternative to the design change.

4.5.3. If the Department responds with an alternative to the design change, the Developer and the Department shall work diligently to develop a mutually agreeable design solution.

4.5.4. The Department is responsible for obtaining any necessary approval from FHWA.

4.6. Reviews

4.6.1. The Department will transmit the pavement design to the Developer at the project's design concept conference. After the pavement design has been issued by the Department, it may not be changed by either party without the written consent of the other.

4.6.2. When design is 30% complete, the Developer will coordinate the submission of the following design information for a joint review session between the Developer and the Department to allow comments and concerns to be addressed by the Developer within the expedited review schedule defined in Exhibit 2, General Review Schedule.

4.6.3. The following will be reviewed as set forth in Exhibit 1, Roles and Responsibilities.

1) Preliminary cross sections showing existing utility lines, R.O.W.
2) Plan and profile sheet showing existing and proposed:
   a) R.O.W. lines
   b) Roadway alignments and profiles
   c) Intersecting streets
   d) Curb and lane lines
   e) Existing Utilities
3) Existing and proposed typical sections including pavement section
4) Preliminary title and index sheets.
5) Preliminary drainage area map, discharge relationships and drainage calculations.
6) Storm drainage master plan.
7) Preliminary culvert layouts.
8) Preliminary bridge and bridge classification culvert layouts, including test hole information.
9) Preliminary retaining wall layout, including test hole information.
10) Sequence of work outline for traffic control.
11) Preliminary traffic control typical sections and layouts.
12) Preliminary intersection layouts.
13) Preliminary utility layouts - identify potential conflicts and exchange of information with existing utilities.
14) Update estimates and prepare preliminary roadway and drainage quantity summary sheets.
15) Updated design contract schedule.

4.6.4. When the Project design is final, the Developer will coordinate the submission of the following information to the Department for concurrent review to allow comments and concerns to be addressed by the Developer to secure approval of the Department and FHWA within the expedited review schedule defined in Exhibit 2, General Review Schedule.

1) Seven (7) copies of final plans, specifications, and engineer's estimate.

2) Revisions to the preliminary design submittal.
3) Proposal to award construction contract in compliance with applicable state and federal requirements.
4) Proposed contract administration procedures for the construction contract with criteria that comply with the applicable national or state administration criteria and manuals.
5) Documentation of all environmental permits, issues, and commitments that will be addressed in construction.

4.6.5. Approval by the Department of this final design submittal will constitute authorization for the Developer to advertise for construction bids.

4.6.6. For any individual highway improvement with a construction cost over $25 million, the Developer shall conduct a value engineering workshop.

5. **Construction Responsibilities**

5.1. The Developer will retain a third party firm, approved by the Austin District, to supervise and inspect all work performed during construction and provide engineering inspection and testing services as may be required to ensure that the Project is accomplished in accordance with the approved plans and specifications. The Developer shall prepare all manuals and agreements required for Department and FHWA oversight. Construction material testing shall be in conformance with Department Policy. The resolution to all non-complying tests and/or failing tests shall be determined by the Austin District. The Developer's lane closure policies must be approved by the Austin District prior to the letting of any project. Lane closure policies may be adjusted only with the approval of the Austin District. The Department will participate in the development of and be able to include items on the final "punch list" for each project. The project's "Notice of Completion" will not be issued by the Developer and accepted by the Department until all "punch list" items have been resolved to the satisfaction of the Department. Upon the Developer awarding a construction contract, the Developer is responsible for all maintenance within the limits of the project including but not limited to mowing, litter pickup, sweeping, dust control, ice control, and traffic signal maintenance.

5.1.1. All correspondence and instruction to the contractor performing the work will be the sole responsibility of the Developer.

5.1.2. All work will be performed, unless otherwise specifically stated in the contract documents for the Project, in accordance with the Standard Specifications for Construction and Maintenance of Highways, Streets, and Bridges or special specifications or provisions approved by the Department.

5.2. The Department will allow the Developer or its authorized representative to have access to the site to perform any activities required to execute the work and issue a right of entry for the performance of all construction activity.

5.3. The Developer will negotiate and approve all Change Orders and contract revisions that the Developer finds necessary or convenient to accomplish the construction activities for the Project. For Change Orders and contract revisions that affect prior environmental approvals or result in non-conformity with the specifications and standards agreed upon for the Project, the Developer must assess any potential environmental effects and any additional or revised environmental permits, issues, coordination, mitigation, and commitments required as a result of the contract revisions.

5.3.1. The Developer will document any such changes, including a proposed course of action.

5.3.2. The Developer will notify the Department of the need for such changes and submit the appropriate documentation.

5.3.3. The Department shall have no more than 10 business days after the Developer's submission either to approve the changes as submitted by the Developer or to respond with the Department's proposed revisions.

5.3.4. If the Department responds with revisions, the Developer and the Department will work diligently and in good faith to develop mutually agreeable changes that shall then be implemented by the Developer.

5.3.5. The Developer shall be responsible for obtaining any required approvals from federal, state, or local governmental authorities, with the exception of the Department and FHWA, and except as otherwise specified in this agreement.

5.3.6. To the extent that a Change Order requires the adoption of alternative design criteria, an exception to the Department's design criteria, or a change in the approved design, the design must be approved as set forth in Sections 4.3, 4.4, or 4.5, as applicable.

5.4. The Developer will comply with applicable Federal requirements throughout the procurement and construction process in order to maintain the Department's eligibility for Federal reimbursement for Project costs. The Developer's compliance with requirements necessary to maintain eligibility for federal reimbursement is a condition precedent to performance by the Department.

5.5. The Developer shall include in their contract documents the requirement that all warranties shall be transferred to the Department upon "Notification of Completion" of the projects.

5.6. Within six (6) months of issuance of the "Notification of Completion," the following documentation will be provided to the Department:

1) Record Drawings
2) Engineer Certification of Project Completion
3) Right of Way Parcel Information (Exhibits, Descriptions, Right of Way Maps, Field Notes, etc.)

6. General

6.1. Unless otherwise specified in this agreement, all actions required of the Developer shall be taken by the Developer's Program Manager, who shall be an individual designated by name by the Hays County Commissioners Court. The Developer's Program Manager may delegate responsibility to another person in a writing provided to the Department.

6.2. Unless otherwise specified in this agreement, all actions required of the Department shall be taken by the Department's District Engineer for the Austin District. The District Engineer may delegate responsibility to another person in a writing provided to the Developer. Whenever this agreement requires an action to be taken by the Department's executive director, that responsibility may be delegated to another Department employee who is not below the level of district engineer. On request, the Department will provide the Developer with a copy of the executive director's delegation of authority.

6.3. The Developer and the Department will attempt to agree on the procedures and policies to be used by the Department in the auditing of Project activities.

6.4. The Developer and the Department will attempt to agree on a transition plan at the time of or before completion of the Project.

6.5. The Developer will schedule regular meetings with the Department to maintain the communication necessary to successfully implement the Project.

6.6. The Developer will prepare program organizational and management documents, including Program Management Plan and Quality Control/Quality Assurance Plan for all work products. The Developer will provide these documents to the Department for all contracted firms participating in the Project.

6.7. The Developer will maintain all documentation relative to implementation and completion of the Project, including without limitation documentation relating to environmental issues, acquisition of right of way, preliminary and final design, and bidding, award, and construction of the Project.

Exhibit 1: Roles and Responsibilities for Each Entity

RR 12

	Responsible Party
Preliminary Engineering/Schematic	
Retain Consultant	Department
Develop Preliminary Design	Department
Develop Preliminary Cost Estimate	Department
Define Right of Way Requirements	Department
TxDOT Review and Approval of Preliminary Engineering Report	Department
Environmental Review	
Retain Consultant	Department
Draft Environmental Documents	Department
Schedule & Conduct Public Meetings	Department
Environmental Document Review	Department

Concurrent Review of Environmental Documentation	Department, FHWA
Resource Agency Review	Department, FHWA
Notification and Documentation of Comments	Department
Publish and Hold Public Hearings	Department
Analyze and Document Public Hearings	Department
Final Review	Department, FHWA
Document Approval	Department, FHWA
Environmental Permits, Issues, and Commitments	Department
Permitting	
Develop Required Permit Applications	Developer
Submit Required Permit Applications	Developer, Department

Right of Way Acquisition	
Develop Right of Way Budget	Developer, Department
Retain Surveyor	Department
Develop Right of Way Map and Parcel Sketches	Department
Retain Appraisers	Developer
Work with Owners on Donations, Access, Etc.	Developer
Purchase Parcels at Developer's Risk	Developer
Purchase Parcels After NEPA Process	Developer, Department
Eminent Domain Proceedings	Developer
Utility Identification and Relocation	Developer, Department
Audit of Right of Way Process	Department

Design	
Retain Designer, Geotech, Surveyor, and other professional service providers	Department
Develop 30% Submittal Package	Department
30% Submittal for Department Review	Department
Final Submittal for Department Review	Department
Approval of Design	Department, FHWA
Bid for Construction	
Preparation of Bid Documents	Developer
Review Bid Documents	Department
Advertisement for Bids	Developer
Bid Opening, Evaluation, and Award	Developer

Construction	
Coordination with Utilities for Relocation	Developer
Issuance of Construction Notice To Proceed	Developer
Administration of Construction Contract	Developer
Inspection of Construction	Developer, Third Party Inspector
Issuance of Notification of Completion	Developer

Exhibit 1: Roles and Responsibilities for Each Entity

FM 110 – San Marcos Loop

	Responsible Party
Preliminary Engineering/Schematic	
Retain Consultant	Developer, Department
Develop Preliminary Design	Department
Develop Preliminary Cost Estimate	Developer, Department
Define Right of Way Requirements	Developer, Department
TxDOT Review and Approval of Preliminary Engineering Report	Department
Environmental Review	
Retain Consultant	Developer
Draft Environmental Documents	Developer
Schedule & Conduct Public Meetings	Developer, Department
Environmental Document Review	Developer, Department

Concurrent Review of Environmental Documentation	Developer, Department, FHWA
Resource Agency Review	Developer, Department, FHWA
Notification and Documentation of Comments	Developer
Publish and Hold Public Hearings	Developer, Department
Analyze and Document Public Hearings	Developer
Final Review	Developer, Department, FHWA
Document Approval	Department, FHWA
Environmental Permits, Issues, and Commitments	Developer, Department
Permitting	
Develop Required Permit Applications	Developer
Submit Required Permit Applications	Developer, Department

Right of Way Acquisition	
Develop Right of Way Budget	Developer, Department
Retain Surveyor	Developer
Develop Right of Way Map and Parcel Sketches	Developer, Department
Retain Appraisers	Developer
Work with Owners on Donations, Access, Etc.	Developer
Purchase Parcels at Developer's Risk	Developer
Purchase Parcels After NEPA Process	Developer, Department
Eminent Domain Proceedings	Developer
Utility Identification and Relocation	Developer, Department
Audit of Right of Way Process	Department

Design	
Retain Designer, Geotech, Surveyor, and other professional service providers	Developer
Develop 30% Submittal Package	Developer
30% Submittal for Department Review	Developer
Final Submittal for Department Review	Developer
Approval of Design	Department, FHWA
Bid for Construction	
Preparation of Bid Documents	Developer
Review of Bid Documents	Department
Advertisement for Bids	Developer
Bid Opening, Evaluation, and Award	Developer

Construction	
Coordination with Utilities for Relocation	Developer
Issuance of Construction Notice To Proceed	Developer
Administration of Construction Contract	Developer
Inspection of Construction	Developer, Third Party Inspector
Issuance of Notification of Completion	Developer

Exhibit 1: Roles and Responsibilities for Each Entity

FM 1626-A (Bliss Spillar Road to RM 967)

	Responsible Party
Preliminary Engineering/Schematic	
Retain Consultant	Department
Develop Preliminary Design	Department
Develop Preliminary Cost Estimate	Department
Define Right of Way Requirements	Department
TxDOT Review and Approval of Preliminary Engineering Report	Department
Environmental Review	
Retain Consultant	Department
Draft Environmental Documents	Department
Schedule & Conduct Public Meetings	Department
Environmental Document Review	Department

Concurrent Review of Environmental Documentation	Department, FHWA
Resource Agency Review	Department, FHWA
Notification and Documentation of Comments	Department
Publish and Hold Public Hearings	Department
Analyze and Document Public Hearings	Department
Final Review	Department, FHWA
Document Approval	Department, FHWA
Environmental Permits, Issues, and Commitments	Department
Permitting	
Develop Required Permit Applications	Developer
Submit Required Permit Applications	Developer, Department

Right of Way Acquisition	
Develop Right of Way Budget	Developer, Department
Retain Surveyor	Developer
Develop Right of Way Map and Parcel Sketches	Developer, Department
Retain Appraisers	Developer
Work with Owners on Donations, Access, Etc.	Developer
Purchase Parcels at Developer's Risk	Developer
Purchase Parcels After NEPA Process	Developer, Department
Eminent Domain Proceedings	Developer
Utility Identification and Relocation	Developer, Department
Audit of Right of Way Process	Department

Design	
Retain Designer, Geotech, Surveyor, and other professional service providers	Developer
Develop 30% Submittal Package	Developer
30% Submittal for Department Review	Developer
Final Submittal for Department Review	Developer
Approval of Design	Department, FHWA
Bid for Construction	
Preparation of Bid Documents	Developer
Review of Bid Documents	Department
Advertisement for Bids	Developer
Bid Opening, Evaluation, and Award	Developer

Construction	
Coordination with Utilities for Relocation	Developer
Issuance of Construction Notice To Proceed	Developer
Administration of Construction Contract	Developer
Inspection of Construction	Developer, Third Party Inspector
Issuance of Notification of Completion	Developer

Exhibit 1: Roles and Responsibilities for Each Entity

FM 1626-B (RM 967 to FM 2770)

	Responsible Party
Preliminary Engineering/Schematic	
Retain Consultant	Developer
Develop Preliminary Design	Developer
Develop Preliminary Cost Estimate	Developer
Define Right of Way Requirements	Developer
TxDOT Review and Approval of Preliminary Engineering Report	Department
Environmental Review	
Retain Consultant	Developer
Draft Environmental Documents	Developer
Schedule & Conduct Public Meetings	Developer
Environmental Document Review	Department

Concurrent Review of Environmental Documentation	Department, FHWA
Resource Agency Review	Department, FHWA
Notification and Documentation of Comments	Developer
Publish and Hold Public Hearings	Developer
Analyze and Document Public Hearings	Developer
Final Review	Department, FHWA
Document Approval	Department, FHWA
Environmental Permits, Issues, and Commitments	Developer
Permitting	
Develop Required Permit Applications	Developer
Submit Required Permit Applications	Developer, Department

Right of Way Acquisition	
Develop Right of Way Budget	Developer, Department
Retain Surveyor	Developer
Develop Right of Way Map and Parcel Sketches	Developer, Department
Retain Appraisers	Developer
Work with Owners on Donations, Access, Etc.	Developer
Purchase Parcels at Developer's Risk	Developer
Purchase Parcels After NEPA Process	Developer, Department
Eminent Domain Proceedings	Developer
Utility Identification and Relocation	Developer, Department
Audit of Right of Way Process	Department

Design	
Retain Designer, Geotech, Surveyor, and other professional service providers	Developer
Develop 30% Submittal Package	Developer
30% Submittal for Department Review	Developer
Final Submittal for Department Review	Developer
Approval of Design	Department, FHWA
Bid for Construction	
Preparation of Bid Documents	Developer
Review of Bid Documents	Department
Advertisement for Bids	Developer
Bid Opening, Evaluation, and Award	Developer

Construction	
Coordination with Utilities for Relocation	Developer
Issuance of Construction Notice To Proceed	Developer
Administration of Construction Contract	Developer
Inspection of Construction	Developer, Third Party Inspector
Issuance of Notification of Completion	Developer

Exhibit 2: General Review Schedule
Specific timelines are incorporated into the timeline for each highway improvement.

	Type of Review		Review Time
1	Preliminary/Schematic Layout Review		2 weeks
2	Environmental Review	District Environmental Review	2 weeks
		Document Revisions	1 week
		Environmental Review	2 weeks
		Document Revisions	1 week
		Resource Agency Review	45 days minimum
		FHWA Review	30 days
		Document Revisions	1 week
		Release to Public Hearing • Advertising for public hearing	6 weeks

		• Conducting Public Hearing	
		Comment Period	10 days
		Public Hearing Summary and Analysis Preparation	3 weeks
		Department Review of Summary and Analysis	3 weeks
		FHWA Review of Summary and Analysis	30 days
3	Review of Plans, Specifications, and Estimates	30% Completion	2 weeks
		100% Completion	2 weeks
		Federal Approval of Letter of Authority	1 week

STATE OF TEXAS §

COUNTY OF TRAVIS §

ORIGINAL

AMENDMENT TO PASS-THROUGH AGREEMENT FOR PAYMENT OF PASS-THROUGH TOLLS BY THE DEPARTMENT

Amendment Number 1

THIS AMENDMENT to the Pass-Through Agreement for Payment of Pass-Through Tolls by and between the State of Texas acting by and through the Texas Department of Transportation, (the Department), and Hays County (the Developer), and becomes effective when fully executed by both parties.

AMENDMENT BACKGROUND

The Department and the Developer executed an agreement on the December 20th, 2006. It has become necessary to amend that contract due to changes to the Background, Project Locations, Scope of Work, Project Costs, Construction Responsibilities, Repayment, and Project Implementation;

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties hereto, the State and the Developer do agree as follows:

A G R E E M E N T

The Department and the Developer agree that the contract is amended as follows:

Part I

BACKGROUND of the original contract shall be voided in its entirety and replaced with the following:

BACKGROUND

Texas Transportation Code, §201.103, authorizes the Department to plan and to make policies for the location, construction, and maintenance of a comprehensive system of state highways and public roads. Transportation Code, §222.104, authorizes the Department to enter into pass-through toll agreements for the purpose of improving the state highway system. The Texas Transportation Commission has implemented this provision by enacting rules to be found at 43 TAC Chapter 5, Subchapter E. On January 26, 2006, the Texas Transportation Commission passed Minute Order 110390, authorizing Hays County to construct improvements to FM 110 (San Marcos Loop), RM 12, and FM 1626. On May 25, 2006, the Texas Transportation Commission passed Minute Order 110537, authorizing the Department to enter into a pass-through toll agreement with the Developer. On February 28, 2008, the Texas Transportation Commission passed Minute Order 111258, authorizing an amendment to the pass-through toll agreement with Hays County to include improvements on I-35 and US 290 West instead of the improvements proposed for RM 12. For each project that the department

will advertise for bids, the terms of the amended pass-through toll agreement will require Hays County to pay to the department the estimated construction cost for the project.
The governing body of the Developer has authorized entering into this agreement by resolution or ordinance. Attachment A-1 (Location Map), Attachment B-1 (Project Description and Scope of Work), Attachment C-1 (Budget), Attachment D-1 (Project Implementation), are attached to and incorporated by reference in this agreement. The highway improvements described in Attachment B-1 are referenced in this agreement as the Project.

PART II

3. Scope of Work, of the original contract shall be voided in its entirety and replaced with the following:

The scope of work is described in more detail in Attachment B-1, which is attached to and incorporated by reference in this agreement. The improvements listed in Attachment B-1 will be referenced in this agreement as the Project.

PART III

4. Sources and Uses of Funds, sections a, b, and c of the original contract shall be voided in its entirety and replaced with the following. Section f shall be added.

a. The total estimated cost of the Project is shown in Attachment C-1, which is attached to and incorporated by reference in this agreement. Attachment C-1 includes expected cash contributions from each source of funding. The Department will pay for only those Project costs that have been approved by the Texas Transportation Commission.
b. The Department is responsible only for securing the funding specifically identified as the responsibility of the Department on Attachment C-1 and will make that funding available to the Developer as set forth in Attachment C-1. Unless this agreement is amended, the Department will not be responsible for any funding in excess of the maximum identified on Attachment C-1.
c. The Developer shall be responsible for all costs associated with the Project that are not shown as the responsibility of the Department. The Developer shall be responsible for all overruns in excess of the estimated cost shown in Attachment C-1 unless this agreement is amended.
f. The Developer shall pay the Department for all Construction costs and Right-of-Way Costs associated with each segment, prior to construction letting and within the payment schedule outlined in a separate Advance Funding Agreement. This includes the following segments: US 290 West between Trautwein Road and Nutty Brown Road, IH-35 at FM 2001, IH-35 at Kyle Crossing (CR 210), and, IH-35 at RM 150. The exception to this shall be for the US 290 West segment where the initial $4 million payment shall be made prior to letting for construction and the balance in accordance with the payment schedule outlined in the Advance Funding Agreement.

PART IV

5. Environmental Studies and Mitigation, sections b and c of the original contract shall be voided in its entirety and replaced with the following:

b. Unless otherwise specified in Attachment D-1 and except to the extent that the Department will have already met environmental requirements on the date this

agreement is executed, the Developer is responsible for the cost of all environmental permitting, mitigation, remediation, and compliance.

c. Unless otherwise specified in **Attachment D-1**, the Developer is responsible for providing for all public meetings and public hearings required for development of the environmental decision; for preparation of the public meeting and public hearing summary and analysis; for comment and response reports; and for certifying that a hearing has been held in accordance with 43 TAC §2.43, the Civil Rights Act of 1964, and the Civil Rights Restoration Act of 1987. Public hearings will be held in compliance with all applicable federal and state laws. Public hearings may not be held before environmental document approval is received or before approval of the schematic for any highway improvement that is part of the Project.

PART V

6. Right of Way and Real Property, section f of the original contract shall be voided in its entirety and replaced with the following:

f. The Department will reimburse the Developer for right of way and real property in an amount proportional to the State's allocated share as reflected on Attachment C-1.

PART VI

9. Construction Responsibilities, of the original contract shall be voided in its entirety and replaced with the following:

a. For the segments on US 290 West between Trautwein Road and Nutty Brown Road, IH-35 at FM 2001, IH-35 at Kyle Crossing (CR 210), and, IH-35 at RM 150, the Department shall advertise for construction bids, issue bid proposals, receive and tabulate the bids, and award and administer the contract for construction of the Project. Administration of the contract includes the responsibility for construction engineering and for issuance of any change orders, supplemental agreements, amendments, or additional work orders, which may become necessary after the award of the construction contract. The bidding process must be competitive and must comply with all applicable federal and state laws. The Project must be authorized by FHWA before it is advertised for letting.

b. For the segments on FM 1626 (A and B) and FM 110 (San Marcos Loop), as described in Exhibit 1-A: Roles and Responsibilities for Each Entity, the Developer shall advertise for construction bids, issue bid proposals, receive and tabulate the bids, and award and administer the contract for construction of the Project. Administration of the contract includes the responsibility for construction engineering and for issuance of any change orders, supplemental agreements, amendments, or additional work orders, which may become necessary after the award of the construction contract. The bidding process must be competitive and must comply with all applicable federal and state laws. The Project must be authorized by the Department before it is advertised for letting. The Project must also be authorized by FHWA before it is advertised for letting.

c. The Developer has the responsibility of overseeing all construction operations for which it has Construction responsibility for as described in Attachment D-1, Exhibit 1-A: Roles and Responsibilities for Each Entity, including the responsibility of ensuring that all environmental permits, issues, coordination, mitigation, and commitments are adequately addressed, of assessing potential environmental effects of contract revisions, and of obtaining environmental permits, issues, coordination, mitigation, and commitments that may be required by contract revisions. The Developer shall hire a

third party firm, approved by the Department Austin District, to provide independent QC/QA during construction. Contract revisions shall comply with the latest version of all national and state administrative criteria and manuals. No contract revision may be made without the prior written approval of the Department's executive director if it would affect prior environmental approvals, significantly revise the scope of the Project or the geometric design, or change the cost to the Department. Procedures governing approval are contained in Attachment D-1.

d. When each segment the Developer has construction responsibility for, has been completed, as described in Attachment D-1, Exhibit 1-A: Roles and Responsibilities for Each Entity, the Developer shall issue and sign a "Notification of Completion" acknowledging the Project's construction completion. Within six months after the Project is complete, the Developer shall file with the Department a set of as-built plans that incorporate any contract revisions. These plans shall be signed, sealed, and dated by a professional engineer licensed in Texas, who shall certify that the Project was constructed in accordance with the plans and specifications.

e. The parties to this agreement shall comply with federal construction requirements cited in 23 CFR Part 635 and with requirements cited in 23 CFR Part 633, and shall include the latest version of Form FHWA-1273 in the contract bidding documents. If force account work will be performed, a finding of cost effectiveness shall be made in compliance with 23 CFR 635, Part B.

f. The Department may audit the construction process at any time to ensure that the Developer is complying with the agreement and that the Developer is providing adequate inspection of construction. The Department may conduct its own inspection of construction at any time. Any deficiencies noted shall be reported to the Developer and shall be corrected by the Developer.

PART VII

10. Maintenance, of the original contract shall be voided in its entirety and replaced with the following:

The Department shall be responsible for maintenance of the Project after completion of the work except for the FM 110 segment. The Developer shall be responsible for maintenance of the FM 110 segment after completion of the work. Specific maintenance requirements shall be outlined in a separate Agreement.

PART VIII

11. Repayment, sections a, b and d of the original contract shall be voided in its entirety and replaced with the following. Sections e and f shall be added.

a. This paragraph applies until the Project as a whole is substantially complete and all highway improvements are open to the public. The Department shall reimburse the Developer by paying a quarterly amount equal to **$0.14** for each vehicle-mile traveled during the payment quarter on the highway improvements that were substantially complete and open to the public at any time during the previous year. The total cumulative reimbursement by the Department shall not exceed the Maximum Total Reimbursable Amount by segment shown in Attachment C-1 for the highways that are substantially complete and are open to the public. For each highway improvement segment that is opened after the first highway improvement, the number of vehicle-miles traveled on the Project during the previous quarter shall include vehicle-miles traveled

on the newly opened highway improvement beginning on the date that the newly opened highway improvement is substantially complete and opened to the public. ~~If one (1) or~~ more highway improvement segments has been substantially completed at the time this Agreement is terminated pursuant to Section 15(a)(1) or Section 15(a)(2), the Department's obligation to reimburse under this Section shall remain in effect until Maximum Total Reimbursable Amount shown in Attachment C-1 is reached for each substantially completed highway improvement segment.

b. This paragraph applies after the Project as a whole is substantially complete and all highway improvements are open to the public. The Department shall reimburse the Developer by paying a quarterly amount equal to $0.14 for each vehicle-mile traveled on the Project during the previous payment quarter. The annual reimbursement will be no less than $6,658,500.00 and no more than $13,317,000.00.

d. The quarterly payment shall be made within 60 days after the first three months of the date on which the first highway improvement is substantially complete and opened to the public. Subsequent quarterly payments shall be made within 60 days of each succeeding three month anniversary of the completion of the improvement.

e. Under no circumstance will the Annual Reimbursement be more than $13,317,000.00, nor will the Total Payments under this Article during the course of this agreement exceed $133,170,000.00 unless this Agreement is so amended.

PART IX

14. Precedence of Provisions, of the original contract shall be voided in its entirety and replaced with the following:

Except where a particular provision contains specific instructions with regard to the order of precedence of terms in this agreement, any conflict among the terms of this agreement shall be resolved by giving precedence to terms in the following order:

1. the main body of the agreement;
2. ***Attachment C-1***;
3. ***Attachment D-1***;
4. ***Attachment B-1***;
5. ***Attachment A-1***.

PART X

33. Inspection of Books and Records, of the original contract shall be voided in its entirety and replaced with the following:

The parties shall maintain all books, documents, papers, accounting records, and other documentation relating to costs incurred under this agreement and shall make those materials available to the Department, the Developer, the Federal Highway Administration (FHWA), and the U.S. Office of the Inspector General for review and inspection at its office during the contract period and for four (4) years from the date of completion of work defined under this contract or until any impending claims are resolved. Additionally, the Department, the Developer, and the FHWA shall have access to all the governmental records that are directly applicable to this agreement for the purpose of making audits, examinations, excerpts, and transcriptions, including records in the possession of the Developer's agents to the extent that they relate to expenditures for which reimbursement is requested. At the request of the State, the Developer shall submit any information required by the State in the format directed by the State.

PART XI

ATTACHMENT A, (Location Map), of the original contract shall be voided in its entirety and replaced with **ATTACHMENT A-1** (Location Map):

PART XII

ATTACHMENT B, (Project Description and Scope of Work), of the original contract shall be voided in its entirety and replaced with **ATTACHMENT B-1,** (Project Description and Scope of Work):

PART XIII

ATTACHMENT C, (BUDGET) of the original contract shall be voided in its entirety and replaced with **ATTACHMENT C-1,** (BUDGET):

PART XIV

ATTACHMENT D, (Project Implementation) of the original contract shall be voided in its entirety and replaced with **ATTACHMENT D-1,** (Project Implementation).

Exhibit 1 of Attachment D of the original contract is being deleted in its entirety and replaced with Attachment D-1 **Exhibit 1-A**

Exhibit 2 of Attachment D of the original contract is being deleted in its entirety and placed with Attachment D-1 **Exhibit 2-A**

All other terms and conditions of the above numbered agreement not hereby amended remain in full force and effect.

Texas Department Of Transportation	Hays County Developer's Name
James M. Bass Authorized Signature	Authorized Signature
James M. Bass Chief Financial Officer Texas Department of Transportation Type Or Printed Name And Title	ELIZABETH SUMTER, Hays County Judge Typed Or Printed Name And Title
Date: 5-21-2008	Date: April 29, 2008

ATTACHMENT B-1

PROJECT DESCRIPTION AND SCOPE OF WORK

Developer Segments

Developer Segment Number 1
FM 110 (San Marcos Loop)
IH-35/McCarty Road to SH 123, 5-lane section

This project is the first segment of the proposed San Marcos Loop which connects IH-35 at McCarty Road on the south side of San Marcos to IH-35 at Yarrington Road north of San Marcos. The proposed loop is located east of IH-35. The first phase consists of 2 miles of 5-lane urban and rural roadway. Approximately 1 mile will involve the reconstruction of existing McCarty Road where the urban section will be built. The remainder of the first phase of the loop would then transition to a 5-lane rural, limited access roadway.

The 85% Environmental Assessment has been submitted and is pending review. The schematic prepared by the Austin District is being modified in preparation for a Public Hearing. No right of way has been acquired. PS&E has not been started.

The cost of the project is **$30,350,000.00**, which includes an estimated **$12,300,000.00** of right of way and utility relocation costs.

Developer Segment Number 2
FM 1626 (A and B)
FM 2770 to Brodie Lane, 5-lane rural

The project consists of reconstructing 6.8 miles of existing FM 1626. The existing roadway is a 2-lane rural roadway with limited or no shoulders and several low water areas. The roadway would be reconstructed as a 5-lane rural facility. Existing (2004) average daily traffic volumes range between 6,200 and 11,500 vehicles per day.

The cost of the project is **$69,790,000.00**, which includes an estimated **$11,650,000.00** of right of way and utility relocation costs.

Schematics and environmental document for segment of FM 1626 from Brodie Lane to RM 967 (Segment A) under development by TxDOT; work has been initiated on segment from RM 967 to FM 2770 (Segment B).

Department Segments

For the Department constructed segment's the Developer shall provide funding for the segment being constructed See Attachment C-1 (Budget) for further details. The total for all Department constructed segment's shall be in the amount of **$66,891,520.00** Developer will make payment in accordance to a payment schedule outlined in an Advance Funding Agreement prior to the segments letting date and before any construction shall begin.

For each of the Department developed segments the Department will produce the environmental document and conduct all public involvement on the segment. Upon receiving environmental clearance for each of the US 290 West and I-35 at Kyle Crossing segment, the Department will develop or cause to the development of, the right of way map and other acquisition documents, and the plans, specifications, and estimates (PS&E) for construction of the segment. Upon completion of the right-of-way map by the Developer, and other acquisition plans and specifications, and estimates, for the construction of the segment including any changes or updates to said documents, the Department shall provide a copy of said documents to the Developer. The Developer will acquire any additional right-of-way that may be necessary for the letting and construction of the segment. The Department will let the project through the statewide bid process and then inspect and administer the segment during construction.

Department Segment Number 1:
US 290 West between Trautwein Road and Nutty Brown Road

US 290 West is a major east-west state highway in Central Texas that passes through Western Hays County. The section where the proposed improvements will be constructed is a rural cross-section with 4-11' travel lanes and no shoulders. TxDOT has been adding a center turn lane along many sections of US 290 West from RR 12 to the Hays/Travis County Line. This is the last 2.02-mile section to be improved.

This project was endorsed as a Programmatic Categorical Exclusion by TxDOT's Environmental Affairs Division on May 25, 2005. If this project lets after May 2008 a Reevaluation or Statement of Continuous Activity will be required. The WPAP for this project was approved on March 10, 2008. The PS&E has been completed and the project to construct a center turn lane and add shoulders is scheduled for a May 2008 letting. The estimated construction cost is $7,600,000. The project will be let and managed by the TxDOT Austin District.

Hays County will submit an initial payment of $4 million prior to letting and will enter into an Advance Funding Agreement with TxDOT specifying a payment schedule to TxDOT to cover the total construction costs of the US 290 West improvements.

Department Segment Number 2:
IH-35 at FM 2001 – Overpass Road

FM 2001 is an east-west state highway connecting I-35 and SH 21 in northeast Hays County. Significant improvements to FM 2001 have been made in a partnership between TxDOT, the City of Buda, private developers and Hays County. The proposed project improves existing Overpass Road as part of the overall realignment and improvements to FM 2001. This is the last connection to the new $20.0 million interchange and frontage road improvements made by TxDOT. The PS&E, provided by a private developer, is currently under final review.

The environmental document for this project on Overpass Road between I-35 and 645 feet east of I-35 was endorsed as a State FONSI on September 15, 2006. If the project lets after September 15, 2009, a Reevaluation or Statement of Continuous Activity will be needed.

The project, estimated to cost $950,000 is scheduled for a Fall 2008 letting. The project will be let and managed by TxDOT.

Hays County will enter into an Advance Funding Agreement with TxDOT specifying a payment of $950,000 prior to letting by TxDOT.

Segment Number 3: I-35 at Kyle Crossing (CR 210) – with Southbound frontage roads and ramps

Kyle Crossing (CR 210) is a major east-west arterial in Central Hays County. This project consists of reconstructing the substandard 2-lane bridge over I-35, including North-South and South-North turnaround bridge. The project will also construct a section of frontage road between Kyle Crossing and FM 1626. Constructing this missing gap of frontage road will allow the I-35 frontage roads, between FM 2001 and FM 1626, to operate as one-way. The project has all environmental clearances and the PS&E is complete. The County will acquire the right-of-way and relocate the utilities. Total project cost is $28,747,920.00. The City of Kyle, through a State Infrastructure Bank loan, will contribute $11.0 million.

A CE for the I-35 at Kyle Crossing project was endorsed as a PSE on December 16, 2005. A Reevaluation is currently in progress to address design changes.

The TxDOT Austin District will let and manage the construction.

The City of Kyle and Hays County will both enter into an Advance Funding Agreement with TxDOT specifying payment of the full construction amount. It is envisioned that the City of Kyle will make an $11.0 million contribution prior to construction letting. The County will make its payment, for the balance of the construction cost, prior to letting.

Segment Number 4: IH-35 at RM 150

This project completes the southbound frontage road between FM 1626 and RM 150. The project includes constructing new ramps and a realignment of RM 150 east of IH 35. The frontage road construction and realignment of RM 150 will allow the frontage roads between FM 1626 and Yarrington Road to be converted from two-way to one-way operation. When this project is complete, all of the IH 35 frontage roads in Hays County will be able to be converted to one-way. Hays County will be responsible for the environmental permitting, design and right-of-way acquisition for the project. The estimated total project cost is $29,593,600.00. The City of Kyle is contributing $3.0 million towards the project and is responsible for the RM 150 realignment right-of-way ($1,625,000.00). TxDOT will let and manage the construction of the project. No work has been initiated to develop the project. Once the projects have environmental clearance and a Letter of Authority, the County will enter into an Advance Funding Agreement with TxDOT specifying a payment schedule.

ATTACHMENT C-1 (BUDGET)

TxDOT Contract No. PT 2005-013-001

Developer will provide funding in accordance to a payment schedule outlined in an Advance Funding Agreement for the segments being constructed by the Department in the total amount of $66,891,520.00 with the exception of the US 290 West segment where the initial $4 million payment shall be made prior to letting for construction with the remaining balance covered under an Advance Funding Agreement.

Projects (2006-2011)	Segment Construction Cost	Right of Way Participation: Total	Right of Way Participation: State	Right of Way Participation: County	PS&E / CEI	Developer Participation	General Project Status	Maximum Total Reimbursement by Segment*
FM 110 McCarty Rd to SH 123 5-lane Rural	$14,700,000	$12,300,000 for Right of Way and Utility Relocation costs	$0	$12,300,000	$5,380,000	~~$18,080,000~~ $24,350,000	Schematics and environmental document under development by TxDOT	$15,840,000
FM 1626 Segment A Brodie Lane to RM 967 5-lane Rural	$23,749,320	$5,911,210 for Right of Way and Utility Relocation costs	$0	$5,911,210	$5,753,916	$35,411,448	Schematics and environmental document for segment of FM 1626 from Brodie Lane to RM 967 (Segment A) under development by TxDOT; Work has been initiated on segment from RM 967 to FM 2770 (Segment B). Public hearing is needed upon approval of ENV documents from PWA; Water Pollution Abatement plan required.	$36,398,468
FM 1626 Segment B RM 967 to FM 2770 5-lane Rural	$20,053,690	$5,738,790 for Right of Way and Utility Relocation costs	$0	$5,738,790	$5,586,084	$34,378,564 $100,140,000	See Commentary for Phase A, above.	$35,337,748
Subtotal	$58,500,000	$23,950,000	$0	$23,950,000	$16,720,000	$97,170,000		$87,574,000
US 290 West Trautwein to Nutty Brown Rd	$7,600,000	$0	$0	$0	TxDOT	$7,600,000	Letting date controlled by environmental re-evaluation required after May, 2008; PS&E complete; Department has Programmatic Categorical Exclusion as of May 2008; Project Let's in May 2008; WPAP approved March '08	$7,600,000**
IH 35 at FM 2001 (Overpass Rd)	$950,000	$0	$0	$0	Developer/ TxDOT	$950,000	PS&E under review; ROW/Utilities cleared; ENV received a FONSI Sept 18, 2008, will need Reevaluation or statement of Continuous Activity after Sept. 18, 2008.	$950,000**
IH 35 at Kyle Crossing (CR 210) with SB frontage roads and ramps	$20,300,000	$8,447,920	$0	$8,447,920	Developer/ TxDOT	$28,747,920	Categorical Exclusion, Dec 18, 2008. Reevaluation of ENV due to design changes is in progress.	$17,747,920**
IH 35 at RM 150	$12,940,000	$15,153,600	$0	$15,153,600	$1,500,000 PS&E only CEI by TxDOT	$28,593,600	No work has been initiated; Department will do ENV document.	$19,296,880**
Subtotal	$41,790,000	$23,601,520	$0	$23,601,520	$1,500,000	$66,891,520		$45,594,800
TOTAL	$100,290,000	$47,551,520	$0	$47,551,520	$18,220,000	$164,061,520		$133,168,800

* Does Not Include Federal Earmark Dollars ** A maximum of $45,592,800 shall be paid for all four Department Constructed Segments

$167,034,520

Attachment C-1 (04-04-2008)
Pass-Through_Amendment

Page 1 of 1

02/05/2008

ATTACHMENT D-1

Project Implementation

Overview

This Attachment defines the roles, the responsibilities, and the working relationship between the Developer and the Department during the implementation of the Project.

1. **Environmental Studies and Mitigation**
   - 1.1. The Developer shall complete all environmental studies and documents required to secure environmental approval for FM 110, FM 1626(b), I-35 at FM 2001 and I-35 at RM 150, including each of the following items.
     - 1.1.1. Preparation and completion of environmental studies, including obtaining right of entry to perform such studies. All environmental studies will be performed by environmental specialists who meet the requirements to perform those studies.
     - 1.1.2. Submission of appropriate documentation (categorical exclusion, environmental assessment, and environmental impact statement, including reevaluation, and supplemental documentation) for Department review and approval. Department review is detailed in section 1.2 below.
     - 1.1.3. Preparation of any document revisions.
     - 1.1.4. Submission to the Department of copies of the environmental studies and documentation adequate for distribution.
     - 1.1.5. Preparation of legal and public notices in accordance with 43 TAC §2.43 for Department review and use.
     - 1.1.6. Arrangements for appropriate public involvement, including court reporters and accommodations for persons with special communication or physical needs related to the public hearing, if requested. The Department will serve as the Hearing Official at any public hearing with the assistance of the Developer.
     - 1.1.7. Preparation of public meeting and hearing materials.
     - 1.1.8. Preparation of any necessary responses to comments.
     - 1.1.9. Preparation of the public meeting and public hearing summary and analysis, and the comment and response reports.
     - 1.1.10. Submission to the Department of a verbatim transcript of any public hearing and the original certification of the pubic involvement process as described in 43 TAC § 2.43.
     - 1.1.11. Preparation of required US Army Corps of Engineers permit applications and associated drawings for impacts to jurisdictional waters, including mitigation requirements. The permits will be issued in the Developer's name with the

Developer being responsible wholly for any and all mitigation that would be required.

1.1.12. The Developer is responsible for all Project-related environmental permits, issues, and commitments, including any mitigation or remediation that may be required under any law or regulation.

1.1.13. Submission to the department of documentation showing that all environmental permits, issues, and commitments have been or will be completed, including copies of permits or other approvals required prior to construction in accordance with 23 CFR 771.109.

1.2. As set forth in Exhibit 1-A, Roles and Responsibilities, the Department will conduct environmental reviews throughout the clearance process in an attempt to expedite the environmental approval of the Project.

1.2.1. Except as otherwise required by law or by agreement between the Department and a state or federal agency, the Developer is responsible for coordinating with local governmental entities and applicable agencies throughout the Project planning process to assure compliance with applicable laws. The Developer and Department will make every reasonable effort to resolve disagreements with local governments and with state or federal agencies as they relate to environmental approval of the Project.

1.2.2. The Developer will coordinate the submission of documents for Agency review with the Department.

1.2.3. The Department is responsible for coordinating all review activities listed in the expedited review schedule defined in Exhibit 2-A, General Review Schedule. The Department is responsible for working with the lead agency, the cooperating agencies and any affected entities to ensure a timely and thorough coordination process through a specified staff working group. The Developer will be an integral participant throughout the review process to rapidly address comments and concerns necessary to secure clearance within the expedited review schedule.

2. Right-of-Way Acquisition

2.1. Except as provided in article 6, the Developer, independently of the Department, is responsible for the acquisition and provision of any right-of-way or real property needed for the Project.

2.2. The Developer will establish and maintain a project tracking system that is acceptable to the Department and that shows the right of way surveying and mapping, appraisal, acquisition, and relocation status of each parcel.

2.3. The Developer and the Department will, upon commencement of each individual highway improvement, agree on the form and format of all required conveyance documents and other right-of-way related deliverables required by the Department for their permanent files.

2.3.1. Within ten (10) days after commencement of work on each individual highway improvement, the Developer will confirm in writing all agreed-upon terms relating to the acquisition of right-of-way to the Department and all agreements will remain in effect until appropriate title to the New Right of Way is conveyed to the State of Texas.

2.3.2. The Developer will provide the Department with a certification that it has received the Department's Right of Way Manual Collection and that it will comply with the procedures in that collection.

2.3.3. For each parcel to be acquired, the Developer will use checklists approved by the Department.

2.4. The Developer will prepare right-of-way maps, field notes, parcel plats, and other data as needed to describe the right-of-way and access rights necessary for the Project.

2.4.1. The field notes and parcel plats will be signed and sealed by a Registered Professional Land Surveyor currently licensed by the "Texas Board of Professional Land Surveying."

2.4.2. Copies of this data for a representative segment of right of way will be delivered to the Department before beginning the standard process for acquisition of right of way for each individual highway improvement.

2.5. The Developer will acquire in the name of Hays County fee simple title and any required drainage channel easements free and clear of all liens and encumbrances for all land to be used as right-of-way for the Project.

2.5.1. Title to the New Right of Way will exclude oil, gas, and sulfur from the deed without any right in the owners to ingress or egress to or from the surface of the land for the purpose of exploring, developing, drilling, or mining.

2.6. The Developer is responsible for the negotiation of access points at the time of acquisition based on Department's Roadway Design Manual, the Department's Access Management Manual, and the preferred engineering access points shown on the schematic for the highway improvement.

2.6.1. The access points for each highway improvement will be incorporated into the deed when the property is acquired and

will be transferred to the Department when that highway improvement is completed.

2.7. Subject to the force majeure provisions of this Agreement, the Developer will ensure that all right-of-way used in constructing the Project will be free and clear of all hazardous materials and contaminants. All costs associated with the detection and remediation of the hazardous materials and contaminants shall be borne by the Developer. The Developer shall provide written documentation from appropriate regulatory agencies that all known hazardous materials and contaminants in the right of way have been adequately mitigated or that the Developer otherwise meets the requirements for regulatory closure.

2.8. The Developer will, upon completion of individual highway improvements, convey all ownership of the New Right of Way to the State of Texas through the Department. The conveyance shall be in a form acceptable to the Department and shall be of fee simple title. Developer shall also convey all applicable conveyance instruments to the Department for its permanent files.

2.8.1. The Developer will also provide the Department with title insurance for the New Right of Way in the name of the State of Texas as the insured owner.

2.8.2. The Developer will provide tracings and electronic files of right-of-way maps to the Department.

2.8.3. The Developer will also provide the Department a final map showing the final location of all utility lines that were adjusted or remained in place and joint use numbers assigned to those utilities.

3. **Utilities**

3.1. The Developer is responsible for determining the scope of utility work if the required right of way encroaches on existing utilities and the Project requires their adjustment, removal, or relocation. Utilities will not be adjusted, removed, or relocated before environmental approval is secured.

3.2. The Developer is responsible for notifying the appropriate utility company to schedule adjustments.

3.3. The Department will grant the Developer or its authorized representative site access required to execute the work and will issue right of entry for the performance of utility relocation.

3.4. The Developer, unless specified in separate agreements with the Austin District, is responsible for all costs associated with additional adjustment, removal, or relocation during the construction of the Project unless this work is provided by the owners of the utility facilities.

4. **Engineering Services**

4.1. The Developer will remain the single point of contact for engineering and design issues. All correspondence and instruction to the design consultants will be the sole responsibility of the Developer.

4.2. At the commencement of an individual highway improvement, the Developer will coordinate a Design Concept Conference with the Department to establish the performance parameters and design requirements for the highway improvement, including the Pavement Design, Hydraulic Design, Design Concept Conference Forms and Typical Sections, which will remain in place throughout the implementation of the highway improvement.

4.3. All plans, specifications, and estimates developed by or on behalf of the Developer shall conform to the latest version of the Department's Standard Specifications for Construction and Maintenance of Highways, Streets, and Bridges, and shall conform to department-required special specifications and special provisions. The Department's executive director may exercise discretion in authorizing an alternative specification or alternative design criteria. The construction plans furnished to the Department shall be reproducible tracings on mylar or equivalent. Geopack Design files as defined by the Austin District shall be furnished to the Department within 30 days of project completion.

4.4. If the Department determines that the complete plans, specifications, and estimates are unacceptable, the Developer shall correct the design documents to the Department's satisfaction. Should additional specifications or data be required by the Department, the Developer shall redesign the plans and specifications to the Department's satisfaction. The costs for additional work on the plans, specifications, and estimates shall be borne by the Developer.

4.5. If exceptions to the Department's design criteria are required as specified in the Department Roadway Design Manual, a request for exceptions shall follow the procedure set forth in that manual.

4.5.1. If it becomes necessary to change a design after it has been approved by the Department, and if that change does not require the adoption of alternative design criteria or an exception to the Department's design criteria, the Developer will coordinate with the Department and FHWA for approval of the change.

4.5.2. The Department shall have no more than 10 business days after receiving a proposed design change to either (1) to approve the design change as proposed by the Developer or (2) to respond

with a Department-recommended alternative to the design change.

4.5.3. If the Department responds with an alternative to the design change, the Developer and the Department shall work diligently to develop a mutually agreeable design solution.

4.5.4. The Department is responsible for obtaining any necessary approval from FHWA.

4.6. Reviews

4.6.1. The Department will transmit the pavement design to the Developer at the project's design concept conference. After the pavement design has been issued by the Department, it may not be changed by either party without the written consent of the other.

4.6.2. When design is 30% complete, the Developer will coordinate the submission of the following design information for a joint review session between the Developer and the Department to allow comments and concerns to be addressed by the Developer within the expedited review schedule defined in Exhibit 2-A, General Review Schedule.

4.6.3. The following will be reviewed as set forth in Exhibit 1-A, Roles and Responsibilities.

1) Preliminary cross sections showing existing utility lines, R.O.W.
2) Plan and profile sheet showing existing and proposed:
   a) R.O.W. lines
   b) Roadway alignments and profiles
   c) Intersecting streets
   d) Curb and lane lines
   e) Existing Utilities
3) Existing and proposed typical sections including pavement section
4) Preliminary title and index sheets.
5) Preliminary drainage area map, discharge relationships and drainage calculations.
6) Storm drainage master plan.
7) Preliminary culvert layouts.
8) Preliminary bridge and bridge classification culvert layouts, including test hole information.
9) Preliminary retaining wall layout, including test hole information.
10) Sequence of work outline for traffic control.
11) Preliminary traffic control typical sections and layouts.
12) Preliminary intersection layouts.
13) Preliminary utility layouts - identify potential conflicts and exchange of information with existing utilities.

14) Update estimates and prepare preliminary roadway and drainage quantity summary sheets.
15) Updated design contract schedule.

4.6.4 When the Project design is final, the Developer will coordinate the submission of the following information to the Department for review to allow comments and concerns to be addressed by the Developer to secure approval of the Department and FHWA within the expedited review schedule defined in Exhibit 2-A, General Review Schedule.

1) Seven (7) copies of final plans, specifications, and engineer's estimate.
2) Revisions to the preliminary design submittal.
3) Proposal to award construction contract in compliance with applicable state and federal requirements.
4) Proposed contract administration procedures for the construction contract with criteria that comply with the applicable national or state administration criteria and manuals.
5) Documentation of all environmental permits, issues, and commitments that will be addressed in construction.

4.6.5 Approval by the Department of this final design submittal will constitute authorization for the Developer to advertise for construction bids.

4.6.6 For any individual highway improvement with a construction cost over $25 million, the Developer shall conduct a value engineering workshop.

5. **Construction Responsibilities**

5.1. For segments not to be let by the Department, the Developer will retain a third party firm, approved by the Austin District, to supervise and inspect all work performed during construction and provide engineering inspection and testing services as may be required to ensure that the Project is accomplished in accordance with the approved plans and specifications. The Developer shall prepare all manuals and agreements required for Department and FHWA oversight. Construction material testing shall be in conformance with Department Policy. The resolution to all non-complying tests and/or failing tests shall be determined by the Austin District. The Developer's lane closure policies must be approved by the Austin District prior to the letting of any project. Lane closure policies may be adjusted only with the approval of the Austin District. The Department will participate in the development of and be able to include items on the final "punch list" for each project. The project's "Notice of Completion" will not be issued by the Developer and accepted by the Department until all "punch list" items have been resolved to the satisfaction of the Department. Upon the Developer awarding a construction contract, the Developer is

responsible for all maintenance within the limits of the project including but not limited to mowing, litter pickup, sweeping, dust control, ice control, and traffic signal maintenance.

5.1.1. All correspondence and instruction to the contractor performing the work will be the sole responsibility of the Developer.

5.1.2. All work will be performed, unless otherwise specifically stated in the contract documents for the Project, in accordance with the Standard Specifications for Construction and Maintenance of Highways, Streets, and Bridges or special specifications or provisions approved by the Department.

5.2. The Department will allow the Developer or its authorized representative to have access to the site to perform any activities required to execute the work and issue a right of entry for the performance of all construction activity.

5.3. The Developer will negotiate and approve all Change Orders and contract revisions that the Developer finds necessary or convenient to accomplish the construction activities for the Project. For Change Orders and contract revisions that affect prior environmental approvals or result in non-conformity with the specifications and standards agreed upon for the Project, the Developer must assess any potential environmental effects and any additional or revised environmental permits, issues, coordination, mitigation, and commitments required as a result of the contract revisions.

5.3.1. The Developer will document any such changes, including a proposed course of action.

5.3.2. The Developer will notify the Department of the need for such changes and submit the appropriate documentation.

5.3.3. The Department shall have no more than 10 business days after the Developer's submission either to approve the changes as submitted by the Developer or to respond with the Department's proposed revisions.

5.3.4. If the Department responds with revisions, the Developer and the Department will work diligently and in good faith to develop mutually agreeable changes that shall then be implemented by the Developer.

5.3.5. The Developer shall be responsible for obtaining any required approvals from federal, state, or local governmental authorities, with the exception of the Department and FHWA, and except as otherwise specified in this agreement.

5.3.6. To the extent that a Change Order requires the adoption of alternative design criteria, an exception to the Department's design criteria, or a change in the approved design, the design must be approved as set forth in Sections 4.3, 4.4, or 4.5, as applicable.

5.4. The Developer will comply with applicable Federal requirements throughout the procurement and construction process in order to maintain the Department's eligibility for Federal reimbursement for Project costs. The Developer's compliance with requirements necessary to maintain eligibility for federal reimbursement is a condition precedent to performance by the Department.

5.5. The Developer shall include in their contract documents the requirement that all warranties shall be transferred to the Department upon "Notification of Completion" of the projects.

5.6. Within six (6) months of issuance of the "Notification of Completion," the following documentation will be provided to the Department:
1) Record Drawings
2) Engineer Certification of Project Completion
3) Right of Way Parcel Information (Exhibits, Descriptions, Right of Way Maps, Field Notes, etc.)

6. **General**

6.1. Unless otherwise specified in this agreement, all actions required of the Developer shall be taken by the Developer's Program Manager, who shall be an individual designated by name by the Hays County Commissioners Court. The Developer's Program Manager may delegate responsibility to another person in a writing provided to the Department.

6.2. Unless otherwise specified in this agreement, all actions required of the Department shall be taken by the Department's District Engineer for the Austin District. The District Engineer may delegate responsibility to another person in a writing provided to the Developer. Whenever this agreement requires an action to be taken by the Department's executive director, that responsibility may be delegated to another Department employee who is not below the level of district engineer. On request, the Department will provide the Developer with a copy of the executive director's delegation of authority.

6.3. The Developer and the Department will attempt to agree on the procedures and policies to be used by the Department in the auditing of Project activities.

6.4. The Developer and the Department will attempt to agree on a transition plan at the time of or before completion of the Project.

6.5. The Developer will schedule regular meetings with the Department to maintain the communication necessary to successfully implement the Project.

6.6. The Developer will prepare program organizational and management documents, including Program Management Plan and Quality Control/Quality Assurance Plan for all work products. The Developer will provide these documents to the Department for all contracted firms participating in the Project.

6.7. The Developer will maintain all documentation relative to implementation and completion of the Project, including without limitation documentation relating to environmental issues, acquisition of right of way, preliminary and final design, and bidding, award, and construction of the Project.

Exhibit 1-A: Roles and Responsibilities for Each Entity

FM 110 – San Marcos Loop

	Responsible Party
Preliminary Engineering/Schematic	
Retain Consultant	Developer, Department
Develop Preliminary Design	Department
Develop Preliminary Cost Estimate	Developer, Department
Define Right of Way Requirements	Developer, Department
TxDOT Review and Approval of Preliminary Engineering Report	Department
Environmental Review	
Retain Consultant	Developer
Draft Environmental Documents	Developer
Schedule & Conduct Public Meetings	Developer, Department

Environmental Document Review	Developer, Department
Review of Environmental Documentation	Developer, Department, FHWA
Resource Agency Review	Developer, Department, FHWA
Notification and Documentation of Comments	Developer
Publish and Hold Public Hearings	Developer, Department
Analyze and Document Public Hearings	Developer
Final Review	Developer, Department, FHWA
Document Approval	Department, FHWA
Environmental Permits, Issues, and Commitments	Developer, Department
Permitting	
Develop Required Permit Applications	Developer
Submit Required Permit Applications	Developer, Department

Right of Way Acquisition	
Develop Right of Way Budget	Developer, Department
Retain Surveyor	Developer
Develop Right of Way Map and Parcel Sketches	Developer, Department
Retain Appraisers	Developer
Work with Owners on Donations, Access, Etc.	Developer
Purchase Parcels at Developer's Risk	Developer
Purchase Parcels After NEPA Process	Developer, Department
Eminent Domain Proceedings	Developer
Utility Identification and Relocation	Developer, Department
Audit of Right of Way Process	Department

Design	
Retain Designer, Geotech, Surveyor, and other professional service providers	Developer
Develop 30% Submittal Package	Developer
30% Submittal for Department Review	Department
Develop 60% Submittal Package	Developer
60% Submittal for Department Review	Department
Develop 90% Submittal Package	Developer
90% Submittal for Department Review	Department
Final Submittal for Department Review	Developer
Approval of Design	Department, FHWA

Bid for Construction	
Preparation of Bid Documents	Developer
Review of Bid Documents	Department
Advertisement for Bids	Developer
Bid Opening, Evaluation, and Award	Developer

Construction	
Coordination with Utilities for Relocation	Developer
Issuance of Construction Notice To Proceed	Developer
Administration of Construction Contract	Developer
Inspection of Construction	Developer, Third Party Inspector
Issuance of Notification of Completion	Developer

Exhibit 1-A: Roles and Responsibilities for Each Entity

FM 1626-A (Brodie Lane to RM 967)

	Responsible Party
Preliminary Engineering/Schematic	
Retain Consultant	Department
Develop Preliminary Design	Department
Develop Preliminary Cost Estimate	Department
Define Right of Way Requirements	Department
TxDOT Review and Approval of Preliminary Engineering Report	Department
Environmental Review	
Retain Consultant	Department
Draft Environmental Documents	Department
Schedule & Conduct Public Meetings	Department

Environmental Document Review	Department
Review of Environmental Documentation	Department, FHWA
Resource Agency Review	Department, FHWA
Notification and Documentation of Comments	Department
Publish and Hold Public Hearings	Department
Analyze and Document Public Hearings	Department
Final Review	Department, FHWA
Document Approval	Department, FHWA
Environmental Permits, Issues, and Commitments	Department
Permitting	
Develop Required Permit Applications	Developer
Submit Required Permit Applications	Developer, Department

Right of Way Acquisition	
Develop Right of Way Budget	Developer, Department
Retain Surveyor	Developer
Develop Right of Way Map and Parcel Sketches	Developer, Department
Retain Appraisers	Developer
Work with Owners on Donations, Access, Etc.	Developer
Purchase Parcels at Developer's Risk	Developer
Purchase Parcels After NEPA Process	Developer, Department
Eminent Domain Proceedings	Developer
Utility Identification and Relocation	Developer, Department
Audit of Right of Way Process	Department

Design	
Retain Designer, Geotech, Surveyor, and other professional service providers	Developer
Develop 30% Submittal Package	Developer
30% Submittal for Department Review	Developer
Develop 60% Submittal Package	Developer
60% Submittal for Department Review	Department
Develop 90% Submittal Package	Developer
90% Submittal for Department Review	Department
Final Submittal for Department Review	Developer
Approval of Design	Department, FHWA

Bid for Construction	
Preparation of Bid Documents	Developer
Review of Bid Documents	Department
Advertisement for Bids	Developer
Bid Opening, Evaluation, and Award	Developer

Construction	
Coordination with Utilities for Relocation	Developer
Issuance of Construction Notice To Proceed	Developer
Administration of Construction Contract	Developer
Inspection of Construction	Developer, Third Party Inspector
Issuance of Notification of Completion	Developer

Exhibit 1-A: Roles and Responsibilities for Each Entity

FM 1626-B (RM 967 to FM 2770)

	Responsible Party
Preliminary Engineering/Schematic	
Retain Consultant	Developer
Develop Preliminary Design	Developer
Develop Preliminary Cost Estimate	Developer
Define Right of Way Requirements	Developer
TxDOT Review and Approval of Preliminary Engineering Report	Department
Environmental Review	
Retain Consultant	Developer
Draft Environmental Documents	Developer
Schedule & Conduct Public Meetings	Developer

Environmental Document Review	Department
Review of Environmental Documentation	Department, FHWA
Resource Agency Review	Department, FHWA
Notification and Documentation of Comments	Developer
Publish and Hold Public Hearings	Developer
Analyze and Document Public Hearings	Developer
Final Review	Department, FHWA
Document Approval	Department, FHWA
Environmental Permits, Issues, and Commitments	Developer
Permitting	
Develop Required Permit Applications	Developer
Submit Required Permit Applications	Developer, Department

Right-of-Way Acquisition	
Develop Right of Way Budget	Developer, Department
Retain Surveyor	Developer
Develop Right of Way Map and Parcel Sketches	Developer, Department
Retain Appraisers	Developer
Work with Owners on Donations, Access, Etc.	Developer
Purchase Parcels at Developer's Risk	Developer
Purchase Parcels After NEPA Process	Developer, Department
Eminent Domain Proceedings	Developer
Utility Identification and Relocation	Developer, Department
Audit of Right of Way Process	Department

Design	
Retain Designer, Geotech, Surveyor, and other professional service providers	Developer
Develop 30% Submittal Package	Developer
30% Submittal for Department Review	Developer
Develop 60% Submittal Package	Developer
60% Submittal for Department Review	Department
Develop 90% Submittal Package	Developer
90% Submittal for Department Review	Department
Final Submittal for Department Review	Developer
Approval of Design	Department, FHWA
Bid for Construction	
Preparation of Bid Documents	Developer

Review of Bid Documents	Department
Advertisement for Bids	Developer
Bid Opening, Evaluation, and Award	Developer

Construction	
Coordination with Utilities for Relocation	Developer
Issuance of Construction Notice To Proceed	Developer
Administration of Construction Contract	Developer
Inspection of Construction	Developer, Third Party Inspector
Issuance of Notification of Completion	Developer

Exhibit 1-A: Roles and Responsibilities for Each Entity

US 290 West

	Responsible Party
Preliminary Engineering/Schematic	
Retain Consultant	Department
Develop Preliminary Design	Department
Develop Preliminary Cost Estimate	Department
Define Right of Way Requirements	Department
TxDOT Review and Approval of Preliminary Engineering Report	Department
Environmental Review	
Retain Consultant	Department
Draft Environmental Documents	Department
Schedule & Conduct Public Meetings	Department

Environmental Document Review	Department
Review of Environmental Documentation	Department, FHWA
Resource Agency Review	Department, FHWA
Notification and Documentation of Comments	Department
Publish and Hold Public Hearings	Department
Analyze and Document Public Hearings	Department
Final Review	Department, FHWA
Document Approval	Department, FHWA
Environmental Permits, Issues, and Commitments	Department
Permitting	
Develop Required Permit Applications	Department
Submit Required Permit Applications	Department

Right of Way Acquisition	
Develop Right of Way Budget	Department
Retain Surveyor	Department
Develop Right of Way Map and Parcel Sketches	Department
Retain Appraisers	Department
Work with Owners on Donations, Access, Etc.	Developer
Purchase Parcels at Developer's Risk	Developer
Purchase Parcels After NEPA Process	Department
Eminent Domain Proceedings	Developer
Utility Identification and Relocation	Department
Audit of Right of Way Process	Department

Design	
Retain Designer, Geotech, Surveyor, and other professional service providers	Department
Develop 30% Submittal Package	Department
30% Submittal for Department Review	Department
Final Submittal for Department Review	Department
Approval of Design	Department, FHWA
Bid for Construction	
Preparation of Bid Documents	Department
Review Bid Documents	Department
Advertisement for Bids	Department

Bid Opening, Evaluation, and Award	Department

Construction	
Coordination with Utilities for Relocation	Department
Issuance of Construction Notice To Proceed	Department
Administration of Construction Contract	Department
Inspection of Construction	Department
Issuance of Notification of Completion	Department

Exhibit 1-A: Roles and Responsibilities for Each Entity

I-35 at FM 2001

	Responsible Party
Preliminary Engineering/Schematic	
Retain Consultant	Developer
Develop Preliminary Design	Developer
Develop Preliminary Cost Estimate	Developer
Define Right of Way Requirements	Developer
TxDOT Review and Approval of Preliminary Engineering Report	Department
Environmental Review	
Retain Consultant	Developer
Draft Environmental Documents	Developer
Schedule & Conduct Public Meetings	Developer

Environmental Document Review	Department
Review of Environmental Documentation	Department, FHWA
Resource Agency Review	Department, FHWA
Notification and Documentation of Comments	Department
Publish and Hold Public Hearings	Department, Developer
Analyze and Document Public Hearings	Department
Final Review	Department, FHWA
Document Approval	Department, FHWA
Environmental Permits, Issues, and Commitments	Department
Permitting	
Develop Required Permit Applications	Developer
Submit Required Permit Applications	Developer, Department

Right of Way Acquisition	
Develop Right of Way Budget	Developer, Department
Retain Surveyor	Developer
Develop Right of Way Map and Parcel Sketches	Developer, Department
Retain Appraisers	Developer
Work with Owners on Donations, Access, Etc.	Developer
Purchase Parcels at Developer's Risk	Developer
Purchase Parcels After NEPA Process	Developer, Department
Eminent Domain Proceedings	Developer
Utility Identification and Relocation	Developer, Department
Audit of Right of Way Process	Department

Design	
Retain Designer, Geotech, Surveyor, and other professional service providers	Developer
Develop 30% Submittal Package	Developer
30% Submittal for Department Review	Department
Develop 60% Submittal Package	Developer
60% Submittal for Department Review	Department
Develop 90% Submittal Package	Developer
90% Submittal for Department Review	Department
Final Submittal for Department Review	Department
Approval of Design	Department, FHWA

Bid for Construction	
Preparation of Bid Documents	Department
Review Bid Documents	Department
Advertisement for Bids	Department
Bid Opening, Evaluation, and Award	Department

Construction	
Coordination with Utilities for Relocation	Department
Issuance of Construction Notice To Proceed	Department
Administration of Construction Contract	Department
Inspection of Construction	Department
Issuance of Notification of Completion	Department

Exhibit 1-A: Roles and Responsibilities for Each Entity

I-35 at Kyle Crossing (CR 210)

	Responsible Party
Preliminary Engineering/Schematic	
Retain Consultant	Department
Develop Preliminary Design	Department
Develop Preliminary Cost Estimate	Department
Define Right of Way Requirements	Department
TxDOT Review and Approval of Preliminary Engineering Report	Department
Environmental Review	
Retain Consultant	Department
Draft Environmental Documents	Department
Schedule & Conduct Public Meetings	Department

Environmental Document Review	Department
Review of Environmental Documentation	Department, FHWA
Resource Agency Review	Department, FHWA
Notification and Documentation of Comments	Department
Publish and Hold Public Hearings	Department
Analyze and Document Public Hearings	Department
Final Review	Department, FHWA
Document Approval	Department, FHWA
Environmental Permits, Issues, and Commitments	Department
Permitting	
Develop Required Permit Applications	Department
Submit Required Permit Applications	Developer, Department

Right of Way Acquisition	
Develop Right of Way Budget	Developer, Department
Retain Surveyor	Developer
Develop Right of Way Map and Parcel Sketches	Developer, Department
Retain Appraisers	Developer
Work with Owners on Donations, Access, Etc.	Developer
Purchase Parcels at Developer's Risk	Developer
Purchase Parcels After NEPA Process	Developer, Department
Eminent Domain Proceedings	Developer
Utility Identification and Relocation	Developer, Department
Audit of Right of Way Process	Department

Design	
Retain Designer, Geotech, Surveyor, and other professional service providers	Department
Develop 30% Submittal Package	Department
30% Submittal for Department Review	Department
Final Submittal for Department Review	Department
Approval of Design	Department, FHWA
Bid for Construction	
Preparation of Bid Documents	Department
Review Bid Documents	Department
Advertisement for Bids	Department
Bid Opening, Evaluation, and Award	Department

Construction	
Coordination with Utilities for Relocation	Department
Issuance of Construction Notice To Proceed	Department
Administration of Construction Contract	Department
Inspection of Construction	Department
Issuance of Notification of Completion	Department

Exhibit 1-A: Roles and Responsibilities for Each Entity

I-35 at RM150

	Responsible Party
Preliminary Engineering/Schematic	
Retain Consultant	Developer
Develop Preliminary Design	Developer
Develop Preliminary Cost Estimate	Developer
Define Right of Way Requirements	Developer
TxDOT Review and Approval of Preliminary Engineering Report	Department
Environmental Review	
Retain Consultant	Developer
Draft Environmental Documents	Developer
Schedule & Conduct Public Meetings	Developer

Environmental Document Review	Department
Review of Environmental Documentation	Department, FHWA
Resource Agency Review	Department, FHWA
Notification and Documentation of Comments	Developer
Publish and Hold Public Hearings	Developer
Analyze and Document Public Hearings	Developer
Final Review	Department, FHWA
Document Approval	Department, FHWA
Environmental Permits, Issues, and Commitments	Developer
Permitting	
Develop Required Permit Applications	Developer
Submit Required Permit Applications	Developer, Department

Right of Way Acquisition	
Develop Right of Way Budget	Developer, Department
Retain Surveyor	Developer
Develop Right of Way Map and Parcel Sketches	Developer, Department
Retain Appraisers	Developer
Work with Owners on Donations, Access, Etc.	Developer
Purchase Parcels at Developer's Risk	Developer
Purchase Parcels After NEPA Process	Developer, Department
Eminent Domain Proceedings	Developer
Utility Identification and Relocation	Developer, Department
Audit of Right of Way Process	Department

Design	
Retain Designer, Geotech, Surveyor, and other professional service providers	Developer
Develop 30% Submittal Package	Developer
30% Submittal for Department Review	Department
Develop 60% Submittal Package	Developer
60% Submittal for Department Review	Department
Develop 90% Submittal Package	Developer
90% Submittal for Department Review	Department
Final Submittal for Department Review	Department
Approval of Design	Department, FHWA
Bid for Construction	

Preparation of Bid Documents	Department
Review Bid Documents	Department
Advertisement for Bids	Department
Bid Opening, Evaluation, and Award	Department

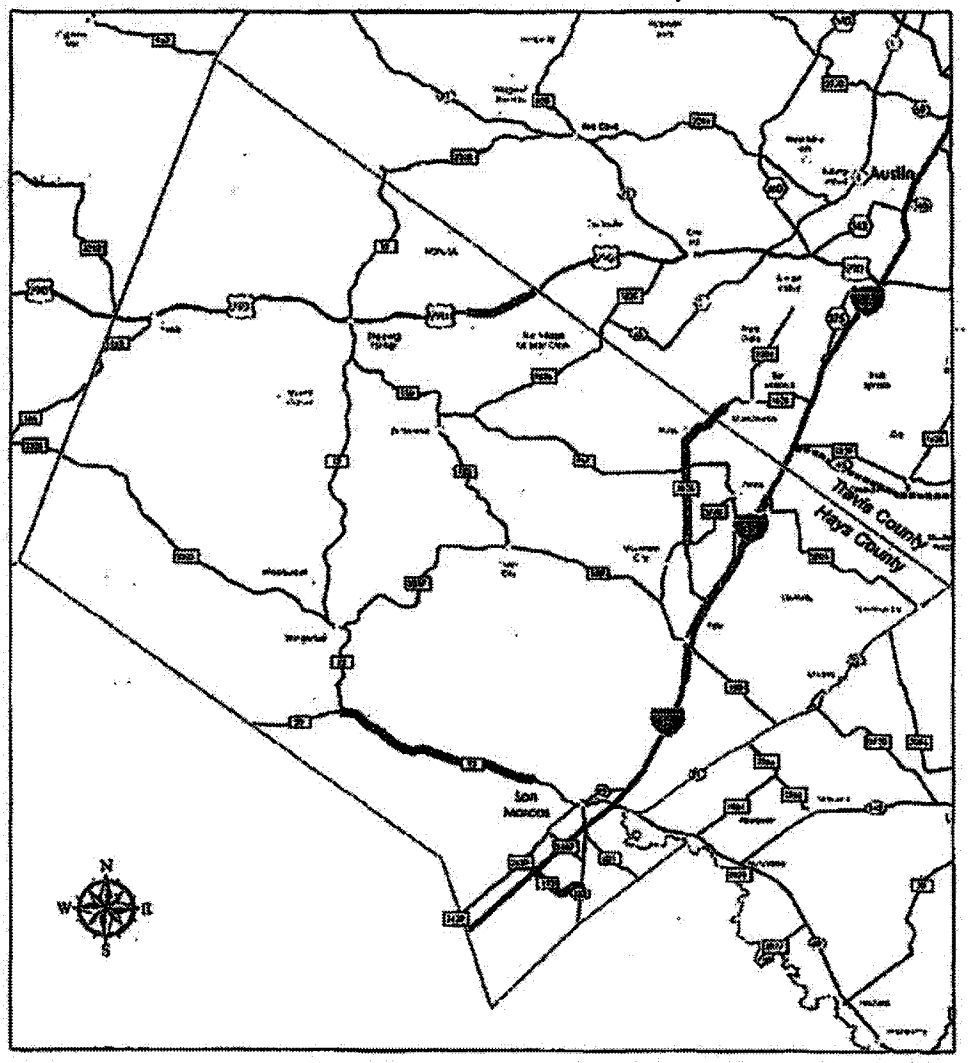
Construction	
Coordination with Utilities for Relocation	Department
Issuance of Construction Notice To Proceed	Department
Administration of Construction Contract	Department
Inspection of Construction	Department
Issuance of Notification of Completion	Department

Exhibit 2-A: General Review Schedule
Specific timelines are incorporated into the timeline for each highway improvement.

	Type of Review		Review Time
1	Preliminary/Schematic Layout Review		2 weeks
2	Environmental Review	District Environmental Review	2 weeks
		Document Revisions	1 week
		Environmental Review	2 weeks
		Document Revisions	1 week
		Resource Agency Review	45 days minimum
		FHWA Review	30 days
		Document Revisions	1 week

		Release to Public Hearing	6 weeks
		• Advertising for public hearing • Conducting Public Hearing	
		Comment Period	10 days
		Public Hearing Summary and Analysis Preparation	3 weeks
		Department Review of Summary and Analysis	3 weeks
		FHWA Review of Summary and Analysis	30 days
3	Review of Plans, Specifications, and Estimates	30% Completion	2 weeks
		60% Completion	2 weeks
		90% Completion	2 weeks
		100% Completion	2 weeks
		Federal Approval of Letter of Authority	1 week

ATTACHMENT A-1
LOCATION MAP



Legend

- Original Project to Remain
- Original Project to be Removed
- New Project to be Added

Hays County
Pass-Through Finance Projects

Contract Number: PT 2005-013-001

STATE OF TEXAS §

COUNTY OF TRAVIS §

COPY

AMENDMENT TO
PASS-THROUGH AGREEMENT FOR PAYMENT
OF PASS-THROUGH TOLLS BY THE DEPARTMENT

Amendment Number 2

THIS AMENDMENT to the Pass-Through Agreement for Payment of Pass-Through Tolls by and between the State of Texas acting by and through the Texas Department of Transportation, (the Department), and Hays County (the Developer), and becomes effective when fully executed by both parties.

BACKGROUND

The Department and the Developer executed an agreement on the 20th day of December, 2005. On May 21, 2006, the parties amended the agreement due to changes to the Background, Project Locations, Scope of Work, Project Costs, Construction Responsibilities and Project Implementation.

It has become necessary to further amend that agreement as a result of a reallocation of funding for the project.

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties hereto, the State and the Developer do agree as follows:

AGREEMENT

The Department and the Developer agree that the contract is amended as follows:

> **ATTACHMENT C-1,** (BUDGET) of Amendment Number 1 is hereby deleted in its entirety and replaced with **ATTACHMENT C-2,** (BUDGET), attached hereto and made a part of this agreement.

All other terms and conditions of the above numbered agreement not hereby amended remain in full force and effect.

Texas Department Of Transportation	Hays County Developer's Name
Authorized Signature	Authorized Signature
Phillip E. Russell, P.E. Assistant Executive Director for Innovative Project Development	Elizabeth Sumter Hays County Judge Typed Or Printed Name And Title
Date: Aug 6, 2009.	Date: JUL 2 1 2009

ATTACHMENT C-2 (BUDGET)

Developer will provide funding in accordance to a payment schedule outlined in an Advance Funding Agreement for the segments being constructed by the Department in the total amount of **$66,891,520.00** with the exception of the US 290 West segment where the initial $4 million payment shall be made prior to letting for construction with the remaining balance covered under an Advance Funding Agreement.

	Projects (2006-2011)	Segment Construction Cost	Right of Way Participation: Total	Right of Way Participation: State	Right of Way Participation: County	PS&E / CEI	Developer Participation	General Project Status	Maximum Total Reimbursement by Segment*
Developer Agreement	FM 110 McCarty Rd to SH 123 5-lane Rural	$14,700,000	$12,900,000 for Right of Way and Utility Relocation costs	$0	$12,900,000	$3,350,000	$90,350,000	Schematics and environmental document under development by TxDOT	$15,840,000
	FM 1626 Segment A Brodie Lane to FM 967 5-lane Rural	$23,746,320	$5,911,210 for Right of Way and Utility Relocation costs	$0	$5,911,210	$5,783,916	$35,411,449	Schematics and environmental document for segment of FM 1626 from Brodie Lane to FM 967 (Segment A) under development by TxDOT; Work has been initiated on segment from FM 967 to FM 2770 (Segment B). Public hearing is needed upon approval of ENV documents from FHWA; Water Pollution Abatement plan required.	$36,399,455
	FM 1626 Segment B FM 967 to FM 2770 5-lane Rural	$23,053,650	$5,798,790 for Right of Way and Utility Relocation costs	$0	$5,798,790	$5,888,084	$34,378,561	See Commentary for Phase A, above	$35,337,745
Department Sponsored	US 290 West Trautwein to Nutty Brown Rd	$7,800,000	$0	$0	$0	TxDOT	$7,800,000	Letting date controlled by environmental re-evaluation required after May, 2008; PS&E complete; Department has Programmatic Categorical Exclusion as of May 2005; Project Let's in May 2008; WPAP approved March '08	$7,800,000

	IH 35 at RM 2001 (Overpass Rd)	$950,000	$0	$0	$0	Developer/ TxDOT	$950,000	PS&E under review; ROW/utilities cleared; ENV received a FONSI Sept 16, 2008, will need Reevaluation or statement of Continuous Activity after Sept. 15, 2009.	$0***
	IH 35 at Kyle Crossing (CR 210) with SB frontage, roads and ramps	$20,300,000	$8,447,920	$0	$8,447,920	Developer/ TxDOT	$28,747,920	Categorical Exclusion, Dec 16, 2005. Reevaluation of ENV due to design changes is in progress.	$18,697,920
	IH 35 at RM 150	$12,940,000	$15,158,600	$0	$15,158,600	$1,500,000 PS&E only CEI by TxDOT	$29,598,600	No work has been initiated; Department will do ENV document.	$19,294,850
	TOTAL	$103,290,000	$47,551,520	$0	$47,551,520	$16,190,000	$167,031,520		$133,170,000

* Does Not Include Federal Earmark Dollars **A maximum of $45,692,800 shall be paid for all four Department Constructed Segments
***100% Locally funded; reimbursement transferred to IH 35 at Kyle Crossing (CR 210) Segment

Contr[illegible]lo. PT 2005-013-01
CSJ No. 3545-02-003, 0805-01-017, 1539-01-013, 1539-01-005, etc, 0016-02-107, etc., 0016-02-127, 1776-02-014 & 0113-07-057
Federal Highway Administration
CFDA#20.205
Not Research and Development

STATE OF TEXAS §

COUNTY OF TRAVIS §

AMENDMENT TO PASS-THROUGH AGREEMENT FOR PAYMENT OF PASS-THROUGH TOLLS BY THE DEPARTMENT

Amendment No. 3

THIS AMENDMENT is made by and between the State of Texas, acting through the Texas Department of Transportation (the "Department"), and Hays County (the "Developer"), and becomes effective when fully executed by both parties.

BACKGROUND

The Department and the Developer executed the Agreement on the 20th day of December, 2008. On May 21, 2008, the parties amended the Agreement due to changes to the Background, Project Locations, Scope of Work, Project Costs, Construction Responsibilities and Project Implementation (Amendment Number 1).

On August 6, 2009, the parties amended the Agreement and Amendment Number 1 due to changes to the reallocation of funding for the project (Amendment Number 2).

It has become necessary to further amend that Agreement and subsequent Amendments with changes to Scope of Work and Project Costs as a result of deleting a portion of the FM 110 segment from Developer's work and replacing the deleted portion of the FM 110 segment with a segment on I-35 at Yarrington Road.

On March 29, 2012 the Texas Transportation Commission passed Minute Order 113047, authorizing an amendment to the pass-through toll agreement with Hays County to include improvements on IH-35 at Yarrington Road instead of the FM 110 segment constructed by the City of San Marcos.

AGREEMENT

The Department and the Developer agree that the contract is amended as follows:

1. Description of Amended Items

Part I

4. f. Sources and Uses of Funds of Amendment Number 1 and each reference to 4f. Sources and Uses of Funds in the Agreement and subsequent Amendments is amended to add segment IH-35 at Yarrington Road.

Part II

9. a. Construction Responsibilities of Amendment Number I and each reference to 9a. Construction Responsibilities in the Agreement and subsequent Amendments is amended to add segment IH-35 at Yarrington Road.

Part III

ATTACHMENT C-2 (BUDGET) of Amendment Number 2 and each reference to Attachment C, C-1, and C-2 in the Agreement and subsequent Amendments is hereby deleted in its entirety and replaced with **ATTACHMENT C-3 (BUDGET)**, attached hereto and made a part of this Agreement.

Part IV

ATTACHMENT B-1 (PROJECT DESCRIPTION AND SCOPE OF WORK) of Amendment Number 1 and each reference to Attachment B and B-1 in the Agreement and subsequent Amendments is hereby deleted in its entirety and replaced with **ATTACHMENT B-2 (PROJECT DESCRIPTION AND SCOPE OF WORK)**, attached hereto and made a part of this Agreement.

Part V

ATTACHMENT A-1 (LOCATION MAP) of Amendment Number 1 and each reference to Attachment A and A-1 in the Agreement and subsequent Amendments is hereby deleted in its entirety and replaced with **ATTACHMENT A-2 (LOCATION MAP)**, attached hereto and made a part of this Agreement.

Part VI

ATTACHMENT D-1 (Exhibit-1A Roles and Responsibilities for Each Entity) of Amendment Number 1 is hereby amended to add IH-35 at Yarrington Road Bridge, attached hereto and made a part of this Agreement.

All other terms and conditions of the above-numbered agreement not hereby amended remain in full force and effect.

2. **Signatory Warranty**
   Each signatory warrants that the signatory has necessary authority to execute this agreement on behalf of the entity represented.

Contract No. PT 2005-013-01
CSJ No. 3545-02-003, 0805-01-017,
1539-01-013, 1539-01-005, etc, 0016-02-
107, etc., 0016-02-127,
1776-02-014 & 0113-07-057
Federal Highway Administration
CFDA#20.205
Not Research and Development

THIS AMENDMENT IS EXECUTED by the Department and the Developer in duplicate.

THE DEPARTMENT	THE DEVELOPER
Signature	Signature
Phil Wilson Executive Director Texas Department of Transportation	Albert H. Cobb, Jr. County Judge Hays County
Typed or Printed Name and Title	Typed or Printed Name and Title
May 9, 2012 Date	4-10-2012 Date

ATTACHMENT B-2

PROJECT DESCRIPTION AND SCOPE OF WORK

Developer Segments

Developer Segment Number 1
FM 110 (San Marcos Loop)
1.2 Mi E of IH 35 E Flg Rd to east of SH 123, 4-lane divided rural section

The proposed San Marcos Loop connects IH-35 at McCarty Road on the south side of San Marcos to IH-35 at Yarrington Road north of San Marcos. The Developer will construct 1.2 miles of the proposed San Marcos Loop from 1.2 miles east of IH-35 to east of SH 123. The 1.2 mile section from 1.2 miles east of IH-35 to SH 123 will be a 4-lane divided rural, limited access roadway.

In Amendment Number 1, the original project length was identified as a 2-mile segment from IH 35 to SH 123. Total project length has since been revised to approximately 2.4 miles. The City of San Marcos determined the need to construct the section from the IH 35 frontage road to 1.2 miles east (McCarty Road) before the above 1.2 mile section was ready for construction. Therefore, the McCarty Road section has been removed from this agreement's project scope of work.

Public Hearing held on August 29, 2009. Open House for design changes resulting from Public Hearing Comments held February 24, 2011. Revised EA sent to FHWA December 9, 2011. FHWA comments on revised EA received January 4, 2012.

Right of way acquisition is underway.

PS&E is 90% complete.

The construction cost of the project is $15,175,000.

Developer Segment Number 2
FM 1626 (A and B)
FM 2770 to Brodie Lane, 5-lane rural

The project consists of reconstructing 6.8 miles of existing FM 1626. The existing roadway is 2-lane rural roadway with limited or no shoulders and several low water areas. The roadway would be reconstructed as a 5-lane rural facility. Existing (2004) average daily traffic volumes range between 6,200 and 11,500 vehicles per day.

The cost of the project is $69,790,000 which includes an estimated $11,650,000 of right of way and utility relocation costs.

Schematics and environmental document for segment of FM 1626 from Brodie Lane to RM 967 (Segment A) under development by TxDOT; work has been initiated on segment from RM 967 to FM 2770 (Segment B).

Segment A Project received FONSI on October 19, 2011, WPAP was approved on September 21, 2011.

A draft EA for Segment B Project was received by TxDOT on November 21, 2011 and is under review.

Department Segments

For the Department constructed segments the Developer shall provide the Department construction funding for the segment being constructed. See Attachment C-3 (Budget) for further details. The total for all Department constructed segments shall be in the amount of $82,066,520. Developer will make construction payments in accordance to a funding schedule outlined in an Advance Funding Agreement prior to the segments letting date and before any construction shall begin.

For each of the Department developed segments, with the exception of the Department Segment No. 5, IH-35 at Yarrington Road, the Department will produce the environmental document and conduct all public involvement on the segment. Upon receiving environmental clearance for each of the US 290 West and IH-35 at Kyle Crossing segment, the Department will develop or cause the development of, the right of way map and other acquisition documents, and the plans, specifications, and estimates (PS&E) for construction of the segment. Upon completion of the right of way map and other acquisition documents, plans, specifications, and estimates for the construction of the segment including any changes or updates to said documents, the Department shall provide a copy of said documents to the Developer. The Developer will acquire any additional right of way that may be necessary for letting and construction of the segment. The Department will let the project through the statewide bid process and then inspect and administer the segment during construction.

Department Segment Number 1:
US 290 West
Trautwein Road to Nutty Brown Road

US 290 West is a major east-west state highway in Central Texas that passes through Western Hays County. The section where the proposed improvements will be constructed is a rural cross-section with 4-11' travel lanes and no shoulders. The Department has been adding a center turn lane along many sections of US 290 West from RR 12 to the Hays/Travis County Line. This is the last 2.02-mile section to be improved.

This project was endorsed as a Programmatic Categorical Exclusion by the Department's Environmental Affairs Division on May 25, 2005. If this project lets after May 2008 a Re-evaluation or Statement of Continuous Activity will be required. The WPAP for this project was approved on March 10, 2008. The PS&E has been completed and the project to construct a center turn lane and add shoulders is scheduled for a May 2008 letting. The estimated construction cost is $7,600,000. The project will be let and managed by the Department's Austin District.

The Developer will submit an initial payment of $4 million prior to letting and will enter into an Advance Funding Agreement with the Department specifying a payment schedule to the Department to cover the total construction costs of the US 290 West improvements.

Department Segment Number 2:
IH-35 at FM 2001 – Overpass Road

FM 2001 is an east-west state highway connecting IH-35 and SH 21 in northeast Hays County. Significant improvements to FM 2001 have been made in a partnership between Department, the City of Buda, private developers and the Developer. The proposed project improves existing Overpass Road as part of the overall realignment and improvements to FM 2001. This is the last connection to the new $20.0 million interchange and frontage road improvements made by the Department. The

PS&E, provided by a private developer, is currently under final review.

The environmental document for this project on Overpass Road between IH-35 and 645 feet east of IH-35 was endorsed as a State FONSI on September 15, 2006. If the project lets after September 15, 2009, a Re-evaluation or Statement of Continuous Activity will be needed.

The project, estimated to cost $950,000 is scheduled for a Fall 2008 letting. The project will be let and managed by the Department.

The Developer will enter into an Advance Funding Agreement with the Department specifying a payment of $950,000 prior to letting by the Department.

Department Segment Number 3:
IH-35 at Kyle Crossing (CR 210) with Southbound frontage roads and ramps

Kyle Crossing (CR 210) is a major east-west arterial in central Hays County. This project consists of reconstructing the substandard 2-lane bridge over IH-35, including North-South and South-North turnaround bridges. The project will also construct a section of frontage road between Kyle Crossing and FM 1626. Constructing this missing gap of frontage road will allow the IH-35 frontage roads between FM 2001 and FM 1626 to operate as one-way. The project has all environmental clearances and the PS&E is complete. The Developer will acquire the right of way and relocate the utilities. Total project cost is $28,747,920. The City of Kyle through a Department State Infrastructure Bank loan will contribute $11,000,000.

A CE for the IH-35 at Kyle Crossing project was endorsed on December 27, 2005. A re-evaluation was approved on August 29, 2008.

The Department's Austin District will let and manage the construction.

The City of Kyle and the Developer will both enter into an Advance Funding Agreement with the Department specifying payment of the full construction amount. It is envisioned that the City of Kyle will make an $11,000,000 contribution prior to construction letting. The Developer will make its payment for the balance of the construction cost prior to letting.

Department Segment Number 4:
IH-35 at RM 150

This project completes the southbound frontage road between FM 1626 and RM 150. The project includes constructing new ramps and a realignment of FM 150 east of IH 35. The frontage road construction and realignment of FM 150 will allow the frontage roads between FM 1626 and Yarrington Road to be converted from two-way to one-way operation. When this project is complete, all of the IH-35 frontage roads in Hays County will be able to be converted to one-way. The Developer will be responsible for the environmental permitting, design and right of way acquisition for the project. The estimated total project cost is $29,593,600. The City of Kyle is contributing $3.0 million towards the project and is responsible for the RM 150 realignment right of way ($1,625,000). The Department will let and manage the construction of the project. A CE finding was issued by FHWA on January 5, 2012. Once the projects have environmental clearance and a Letter of Authority, the Developer will enter into an Advance Funding Agreement with TxDOT specifying a payment schedule for construction funding to be supplied to the Department prior to receiving bids.

Department Segment Number 5:
IH-35 at Yarrington Road

The project consists of replacing the existing 2-lane structure with a 6-lane structure with 12-foot lanes and 5-foot sidewalks. In addition, a south to north turnaround structure and a north to south turnaround structure will be construction at the IH-35 at Yarrington Road intersection.

The cost of the project is $15,175,000 for PS&E, ROW, utilities, construction and construction support design services.

The Developer will be responsible for environmental permitting, design, right of way acquisition and utility relocations for the project. The Department will let and manage the construction of the project. No work has been done to develop the project. Once the projects have environmental clearance and a Letter of Authority, the Developer will enter into an Advance Funding Agreement with TxDOT specifying a payment schedule for construction funding to be supplied to the Department prior to receiving bids.

ATTACHMENT C-3 (BUDGET)

Developer will provide construction funding to the Department in accordance to a payment schedule outlined in an Advance Funding Agreement for the segments being constructed by the Department in the total amount of $82,066,520 with the exception of the US 290 West segment where the initial $4 million payment shall be made prior to letting for construction with the remaining balance covered under an Advance Funding Agreement.

Developer's cost share toward the Federal Earmark Dollars for FM 110 roadway project shall be covered under an Advance Funding Agreement.

	Projects (2006-2014)	Segment Construction Cost	Right of Way Participation			PS&E / CEI	Developer Participation	General Project Status	Maximum Total Reimbursement by Segment *
			Total	State	County				
Developer Segments	FM 110 1.2 Mi E of IH 35 E Fig Rd to SH 123 5-lane Rural	$7,350,000	$6,150,000 for Right of Way and Utility Relocation costs	$0	$6,150,000	$1,675,000	$15,175,000	Public Hearing held on August 29, 2009. Open House for design changes resulting from Public Hearing held February 24, 2011. Revised EA to FHWA on December 9, 2011. FHWA comments on revised EA received January 4, 2012.	$7,920,000
	FM 1626 Segment A to Brodie Lane 5-lane Rural	$23,746,320	$5,911,210 for Right of Way and Utility Relocation costs	$0	$5,911,210	$5,753,916	$35,411,446	Schematics and environmental document for segment of FM 1626 from Brodie Lane to RM 967 (Segment A) under development by TxDOT; A FONSI was issued on October 19, 2011 and a WPAP was approved on September 21, 2011.	$36,399,455
	FM 1626 Segment B FM 967 to FM 2770 5-lane Rural	$23,053,680	$5,738,790 for Right of Way and Utility Relocation costs	$0	$5,738,790	$5,586,084	$34,378,554	Work has been initiated. A draft EA was received by TxDOT on November 21, 2011 and is under review.	$35,337,745
	Subtotal	$54,150,000	$17,800,000	$0	$17,800,000	$13,015,000	$84,965,000		$79,657,200
Department Segments	US 290 West Trautwein to Nutty Brown Rd	$7,600,000	$0	$0	$0	TxDOT	$7,600,000	Project Completed	$7,600,000
	IH 35 at FM 2001 (Overpass Rd)	$950,000	$0	$0	$0	Developer/ TxDOT	$950,000	PS&E under review; ROW/utilities cleared; ENV received a FONSI Sept 16, 2006, will need Reevaluation or statement of Continuous Activity after Sept. 15, 2009.	$0***

	IH 35 at Kyle Crossing (CR 210) with SB frontage roads and ramps	$20,300,000	$8,447,920	$0	$8,447,920	Developer/ TxDOT	$28,747,920	Categorical Exclusion received Dec 27, 2005. Reevaluation of ENV due to design changes was approved August 29, 2009.	$18,697,920
	IH 35 at RM 150	$12,940,000	$15,153,800	$0	$15,153,800	$1,500,000 PS&E by Developer/ CEI by TxDOT	$29,593,800	PS&E under review; ROW/utilities not cleared; CE received January 5, 2011.	$19,294,880
	IH-35 at Yarrington Road bridge replacement and new turnaround structures	$13,115,367	$889,005 for Right of Way and Utility Relocation costs	$0	$889,005	$1,170,628 PS&E by Developer/ CEI by TxDOT	$15,175,000	No work has been initiated.	$7,920,000
	Subtotal	$54,905,367	$24,490,525	$0	$24,490,525	$2,670,628	$82,066,520		$53,512,800**
	TOTAL	$109,055,367	$42,290,525	$0	$42,290,525	$15,685,628	$167,031,520		$133,170,000

* Does Not include Federal Earmark Dollars
** A maximum of $53,512,800 shall be paid for all four Department Constructed Segments
*** 100% Locally funded; reimbursement transferred to IH 35 at Kyle Crossing (CR 210) Segment

ATTACHMENT A-2 (LOCATION MAP)

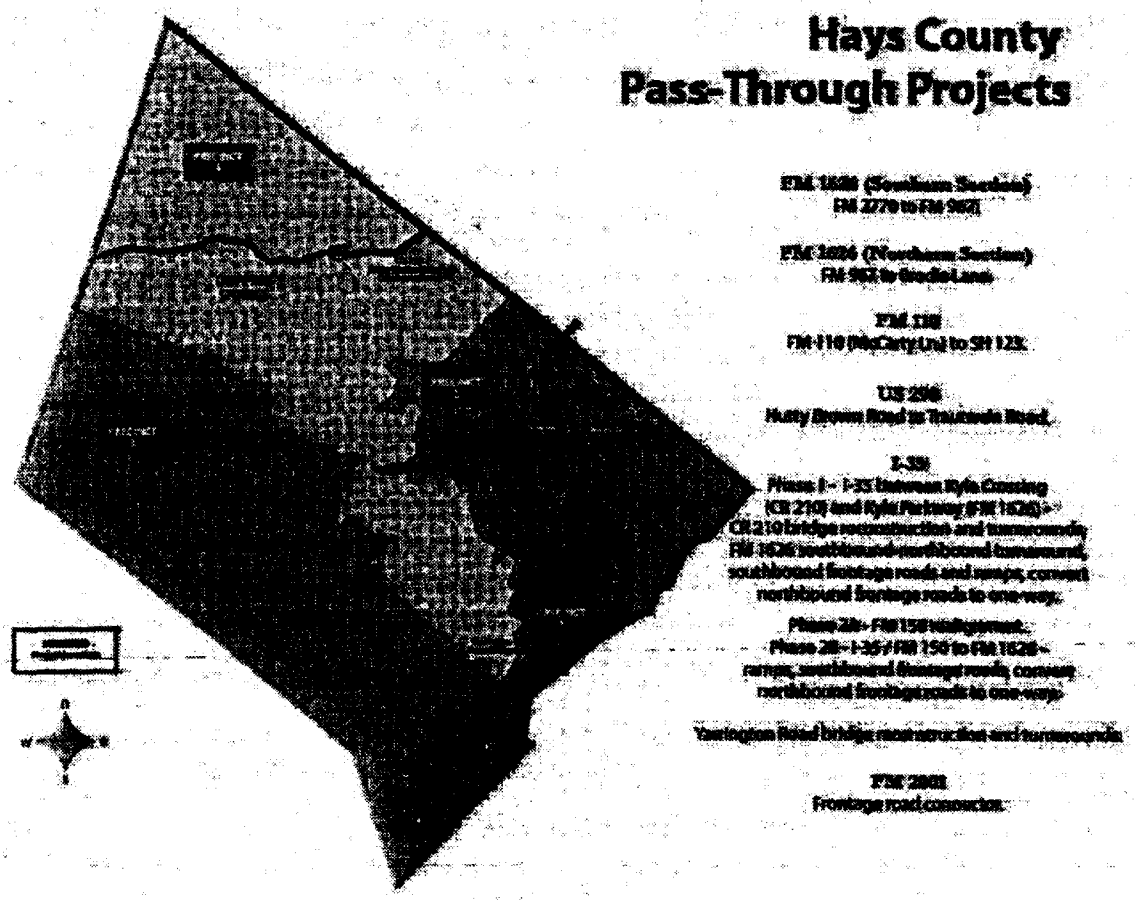


Exhibit 1-A: Roles and Responsibilities for Each Entity

IH-35 at Yarrington Road Bridge

	Responsible Party
Preliminary Engineering	
Retain Consultant	Developer
Develop Preliminary Design	Developer
Develop Preliminary Cost Estimate	Developer
Define Right of Way Requirements	Developer
TxDOT Review and Approval of Preliminary Engineering Report	Department
Environmental Review	
Retain Consultant	Developer
Draft Environmental Documents	Developer
Schedule & Conduct Public Meetings	Developer, Department
Review of Environmental Documentation	Developer, Department, FHWA
Notification and Documentation of Comments	Developer
Publish and Hold Public Hearings	Developer, Department
Analyze and Document Public Hearings	Developer
Final Review	Developer, Department, FHWA
Document Approval	Department, FHWA
Environmental Permits, Issues, and Commitments	Developer
Permitting	
Develop Required Permit Applications	Developer
Submit Required Permit Applications	Developer, Department
Right of Way Acquisition	
Develop Right of Way Budget	Developer
Retain Surveyor	Developer
Develop Right of Way Map	Developer
Retain Appraisers	Developer
Work with Owners on Donations, Access, Etc.	Developer
Purchase Parcels After NEPA Process	Developer
Eminent Domain Proceedings	Developer
Utility Identification and Relocation	Developer
Oversight and Audit of Right of Way Process	Department

	Responsible Party
Design	
Retain Designer, Geotech, Surveyor, and other professional service providers	Developer
Develop 30% Submittal Package	Developer
30% Submittal for Department Review	Developer
Final Submittal for Department Review	Developer
Approval of Design	Department, FHWA
Bid for Construction	
Preparation of Bid Documents	Developer, Department
Advertisement for Bids	Department
Bid Opening, Evaluation, and Award	Department
Certified Final Award	Department
Construction	
Coordination with Utilities for Relocation	Developer
Issuance of Construction Notice To Proceed	Department
Administration of Construction Contract	Department
Inspection of Construction	Department
Issuance of Notification of Substantial Completion	Department
Issuance of Letter of Approval for Payment	Department
Issuance of Notification of Completion	Department
Issuance of Letter of Acceptance	Department

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court
Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Executive Session pursuant to Sections 551.071 and 551.072 of the Texas Government Code: consultation with counsel and deliberation regarding the purchase, exchange or value of Right of Way along proposed FM110 in Pct 1. Possible action to follow in open court.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
EXECUTIVE SESSION	May 31, 2016	

LINE ITEM NUMBER

AUDITOR USE ONLY

AUDITOR COMMENTS:

PURCHASING GUIDELINES FOLLOWED: N/A **AUDITOR REVIEW:** N/A

REQUESTED BY	SPONSOR	CO-SPONSOR
Kennedy	INGALSBE	N/A

SUMMARY

Summary to be provided in Executive Session.