



CITY OF WEST LAKE HILLS, TEXAS
NOTICE OF CITY COUNCIL REGULAR MEETING
Wednesday, February 9, 2022 at 7:00 PM

Notice is hereby given that the City Council of the City of West Lake Hills, Texas, will hold a Regular Meeting on the 9th day of February 2022 at 7:00 p.m., in the Council Chamber, Municipal Building, 911 Westlake Drive, West Lake Hills, Texas, at which time the following items will be discussed, to-wit:

REMOTE ACCESS:

Due to the COVID-19 Stage 5 status in Travis County, any citizens or applicants that wish to speak at the meeting are encouraged to attend virtually, as the number of people in the chambers will be limited due to physical distancing. Facial Coverings are not required, but highly recommended, and will be available for any that need one.

Join Zoom Meeting: Copy and Paste the link below:

<https://us02web.zoom.us/j/82656813688?pwd=Z01DYTBhKzFXdWdwZGVINW1DeUJMdz09>

Meeting ID: 826 5681 3688

Passcode: 152277

If you wish to listen to the meeting via telephone: Dial (346) 248-7799, Meeting ID 826 5681 3688, Password: 152277.

If you wish to speak during the meeting, please provide your name, phone number and the item number you wish to speak on to citysec@westlakehills.gov by 1:00 P.M. on February 9, 2022.

Members of the public who wish to submit their written comments in lieu of speaking shall submit their comments by emailing citysec@westlakehills.gov. Comments must be received by 1:00 P.M. on February 9, 2022.

1. Call to Order
2. Citizen Communications The City Council Welcomes Public Comments at this Point on any Issue. If the Issue is Listed on the Agenda, the Speaker May Choose to Comment During the Public Comment Period or When the Specific Agenda item is Taken Up by the Council Later in the Meeting. The Council Cannot Respond to Matters Not Listed on the Agenda Until a Future Meeting. Speakers Shall Limit Their Comments to Five (5) Minutes

Each

3. Consent Agenda All Consent Agenda Items Listed are Considered to be Routine by the City Council and Will be Enacted by One (1) Motion. No Separate Discussion or Action on any of the Items is Necessary Unless Desired by a Council Member or Citizen
 - a. Approval of the January 26, 2022 Regular Meeting Minutes
 - b. Q4 Public Safety Report
 - c. Quarterly Investment Report for Q1 FY2021-2022
 - d. **3930 Bee Cave Road:** Approval of a Sign Permit Application to replace the existing wall hanging sign at Westlake Animal Hospital (West Lake Hills Code Chapter 32). Applicant Sign Remedy, Inc. Teresea Lindsey.
 - e. **3930 Bee Cave Road:** Approval of a Sign Permit Application to a freestanding sign at Westlake Animal Hospital (West Lake Hills Code Chapter 32). Applicant Sign Remedy, Inc. Teresea Lindsey.
 - f. **3520 Bee Cave Road:** Approval of two Sign Permit Applications to install monument signs, American Bank (West Lake Hills Code Chapter 32). Applicant: Liberty Signs, Jennifer Garcia.
 - g. Approval of a Contract with Travis County for Election Services Performed for the May 7, 2022 General Election
4. Land Use Discuss and consider action for Approval of an Ordinance of the City of West Lake Hills, Texas, amending Chapter 38, Article 38.02, Section 38.02.007 of the Code of Ordinances by adding factors the Board of Adjustment may consider in exercising its authority to authorize variances from the terms of a zoning ordinance to determine whether compliance with an ordinance as applied to a structure would result in unnecessary hardship; and providing for the following: findings of fact; enactment; repealer; severability; penalty; codification; effective date; and proper notice & meeting
5. Administration Discuss and Consider Action on the Adoption of an Ordinance Authorizing and Ordering the Issuance of City of West Lake Hills, Texas General Obligation Bonds, Series 2022; Prescribing the Terms and Form Thereof; Making Other Provisions Regarding Such Bonds, Including Use of the Proceeds Thereof, and Matters Incident Thereto
6. Administration Discussion and Update Regarding the Timeline for Bond Items
7. Administration Update on Water District 10 Regarding Infrastructure Buildout
8. Administration Discussion and Update Regarding the City Administrator Recruitment Search
9. Executive Session An Executive Session may be held in accordance with the authority

contained in Texas Government Code, section 551.071 for:

- a. Consultation with Legal Counsel to discuss pending litigation in Cause No. 2019-03-28-01; City of West Lake Hills, Plaintiff, v. Jaff Ventures, LLC; Douglas Jaffe III, and 1405 Wild Cat Hollow, West Lake Hills, Texas, Defendants and Cause No. D-1-GN-19-007546; City of West Lake Hills, Plaintiff v. Jaff Ventures, LLC and Douglas Jaffe III
- b. Consultation with City Attorney regarding pending litigation in Cause No. D-1-GN-21-007357; Alvarez v. City of West Lake Hills Board of Adjustment, 200th District Court, Travis County, Texas – 1505 Wildcat Hollow
- c. Consultation with Legal Counsel to discuss pending litigation in Cause No. D-1-GN-21-002632; Moore et al. v. City of West Lake Hills, 98th Judicial District Court, Travis County, Texas (Project 16329 - 803 Westlake Drive) (Texas Government Code Section 551.071)
- d. Deliberation Regarding Real Property (Texas Government Code Section 551.072)

10. Administration Take any Necessary or Appropriate Action on Matters Posted for Consideration in Closed/Executive Session

11. Adjournment

Approved by: Linda Anthony, Mayor

Certificate

I certify that the above Notice of the February 9, 2022 City Council Regular Meeting was posted on the Municipal Building bulletin board at 911 Westlake Drive, West Lake Hills, Texas, and online at <https://westlakehills.org/281/Agendas-Minutes>, on Friday February 4, 2022 by 5:00 pm and will remain posted continuously until said meeting is convened.

Signed by: Stephanie Mills, City Secretary

The City of West Lake Hills is committed to compliance with the Americans with Disabilities Act. Reasonable accommodations and equal access to communications will be provided upon request.

All items on the agenda are for discussion and/or action. City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), and 551.086 (Economic Development).

CITY OF WEST LAKE HILLS, TEXAS
MINUTES OF A CITY COUNCIL REGULAR MEETING
Wednesday, January 26, 2022 at 7:00 PM

1. Call to Order

With a quorum present, Mayor Anthony called the meeting to order at 7:00 p.m. Members in attendance were Mayor Linda Anthony, Mayor Pro Tem Walker, Councilmembers Rhonda McCollough, Brian Plunkett, Beth South, and Gordon Bowman

2. Proclamation Recognizing the West Lake High School Football Team's State Championship Win

Mayor Anthony Presented the Proclamation

3. Proclamation Recognizing Coach Todd Dodge for Being Selected as the 2021 National Coach Of The Year by High School Football America

Mayor Anthony Presented the Proclamation

4. Citizen Communications The City Council Welcomes Public Comments at this Point on any Issue. If the Issue is Listed on the Agenda, the Speaker May Choose to Comment During the Public Comment Period or When the Specific Agenda item is Taken Up by the Council Later in the Meeting. The Council Cannot Respond to Matters Not Listed on the Agenda Until a Future Meeting. Speakers Shall Limit Their Comments to Five (5) Minutes Each

Mayor Anthony opened the meeting for public comments.

Citizen Laurie Maccini spoke

Hearing no further speakers, the public comment section was closed.

5. Consent Agenda All Consent Agenda Items Listed are Considered to be Routine by the City Council and Will be Enacted by One (1) Motion. No Separate Discussion or Action on any of the Items is Necessary Unless Desired by a Council Member or Citizen
 - a. Approval of the December 8, 2021 Regular Meeting Minutes
 - b. Approval of the January 12, 2022 Regular Meeting Minutes
 - c. Approve the Appointment of Ryan Henry as Presiding and Jay Caballero as Associate Judge

A Motion for Approval of the Consent Agenda was made by Mayor Pro Tem Walker with a Second by Councilmember South.

The Motion for Approval carried unanimously by a vote of 5 ayes to 0 nays

6. Administration Discuss and Consider Action on a Work Authorization for K Friese & Associates for Bond Projects

A Motion for Approval was made by Councilmember South with a Second by Councilmember Plunkett

The Motion for Approval carried unanimously by a vote of 5 ayes to 0 nays

7. Finance Discuss and Consider Action on a Reimbursement Resolution Expressing Intent to Finance Expenditures.

A Motion for Approval was made by Councilmember Plunkett with a Second by Mayor Pro Tem Walker

The Motion for Approval carried unanimously by a vote of 5 ayes to 0 nays

8. Administration Update on the Upcoming May 7, 2022 General Election

No action was taken on this item

9. Ordinance Discuss and Consider Action to Order the May 7, 2022 General Election for the Positions of Mayor, Councilmember Place 2, and Councilmember Place 4

A Motion for Approval was made by Mayor Pro Tem Walker with a Second by Councilmember Bowman

The Motion for Approval carried unanimously by a vote of 5 ayes to 0 nays

10. Administration Discussion and Update Regarding the City Administrator Recruitment Search

No action was taken on this item

11. Administration Discussion and Update Regarding the Timeline for Bond Items

No action was taken on this item

12. Executive Session An Executive Session may be held in accordance with the authority contained in Texas Government Code, section 551.071 for:

- a. Consultation with Legal Counsel to discuss pending litigation in Cause No. 2019-03-28-01; City of West Lake Hills, Plaintiff, v. Jaff Ventures, LLC; Douglas Jaffe III, and 1405 Wild Cat Hollow, West Lake Hills, Texas, Defendants and Cause No. D-1-

GN-19-007546; City of West Lake Hills, Plaintiff v. Jaff Ventures, LLC and Douglas Jaffe III

- b. Consultation with City Attorney Regarding an Update on Cause No. D-1-GN-001858, City of West Lake Hills vs. Yaupon Partners, LLC and Ray McMackin; Case No. 12-12734-tmd, In re: Raymond McMackin; and Adversary No. 13-01049-tmd, City of West Lake Hills v. Raymond McMackin
- c. Discuss pending litigation in Cause No. D-1-GN-21-007357; *Alvarez v. City of West Lake Hills Board of Adjustment*, 200th District Court, Travis County, Texas – 1505 Wildcat Hollow

Council went into Executive Session at 7:26 p.m. and reconvened in Open Session at 8:05 p.m.

13. Administration Take any Necessary or Appropriate Action on Matters Posted for Consideration in Closed/Executive Session

A Motion for Approval of a Settlement Agreement for McMackin Executive Session item was made by Councilmember Plunkett with a Second by Councilmember Mayor Pro Tem Walker

The Motion for Approval carried unanimously by a vote of 5 ayes to 0 nays

14. Adjournment

A Motion to adjourn the meeting was made at 8:07 p.m. by Mayor Pro Tem Walker with a Second by Councilmember Plunkett.

The Motion to Adjourn carried unanimously by a vote of 5 ayes to 0 nays

Respectfully submitted,

LINDA ANTHONY, MAYOR

ATTEST:

Stephanie Mills, City Secretary

These minutes were approved on _____, 2022.



West Lake Hills Police Department West Lake Hills, TX



Public Safety Report 4th Quarter (Oct. – Dec.), 2021

Statistical Highlights

During the 4th quarter (Oct. – Dec.) 2021, there were 37 reported NIBRS Group A offenses, compared with 59 for the 3rd quarter of 2021 and 24 during the same quarter last year. Officers made 15 in-custody or field release arrests in Q4 2021 compared to 16 in Q3.

In Q4, our officers made 715 traffic stops, resulting in 449 violations (62.7%), and 570 warnings (79.7%). Of the 449 violations, 165 were for speeding and 84 were for speeding in a school zone. This compares to 516 traffic stops for Q3.

During Q4, West Lake Hills Police Officers responded to 485 calls for service, compared to 449 calls for service in Q3. Officers also conducted 172 close patrol checks for residents who were out of town, compared to 300 for Q3.

STR Locations

There were no 911 calls for service at any of the 9 locations listed as Short-Term Rental locations for this quarter. For 2021, there were a total of 4 calls – they were all in early July at a single STR location – 910 Beaver Trail. Ownership of this address changed, and they no longer have a valid STR for this location.

COVID-19

National Night Out was cancelled out of an abundance of caution related to COVID-19 and its transmission.

Personnel Actions

- **New Officer Completes Training**

Officer Jeremiah Madrigal was sworn in on June 9th. He completed an extensive training program and was able to work on his own starting Nov 17th.

- **Corporal Promotions**

In December, three officers were promoted to the rank of Corporal. They include Aaron Ozuna, Jared Mathis, and Robert Allensworth. We anticipate having a formal promotional ceremony when the COVID numbers will allow for it.

- **Training**

Officers completed 276 hours of training during this quarter, including 142 in-person hours and 134 online hours. This compares to 221 hours during Q3.

City of West Lake Hills

Investment Report
Quarter Ended 12/31/2021

	Current Book Value	Current Market Value	Previous Book Value	Change in Book Value	Interest Earned	% of Portfolio	Annual Percentage Yield Earned
General Fund Investments							
Frost Bank - Checking Acct	2,311,899	2,311,899	1,295,270	1,016,629	-	17.99%	0.000%
Lone Star Liquidity Fund	6,470,500	6,470,428	6,469,270	1,231	1,037	50.34%	0.063%
LOGIC	2,301,439	2,301,439	2,301,151	288	288	17.90%	0.042%
Total General Fund	<u>\$ 11,083,838</u>	<u>\$ 11,083,766</u>	<u>\$ 10,065,690</u>	<u>\$ 1,018,148</u>	<u>\$ 1,325</u>	<u>86.23%</u>	
Wastewater Fund Investments							
Lone Star Liquidity Fund	<u>36,083</u>	<u>36,082</u>	<u>36,077</u>	<u>6</u>	<u>6</u>	<u>0.28%</u>	0.063%
Total Wastewater Fund	<u>\$ 36,083</u>	<u>\$ 36,082</u>	<u>\$ 36,077</u>	<u>\$ 6</u>	<u>\$ 6</u>	<u>0.28%</u>	
Wastewater Construction Fund							
Lone Star Liquidity Fund	<u>486,331</u>	<u>486,325</u>	<u>486,253</u>	<u>78</u>	<u>78</u>	<u>3.78%</u>	0.063%
Total WW Construction Fund	<u>\$ 486,331</u>	<u>\$ 486,325</u>	<u>\$ 486,253</u>	<u>\$ 78</u>	<u>\$ 78</u>	<u>3.78%</u>	
Wastewater Debt Service Fund							
Frost Bank Money Market	<u>1,247,549</u>	<u>1,247,549</u>	<u>1,247,521</u>	<u>28</u>	<u>28</u>	<u>9.71%</u>	0.005%
Total WW Debt Service Fund	<u>\$ 1,247,549</u>	<u>\$ 1,247,549</u>	<u>\$ 1,247,521</u>	<u>\$ 28</u>	<u>\$ 28</u>	<u>9.71%</u>	
Total	<u>\$ 12,853,801</u>	<u>\$ 12,853,723</u>	<u># \$ 11,835,541</u>	<u>\$ 1,018,260</u>	<u>\$ 1,437</u>	<u>100.00%</u>	

Signature on file _____ 1/25/2022
Interim City Administrator _____ Date

Signature on file _____ 1/25/2022
Finance Officer _____



SIGN APPLICATION STAFF REPORT

February 9, 2022

Permit Number: 2021-10282

Agenda Item: 3930 Bee Cave Rd: Approval of a Sign Permit Application to replace the existing wall hanging sign at Westlake Animal Hospital (West Lake Hills Code Chapter 32). Applicant Sign Remedy, Inc. Teresea Lindsey.

Requested Action: The applicant is seeking approval of a sign permit application for Westlake Animal Hospital. This is an update to the current wall hanging sign.

Applicant Information: Teresea Lindsey with Sign Remedy Inc.

Location: The property is located at 3930 Bee Cave Rd.

Zoning & Site Characteristics:

The property is zoned B2 – Business.

Hearing Dates:

February 9, 2022 City Council

Background/Analysis:

Westlake Animal Hospital submitted an application to update the existing signage at 3930 Bee Cave Rd. The size and location of the existing signage will not change. The sign is 12 sq. feet.

Sign Code Analysis

Sec. 32.03.009 Projecting, wall and hanging commercial signs

- 1) Purpose. To identify a business or organization which has its own separate exterior public entrance within a multitenant building. | **Complies**
- 2) Size. Four square feet for each five front linear feet of the individual business for an organization having its own exterior public entrance in a multitenant building, with a maximum length of ten feet and area of 12 square feet. A minimum area of six square feet will be allowed if a business has insufficient frontage. The size of a multipaneled sign shall be determined by dividing the maximum size allowed by the number of panels. Combined maximum area for more than one sign shall not exceed 12 square feet. | **Complies**

- 3) Height. Minimum clearance of eight feet to bottom of sign above pedestrian walkways. | **Complies**
- 4) Number. One sign per pedestrian way on which the building abuts, as determined by the city administrator with a maximum of two signs. | **Complies**
- 5) Location. Perpendicular to, hung from, or attached to a projecting structural element of the exterior wall of the individual business or organization, adjacent to the street, parking lot or major pedestrian walkway which the building abuts. | **Complies**
- 6) Design. The sign shall contain only the name of the business, its address and logo or nature of business, and, if desired, hours of operation. Except for those in B-3 districts, no additional fee shall be required for new signs in a multitenant shopping center or office complex where the zoning and planning commission has approved a uniform design for every sign in the entire complex and the city administrator certifies that the proposed new sign meets the uniform design approved by the city. | **Complies**
- 7) Lighting. Not applicable | **Complies**
- 8) Landscaping. Not applicable. | **Complies**

Staff Recommendation

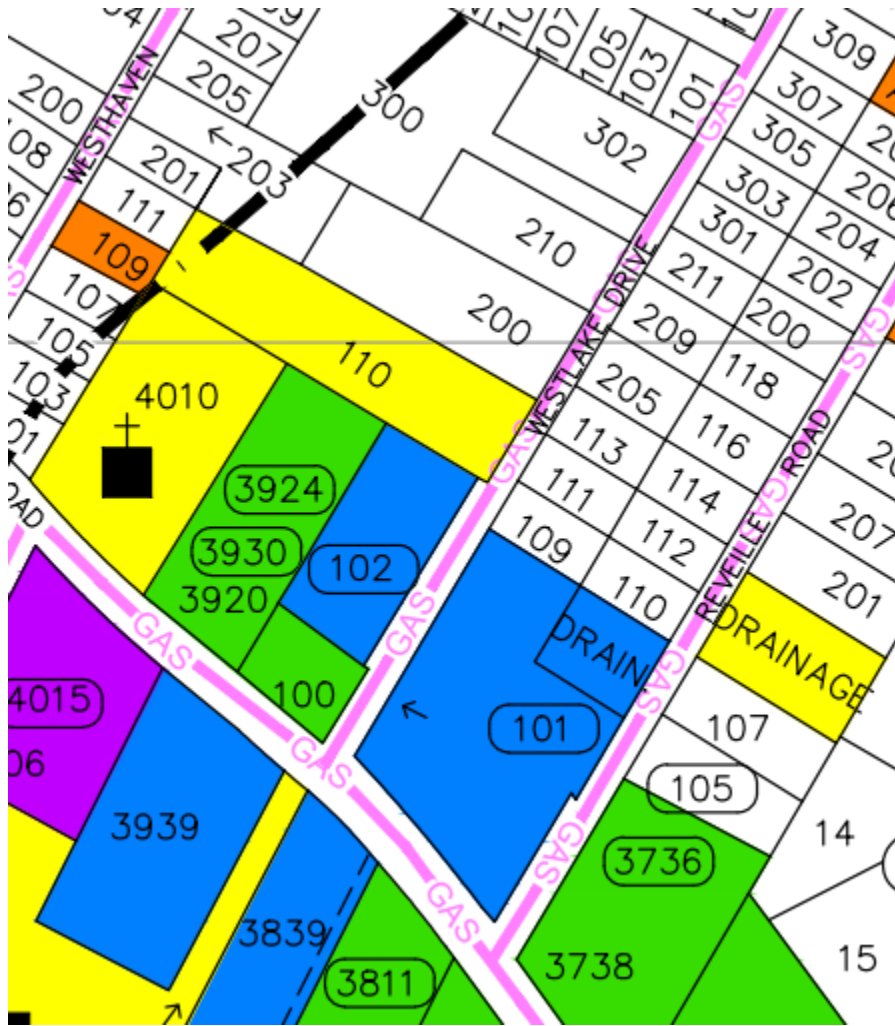
Staff recommends approval of the sign application.

Links to Code:

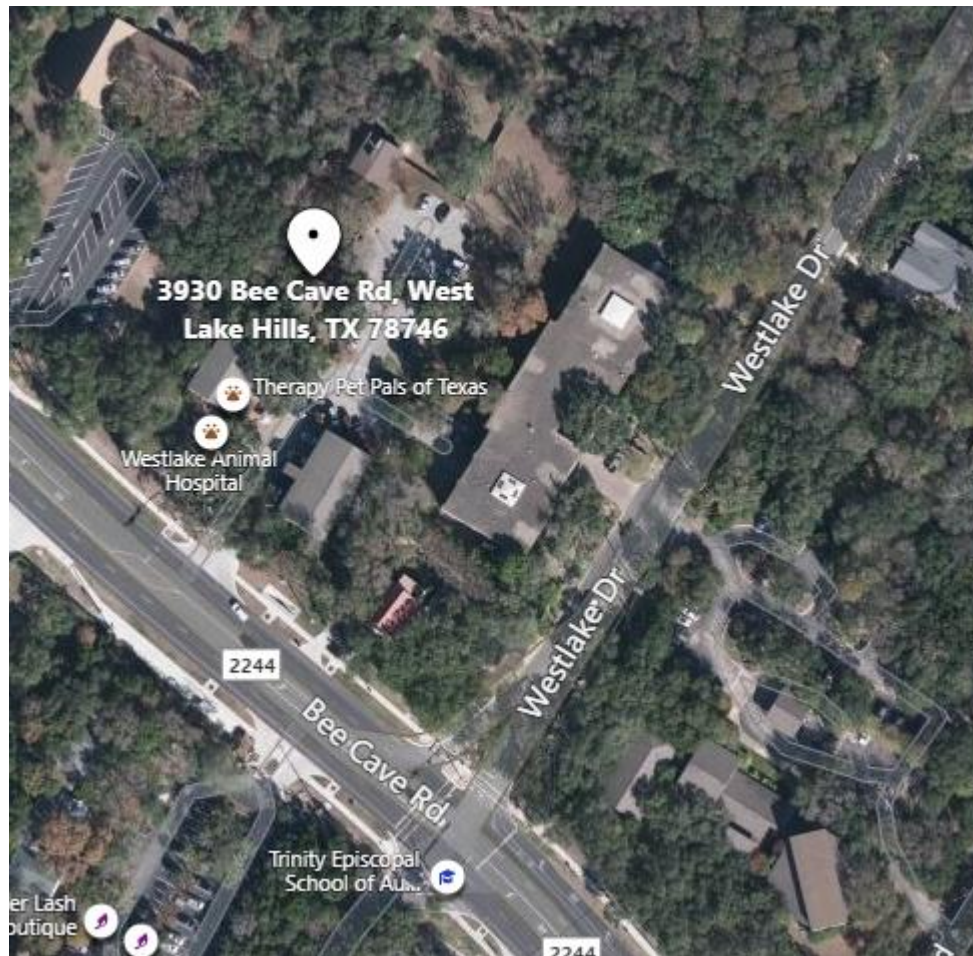
- [Sec. 32.01.001 Definitions](#)
- [Sec. 32.02.002 Application procedure for signs requiring permits](#)
- [Sec 32.02.009 Projecting, wall and hanging commercial signs](#)

(Maps to follow)

Zoning:



Aerial:





SIGN PERMIT APPLICATION

Date of Receipt: _____ Permit Fees: _____
Collected By: _____ Date Permit Issued: _____

APPLICANT INFORMATION

Property Address: 3930 Bee Cave Road Austin, Texas 78746
Street City State Zip

Block: _____ Lot: _____ Tax Parcel ID: _____ Zoning District: _____

The agent is the official contact person for this project and the single point of contact. All correspondence and communication will be conducted with the agent. If no agent is listed, the owner will be considered the agent.

Property Owner: Las Olas Properties Phone: 512-479-6819 Email: _____

Address: 812 San Antonio St, Ste L17 City: Austin State: Texas Zip: 78701

Agent (with written approval from Owner):

Name: Teresea Lindsey Phone: 832-585-1306 Email: _____

Address: 21281 Blair Rd., Bldg 10 City: Conroe State: Texas Zip: 77385

Signature: Teresea Lindsey Date: 12/03/2021

Sign Contractor: Sign Remedy, Inc Phone: 832-585-1306 Email: _____

Address: 21281 Blair Rd., Bldg 10 City: Conroe State: Texas Zip: 77385

SIGN SPECIFICATIONS*

Check one option below:

☒ Permanent Sign ☐ Temporary Sign ☐ Uniform Sign Agreement Amendment

Sign Category (refer to Code, Sec. 32.03): Wall Sign

Is the property subject to a Uniform Sign Agreement? ☐ Y ☒ N

Dimensions: 12" X 72" Total Square Feet: 6 # of Signs Proposed: 1

Type of Material: Dibond Panel w/ Vinyl Graphics Sign Colors: White w/ Black, Green, & Blue

Method of Attachment: direct mount

Type of Sign Lighting (if applicable): N/A

Width of Storefront: _____ Linear Frontage of Business: _____

Sign Message: Westlake Animal Hospital

Temporary Signs Only:



SIGN PERMIT APPLICATION

Duration – Start Date: _____ End Date: _____

*Application must include sign renderings showing sign dimensions, letter dimensions, color, material, location, lighting specifications (refer to Chapter 24, Article 24.03 & Chapter 32), landscaping plans if applicable, and any other details required by staff. Commercial sign applications should include an Assumed Name Certificate/DBA for Business. If sign is under a Uniform Sign Agreement, sign must comply with the Agreement or else applicant must request an Amendment to the Uniform Sign Agreement.

VARIANCES & AMENDMENTS TO UNIFORM SIGN AGREEMENT

Variance

Are you applying for a variance to the Sign Ordinance? ☐ Yes ☐ No
(If yes, you will also need to submit a separate variance application and fee)

Amendment to Uniform Sign Agreement

Name/Address of Uniform Sign Agreement: _____
Reason for Amendment: _____

Please attach a separate sheet describing the sign specifications applicant is requesting to change/remove/add to the Uniform Sign Agreement. Please also submit a cover letter addressed to the ZAPCO Chairperson explaining your project.

APPROVAL NOTES – FOR COMPLETION BY STAFF ONLY

Administrative Approval Sign Meets Requirements: ☐ Yes ☐ No

Approved by City Administrator: _____ Date: _____

City Council Approval (Non-Administrative Approval)

BDC Date and Comments: _____

ZAPCO Date & Recommendation: _____

City Council Date & Action: _____



EXISTING
SCALE - NTS



PROPOSED
SCALE - NTS



- SCOPE OF WORK:
- REMOVE EXISTING WALL SIGN
 - INSTALL NEW DIBOND PANEL WITH VINYL GRAPHICS

WALL SIGN
QTY (1) 6 SQ FT
SCALE: 1" = 1'-0"

Westlake Animal Hospital
3920 Beebe Care Road,
Austin, TX 78746

Project: 3459

Corporate HQ:
358 E Grafton Rd Fairport, WV 26554
Office: 304.346.3921
www.visiongroup.com

Your Vision | Your Brand | Our Commitment

PLEASE CHECK ALL SELLING QUANTITIES, PRICES, AND MATERIALS BEFORE ORDERING

Revisions: #1 - Description / Initials / Date

Date:

Color & Materials:

PMS 297 C-MYXN	WHITE	BLACK	TRIM
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Project No: 3459

Date: 09/22/2021

Description: Thrive Vet Care Austin, TX

Sheet No: 5002

PROPERTY OWNER'S LETTER OF AUTHORIZATION

Vision Project #: 3459

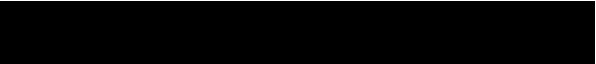
Project Address: Thrive-Westlake Animal Hospital
3930 Bee Cave Road
Austin, TX 78746

As the owner of the property at the above-referenced location, I hereby authorize the above-referenced tenant and/or lessee of said property, to obtain new and/or change existing signage at the above-referenced address. I also authorize Vision Sign Group and its employees and/or agents to act as my agent in obtaining the required and necessary permits, licenses and approvals, which may be required for the installation of said signage, and to proceed with the installation if in accordance with all governing laws, statutes and ordinances.

Signature:  _____

Company Name
& Address: Las Olas Properties
812 San Antonio St, Ste L17
Austin, TX 78701

Phone Number: (512) 479 - 6819

Email Address: 

Date: 11/17/2021



SIGN APPLICATION STAFF REPORT

February 9, 2022

Permit Number: 2021-10283

Agenda Item: 3930 Bee Cave Rd: Approval of a Sign Permit Application to a freestanding sign at Westlake Animal Hospital (West Lake Hills Code Chapter 32). Applicant Sign Remedy, Inc. Teresea Lindsey.

Requested Action: The applicant is seeking approval of a sign permit application for Westlake Animal Hospital. This is a replacement of the sign that was removed during the widening of Bee Cave Road.

Applicant Information: Teresea Lindsey with Sign Remedy Inc.

Location: The property is located at 3930 Bee Cave Rd.

Zoning & Site Characteristics:

The property is zoned B2 – Business.

Hearing Dates:

February 9, 2022 City Council

Background/Analysis:

Westlake Animal Hospital submitted an application to update the temporary freestanding sign at 3930 Bee Cave Rd. The location will be in the same area as the temporary sign. It is 25 sq feet 76" x82".

Sign Code Analysis (Reviewed under Chapter 32, Sec. 32.03.006 – Freestanding commercial signs, multitenant shopping center or office complex; option I, option II, and option III)

- 1) Purpose. To identify the name of the multitenant shopping center or office complex (subject to the limitations contained in subsection (F) below) and the businesses located therein. | **Complies**
- 2) Size. A maximum size of 36 square feet, with a horizontal dimension of no greater than 9 feet. | **Complies**
- 3) Height. No part of the sign shall extend above 8 feet from average natural grade, including a base no greater than 18 inches tall. | **Complies**

- 4) Number. One sign on the major traffic street or main entrance. If a multitenant shopping center has two or more public entrances, a separate sign is permitted on the subordinate driveway and such sign shall be limited in area to 12 square feet, no part of such sign shall extend above 5 feet from average natural grade and such sign shall only contain the name of the center (subject to the limitations contained in subsection (F) below) and the street address. | **Complies**
- 5) Location. On premises of the center or complex and adjacent to major trafficway which the building abuts, between the right-of-way and the building setback lines so as not to create a traffic hazard. | **Complies**
- 6) Design. The monument sign design shall contain the name of the center and the address at the top of the sign; the individual businesses may be listed under the name of the complex. Lettering designating the name of the shopping center and street address shall not exceed a maximum of 7 inches in height. Other subordinate lettering designating retail businesses shall not exceed 3 inches in height. The base of the monument sign shall have a maximum height of 18 inches in a landscaped setting, and any design shall be shown not to create a traffic hazard. The name of the multitenant shopping center or office complex may not be the same or similar to any individual tenant or business located in such shopping center or office complex. | **Complies**
- 7) Lighting. Indirect lighting. | N/A/ -**Complies**
- 8) Landscaping. Shall be as follows:
 - a. A landscaped area of 120 square feet at the base of the sign;
 - b. All landscaped areas shall be maintained in a neat, clean and healthy condition throughout the life of the permit; and
 - c. A plan showing the landscaping must be submitted to the council by the applicant at the time of application. | **Complies**

Staff Recommendation

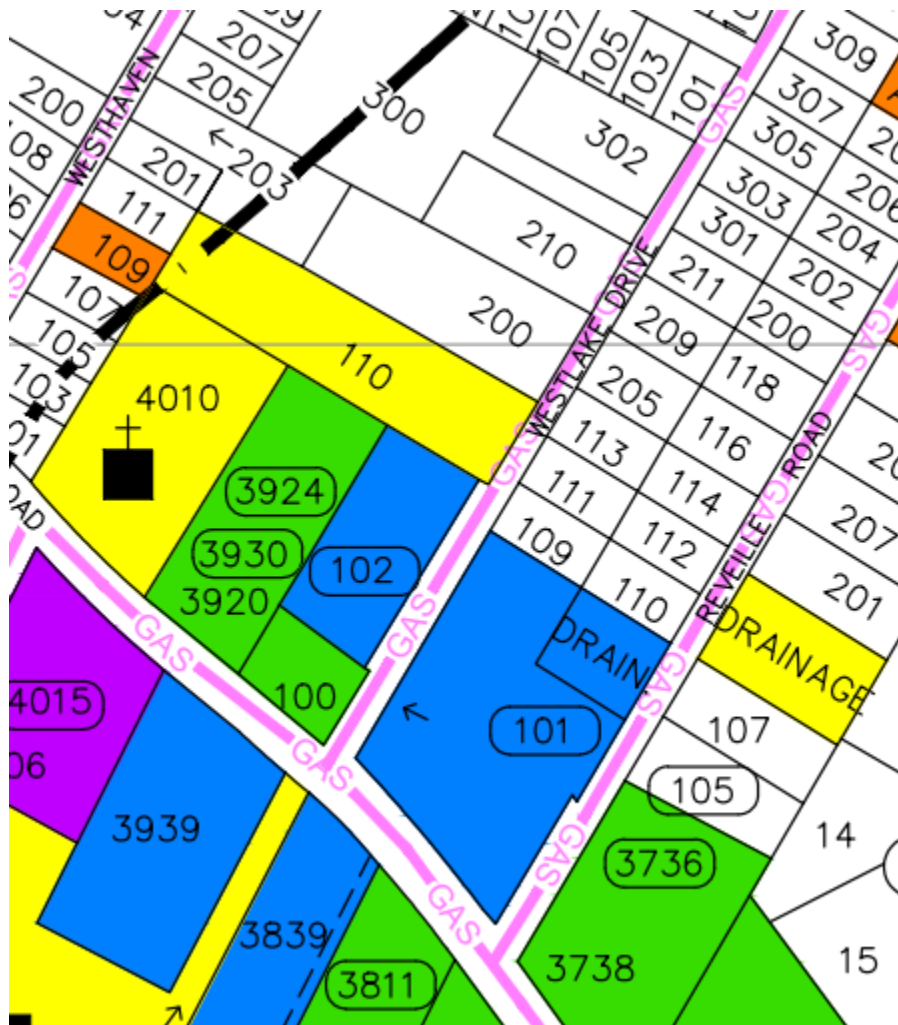
Staff recommends approval of the sign application.

Links to Code:

- [Sec. 32.01.001 Definitions](#)
- [Sec. 32.02.002 Application procedure for signs requiring permits](#)
- [Sec 32.02.006 Freestanding commercial signs, multitenant shopping center or office complex; option I, option II, and option III](#)

(Maps to follow)

Zoning:



Aerial:





SIGN PERMIT APPLICATION

Date of Receipt: _____ Permit Fees: _____
Collected By: _____ Date Permit Issued: _____

APPLICANT INFORMATION

Property Address: 3930 Bee Cave Road Austin, Texas 78746
Street City State Zip

Block: _____ Lot: _____ Tax Parcel ID: _____ Zoning District: _____

The agent is the official contact person for this project and the single point of contact. All correspondence and communication will be conducted with the agent. If no agent is listed, the owner

Property Owner: Las Olas Properties Phone: 512-479-6819 Email: _____

Address: 812 San Antonio St, Ste L17 City: Austin State: Texas Zip: 78701

Agent (with written approval from Owner):

Name: Teresea Lindsey Phone: 832-585-1306 Email: _____

Address: 21281 Blair Rd., Bldg 10 City: Conroe State: Texas Zip: 77385

Signature: Teresea Lindsey Date: 12/03/2021

Sign Contractor: Sign Remedy, Inc Phone: 832-585-1306 Email: _____

Address: 21281 Blair Rd., Bldg 10 City: Conroe State: Texas Zip: 77385

SIGN SPECIFICATIONS*

Check one option below:

☒ Permanent Sign ☐ Temporary Sign ☐ Uniform Sign Agreement Amendment

Sign Category (refer to Code, Sec. 32.03): Post & Panel

Is the property subject to a Uniform Sign Agreement? ☐ Y ☒ N

Dimensions: 76" X 82" Total Square Feet: 25 # of Signs Proposed: 1

Type of Material: Aluminum Poles & Cabinet Sign Colors: White w/ Black, Green, Blue

Method of Attachment: Direct Burial

Type of Sign Lighting (if applicable): N/A

Width of Storefront: _____ Linear Frontage of Business: _____

Sign Message: Westlake Animal Hospital

Temporary Signs Only:



SIGN PERMIT APPLICATION

Duration – Start Date: _____ End Date: _____

*Application must include sign renderings showing sign dimensions, letter dimensions, color, material, location, lighting specifications (refer to Chapter 24, Article 24.03 & Chapter 32), landscaping plans if applicable, and any other details required by staff. Commercial sign applications should include an Assumed Name Certificate/DBA for Business. If sign is under a Uniform Sign Agreement, sign must comply with the Agreement or else applicant must request an Amendment to the Uniform Sign Agreement.

VARIANCES & AMENDMENTS TO UNIFORM SIGN AGREEMENT

Variance

Are you applying for a variance to the Sign Ordinance? ☐ Yes ☐ No
(If yes, you will also need to submit a separate variance application and fee)

Amendment to Uniform Sign Agreement

Name/Address of Uniform Sign Agreement: _____

Reason for Amendment: _____

Please attach a separate sheet describing the sign specifications applicant is requesting to change/remove/add to the Uniform Sign Agreement. Please also submit a cover letter addressed to the ZAPCO Chairperson explaining your project.

APPROVAL NOTES – FOR COMPLETION BY STAFF ONLY

Administrative Approval Sign Meets Requirements: ☐ Yes ☐ No

Approved by City Administrator: _____ Date: _____

City Council Approval (Non-Administrative Approval)

BDC Date and Comments: _____

ZAPCO Date & Recommendation: _____

City Council Date & Action: _____

PROPERTY OWNER'S LETTER OF AUTHORIZATION

Vision Project #: 3459

Project Address: Thrive-Westlake Animal Hospital
3930 Bee Cave Road
Austin, TX 78746

As the owner of the property at the above-referenced location, I hereby authorize the above-referenced tenant and/or lessee of said property, to obtain new and/or change existing signage at the above-referenced address. I also authorize Vision Sign Group and its employees and/or agents to act as my agent in obtaining the required and necessary permits, licenses and approvals, which may be required for the installation of said signage, and to proceed with the installation if in accordance with all governing laws, statutes and ordinances.

Signature:  _____

Company Name
& Address: Las Olas Properties
812 San Antonio St, Ste L17
Austin, TX 78701

Phone Number: (512) 479 - 6819

Email Address: 

Date: 11/17/2021

Project: 3459

Corporate HQ:
358 E Grafton Rd Farimont, WV 26554
Office: 304.366.3021
www.visionisigngroup.com

VISION
SIGN GROUP



Client Approval:

PLEASE CHECK ALL SPELLING, QUANTITIES, COLORS, AND MATERIALS BEFORE APPROVING

#1 - Description / Initials / Date

--	--

Description: Austin, TX

- A** WALL SIGN | QTY. (1)
- B** POST AND PANEL | QTY. (1)

- INSTALLER SHALL VERIFY WALL CONDITIONS IN THE FIELD
- TYPE, SIZE & QUANTITY OF FASTENERS TO BE DETERMINED
- ALL BOLT HOLES TO BE DRILLED OR PUNCHED
- ISOLATE ALL ALUMINUM FROM STEEL

ADDITIONAL REQUIREMENTS: APPLICABLE TO ALL INSTALLATIONS AND ACCESS IS REQUIRED FOR THE INSTALLATION OF THE SYSTEM. ACCESS TO THE SYSTEM IS REQUIRED TO MONITOR THE SYSTEM'S PERFORMANCE AND TO MAKE THE NECESSARY ADJUSTMENTS TO THE SYSTEM'S OPERATION. INSTALLATION REQUIREMENTS: THE SYSTEM IS TO BE INSTALLED IN A LOCATION THAT IS PROTECTED FROM THE ELEMENTS OF THE WEATHER. THE SYSTEM IS TO BE INSTALLED IN A LOCATION THAT IS PROTECTED FROM THE ELEMENTS OF THE WEATHER. MAINTENANCE REQUIREMENTS: THE SYSTEM IS TO BE MAINTAINED IN A MANNER THAT IS PROTECTED FROM THE ELEMENTS OF THE WEATHER. THE SYSTEM IS TO BE MAINTAINED IN A MANNER THAT IS PROTECTED FROM THE ELEMENTS OF THE WEATHER.	INSTALLER REQUIREMENTS: THE INSTALLER IS TO BE A PERSON WHO IS QUALIFIED TO INSTALL THE SYSTEM. THE INSTALLER IS TO BE A PERSON WHO IS QUALIFIED TO INSTALL THE SYSTEM. WARRANTY REQUIREMENTS: THE SYSTEM IS TO BE WARRANTED FOR A PERIOD OF 10 YEARS. THE SYSTEM IS TO BE WARRANTED FOR A PERIOD OF 10 YEARS. TESTING REQUIREMENTS: THE SYSTEM IS TO BE TESTED IN A MANNER THAT IS PROTECTED FROM THE ELEMENTS OF THE WEATHER. THE SYSTEM IS TO BE TESTED IN A MANNER THAT IS PROTECTED FROM THE ELEMENTS OF THE WEATHER.
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CERTAIN ELECTRICAL COMPONENTS OF SKINITS WILL HAVE PRELIMINARY E-TESTS PERFORMED FOR A PERIOD OF TIME ON EACH DATE. FOR BEST PERFORMANCE, WE RECOMMEND THAT SKINITS BE CONNECTED TO AN AUTOMATIC CHARGING DEVICE SUCH AS AN EMERGENCY MAINTENANCE SYSTEM, "TIE" CLOCK OR PHOTO CELL, TO CONTROL THE SHORT SHUNT OF CURRENT, IN ORDER TO FOLLOW THESE RECOMMENDATIONS CAN CAUSE DAMAGE TO ELECTRICAL COMPONENTS OF THE SKIN AND VOID THE WARRANTY. SOME SKINITS OR DEVICES WILL ADVERSELY AFFECT THE ELECTRICAL COMPONENTS OF THE SKINITS ATTACHED TO CAUSING HAZARD. ANY DRINKING OF THE SKIN WITHOUT CONSULTATION WITH PERSON SKIN GROUP WILL VOID THE WARRANTY.

SCALE: 1" = 25'



Project: 3459

Corporate HQ:
358 E Grafton Rd Farimont, WV 26554
Office: 304.366.3021
www.visionisigngroup.com

VISION
SIGN GROUP



Client Approval:

PLEASE CHECK ALL SPELLING, QUANTITIES, COLORS, AND MATERIALS BEFORE APPROVING

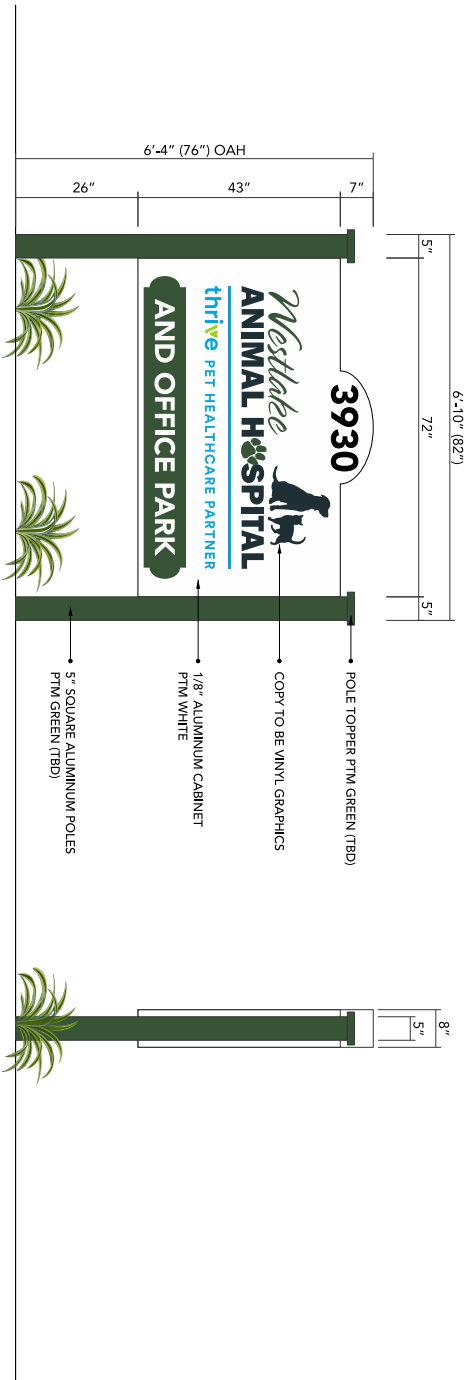
#1 - Description / Initials / Date

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Description: Austin, TX



EXISTING
SCALE - NTS



- POST AND PANEL** 25 SQ FT
- SCOPE OF WORK:**
- REMOVE EXISTING POST AND PANEL SIGN
 - INSTALL NEW DOUBLE-FACED NON-ILLUMINATED POST AND PANEL SIGN
- B** QTY (1) SCALE: 1/2" = 1'-0"



Westlake Animal Hospital
3930 Bee Case Road,
Austin, TX 78746

Project: 3459



**VISION
SIGN GROUP**

Corporate HQ:
358 E Grafton Rd Farmington, WV 26554
Office: 304.346.3021
www.visiongroup.com

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Client Approval:

Date:

PLEASE CHECK ALL SELLING QUANTITIES, PRICES, AND MATERIALS BEFORE ORDERING

Revisions:

#1 - Description / Initials / Date

Color & Materials:



Project No: 3459

Date: 09/22/2021

Description: Thrive Vet Care

Sheet No.: 5003



SIGN APPLICATION STAFF REPORT

February 9, 2022

Permit Number: 2021-10203, 10204

Agenda Item: 3520 Bee Cave Rd: Approval of two Sign Permit Applications to install monument signs, American Bank (West Lake Hills Code Chapter 32). Applicant: Liberty Signs, Jennifer Garcia.

Requested Action: The applicant is seeking approval of two sign permit applications for American Bank. The larger one, A2 is 24 sq feet and A1 is 12 sq feet

Applicant Information: Liberty Signs, Jennifer Garcia.

Location: The property is located at 3520 Bee Cave Road.

Zoning & Site Characteristics:

The property is zoned B2 – Business.

Hearing Dates:

February 9 City Council

Background/Analysis:

American Bank submitted 2 applications to install monument signs. Sign A1 is 12 square feet and is 3'-8"h for the side entrance on Westbrook Dr. Sign A2 is for the primary entrance on Bee Caves Rd and is 24 sq feet and is 5'8" h.

Sign Code Analysis (Reviewed under Chapter 32, Sec. 32.03.008– Freestanding commercial signs, single-business use

Freestanding commercial signs, single-business use, shall be regulated as follows:

- (1) Purpose. To identify a business or organization being the sole business occupant of a lot or tract. **/Complies**
- (2) Size. A maximum area of 24 square feet, with a horizontal dimension of no greater than 6 feet. **/Complies**
- (3) Height. No part of the sign shall extend above 8 feet from the average natural grade, including a base not greater than 18 inches tall. **/Complies**

- (4) Number. One sign on the major traffic street or main entrance. If a single-business use building has two or more public entrances, a separate sign is permitted on the subordinate driveway, such sign shall be limited to the name of the business and the street address and shall be limited in area to 12 square feet, and not part of this sign shall extend above 5 feet from average natural grade. **/Complies**
- (5) Location. On premises of the building and adjacent to major trafficway which the building abuts, between the right-of-way and the building setback lines so as not to create a traffic hazard. **/Complies**
- (6) Design. The sign shall contain only the name of the business, its address and logo. Lettering designating the name of the business and street address shall not exceed a maximum of 10 inches in height. **/Complies**
- (7) Lighting. Indirect lighting. **/NA**
- (8) Landscaping. Shall be as follows: **/Complies**
 - (A) A landscaped area of 120 square feet at the base of the sign;
 - (B) All landscaped areas shall be maintained in a neat, clean and healthy condition throughout the life of the permit; and
 - (C) A plan showing the landscaping must be submitted to the city council by the applicant at the time of application.

Staff Recommendation

Staff recommends approval of the sign application.

Links to Code:

- [Sec. 32.01.001 Definitions](#)
- [Sec. 32.02.002 Application procedure for signs requiring permits](#)
- [Sec. 32.03.008 Freestanding commercial signs, single-business use](#)

(Maps to follow)

Zoning:



Aerial:





SIGN PERMIT APPLICATION

Date of Receipt: _____ Permit Fees: _____
Collected By: _____ Date Permit Issued: _____

APPLICANT INFORMATION

Property Address: 3520 Bee Caves Rd. Westlake Hills, TX
Street City State Zip

Block: _____ Lot: _____ Tax Parcel ID: _____ Zoning District: _____

The agent is the official contact person for this project and the single point of contact. All correspondence and communication will be conducted with the agent. If no agent is listed, the owner must be contacted.

Property Owner: American Bank Phone: (612) 306-5526 Email: [REDACTED]

Address: 3520 Bee Caves Rd. Ste. 200 City: West Lake Hills State: TX Zip: 78746

Agent (with written approval from Owner):

Name: Jennifer Garcia Phone: (137) 204-7657 Email: [REDACTED]

Address: P.O. Box 1259 City: Liberty Hill State: TX Zip: 78642

Signature: Jennifer Garcia Date: 11-9-2021

Sign Contractor: Liberty Signs Phone: (137) 204-7657 Email: [REDACTED]

Address: P.O. Box 1259 City: Liberty Hill State: TX Zip: 78642

SIGN SPECIFICATIONS*

Check one option below: ☒ Permanent Sign ☐ Temporary Sign ☐ Uniform Sign Agreement Amendment

Sign Category (refer to Code, Sec. 32.03): 32.03-008

Is the property subject to a Uniform Sign Agreement? ☐ Y ☒ N

Dimensions: 3'3 1/2" x 7'9 1/2" Total Square Feet: 6 # of Signs Proposed: 1

Type of Material: Alum Acrylic Sign Colors: 3M 680-B2 Ruby Red, PMS 281C Blue

Method of Attachment: Concrete footing

Type of Sign Lighting (if applicable): None

Width of Storefront: _____ Linear Frontage of Business: _____

Sign Message: American Bank

Temporary Signs Only: _____



SIGN PERMIT APPLICATION

Duration – Start Date: _____ End Date: _____

*Application must include sign renderings showing sign dimensions, letter dimensions, color, material, location, lighting specifications (refer to Chapter 24, Article 24.03 & Chapter 32), landscaping plans if applicable, and any other details required by staff. Commercial sign applications should include an Assumed Name Certificate/DBA for Business. If sign is under a Uniform Sign Agreement, sign must comply with the Agreement or else applicant must request an Amendment to the Uniform Sign Agreement.

VARIANCES & AMENDMENTS TO UNIFORM SIGN AGREEMENT

Variance

Are you applying for a variance to the Sign Ordinance? ☐ Yes ☐ No
(If yes, you will also need to submit a separate variance application and fee)

Amendment to Uniform Sign Agreement

Name/Address of Uniform Sign Agreement: _____

Reason for Amendment: _____

Please attach a separate sheet describing the sign specifications applicant is requesting to change/remove/add to the Uniform Sign Agreement. Please also submit a cover letter addressed to the ZAPCO Chairperson explaining your project.

APPROVAL NOTES – FOR COMPLETION BY STAFF ONLY

Administrative Approval Sign Meets Requirements: ☐ Yes ☐ No

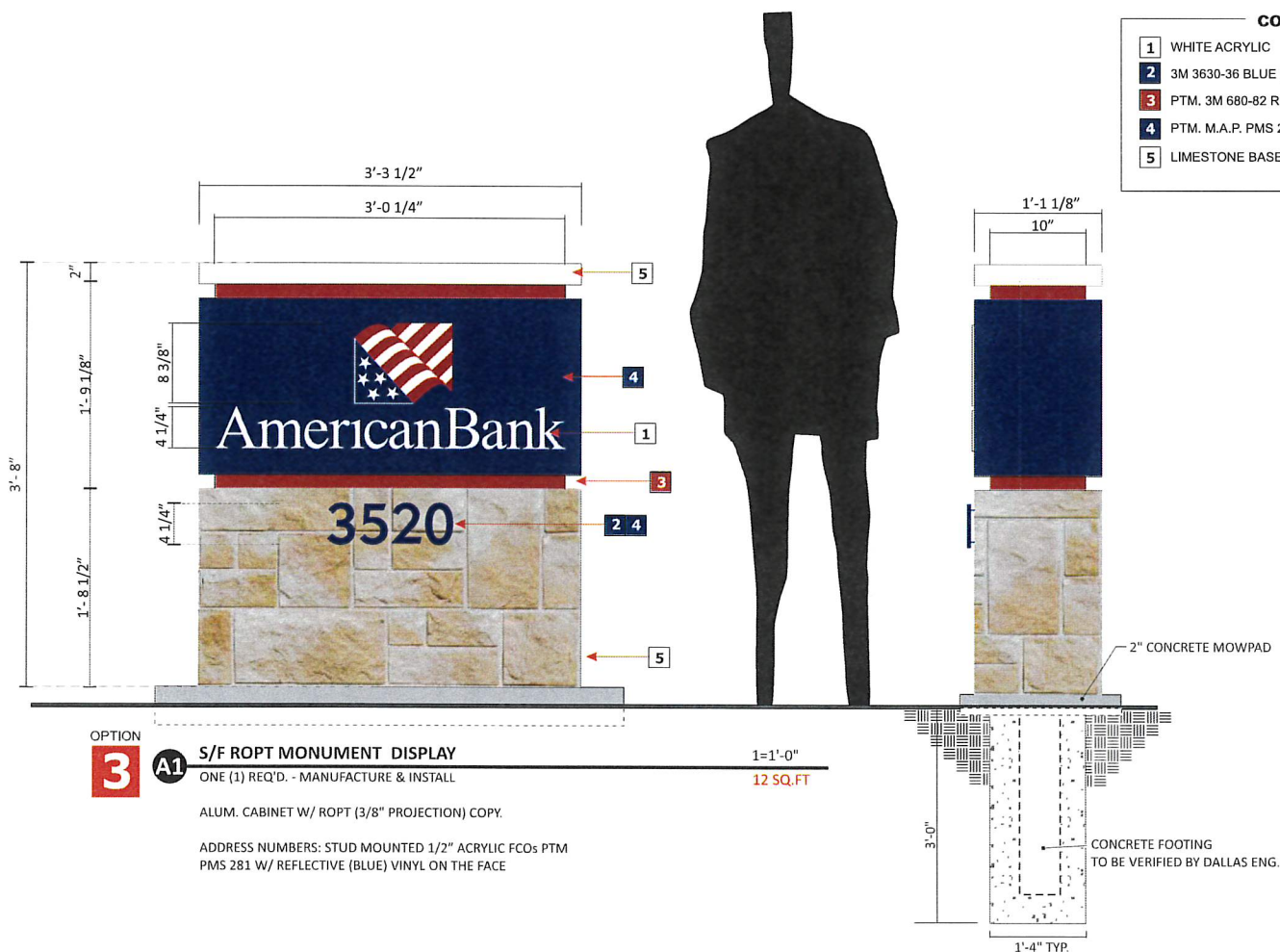
Approved by City Administrator: _____ Date: _____

City Council Approval (Non-Administrative Approval)

BDC Date and Comments: _____

ZAPCO Date & Recommendation: _____

City Council Date & Action: _____





SIGN PERMIT APPLICATION

Date of Receipt: _____ Permit Fees: _____
Collected By: _____ Date Permit Issued: _____

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Address: P.O. Box 1259 City: Liberty Hill State: Tx Zip: 78642

Signature: Jennifer Garcia Date: 11-9-2021

Sign Contractor: Liberty Signs Phone: (137) 204-7657 Email: [REDACTED]

Address: P.O. Box 1259 City: Liberty Hill State: Tx Zip: 78642

SIGN SPECIFICATIONS*

Check one option below: ☒ Permanent Sign ☐ Temporary Sign ☐ Uniform Sign Agreement Amendment

Sign Category (refer to Code, Sec. 32.03): 32-03-008

Is the property subject to a Uniform Sign Agreement? ☐ Y ☒ N

Dimensions: 4'3" x 1'4 3/4" Total Square Feet: 9 # of Signs Proposed: 1
3M 3630-36 Blue

Type of Material: Alum Acrylic Sign Colors: 3M 680-B2 Ruby Red, PMS 281c blue

Method of Attachment: concrete footing

Type of Sign Lighting (if applicable): NONE

Width of Storefront: _____ Linear Frontage of Business: _____

Sign Message: AMERICAN BANK

Temporary Signs Only: _____



SIGN PERMIT APPLICATION

Duration – Start Date: _____ End Date: _____

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Administrative Approval Sign Meets Requirements: ☐ Yes ☐ No

Approved by City Administrator: _____ Date: _____

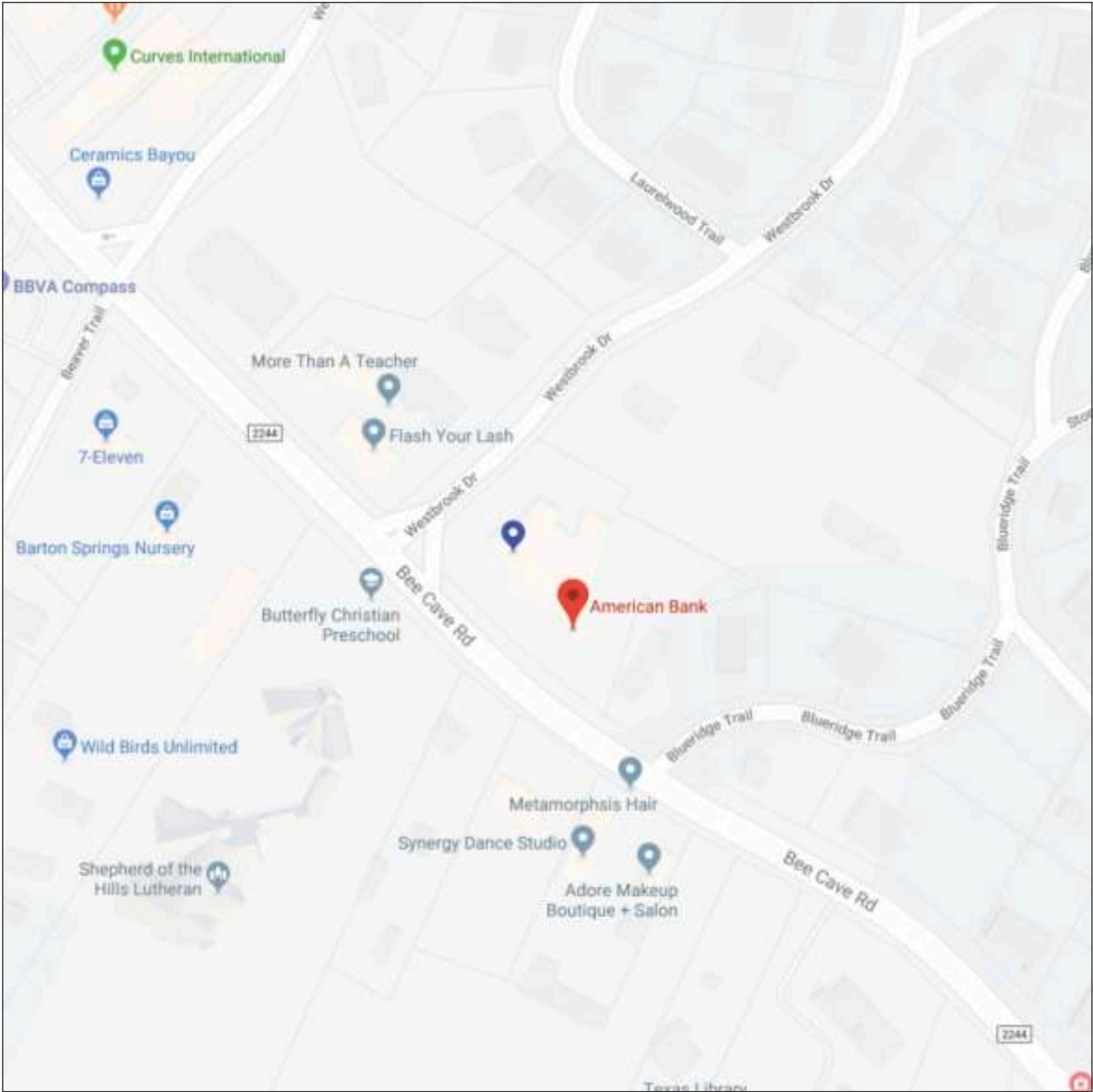
City Council Approval (Non-Administrative Approval)

BDC Date and Comments: _____

ZAPCO Date & Recommendation: _____

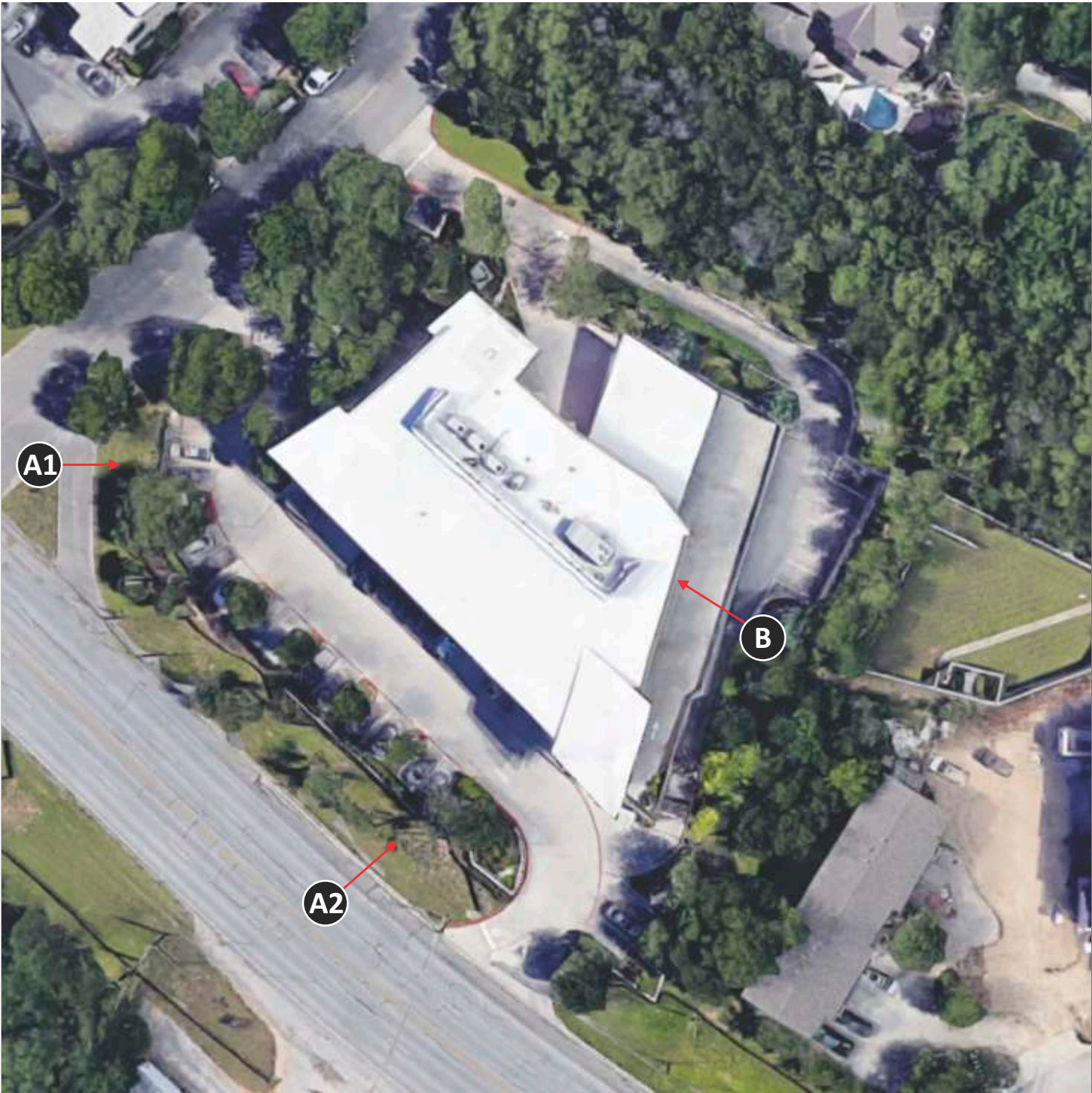
City Council Date & Action: _____





VICINITY AND AERIAL MAP

NTS



Design #	
0621481AR19	
Sheet	
1 of 15	
Client	
American Bank	
Address	
3520 Bee Caves Rd. West Lake Hills, TX 78746	

Acct. Rep. KATHERINE MOLTZ
Coordinator AMBER ZAVALA

Designer JOEL GONZALES

Date 1/22/2019

Approval / Date	
Client	
Sales	
Estimating	
Art	
Engineering	
Landlord	

Revision/Date	
R1(1/23/19)JGZ: REVISE SIGNS B AND C	
R2(UNKNOWN)	
R3(10-4-19)BD: ADD 3 OPTIONS FOR SIGN 'D'	
R4(10-8-19)BD: REPLACE PHOTOS OF OP2 & OP3 SIGN 'D'	
R5(11/13/19)JGZ: ADD Limestone BASE TO MONUMENT SIGN	
R6(12/19/19)JGZ: ADD EARTH TONE COLOR OPTIONS AND BUILDING SIGN OPTIONS.	
R7(12/19/19)JGZ: REVISE BUILDING SIGNS TO 30+ SQ. FEET. REVISE EARTH TONE MONUMENT.	
R8(8/7/20)JGZ: REMOVE A AND D. REVISE MONUMENT LOCATIONS. SPACE OUT CL ON BUILDING	
R9(8/17/20)JGZ: REVISE A1 TO 5' OAH AND 12SF	
R10(1/12/21)JGZ: ADD LANDSCAPE PLAN	
R11(3/19/21)JGZ: REVISE SIGN B TO 10'-0" OAL	
R12(5/6/21)JGZ: REVISE SQFT CALCULATIONS.	
R13(6/11/21)JGZ: REVISE MONUMENTS VERTICALLY	
R14(6/15/21)JGZ: REVISE MONUMENT SIZE	
R15(7/14/21)JGZ: REVISE MONUMENT SIZES	
R16(7/20/21)JGZ: REVISE MONUMENT SIZES	
R17(8/30/21)JGZ: ADDED SIGN OPTIONS FROM R12 & R13. REVISED SIZES A1 OPT3 & A2 OPT3.	
R18(9/9/21)JGZ: RESIZED A1 OPT2. CHANGED SCALE OF A1 OPTION 2&3, AND A2 OPTION 3. CORRECTED SIZE ERRORS	
R19(9/24/21)JGZ: REVISE A2 OPT 2 TO 8' TALL	



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San Antonio	17319 San Pedro Ave Ste 200 San Antonio, TX 78232 (210) 349-3804 Fax (210) 349-8724
West Coast	3220 Executive Ridge Dr Ste 250 Vista, CA 92081 (760) 734-1708 Fax (760) 734-3752
Northeast US	2301 River Road Suite 201 Louisville, KY 40206 (502) 897-9800 Cell (502) 554-2575
Florida	2584 Sand Hill Point Circle Davenport, FL 33837 (863) 426-1100 Fax (863) 424-1160
Georgia	111 Woodstone Place Dawsonville, GA 30534 (678) 725-8852 Fax (210) 349-8724
South Texas	PO BOX 125 206 Doral Drive Portland, TX 78374 (961) 563-5599 Fax (361) 643-6533

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**FINAL ELECTRICAL
CONNECTION BY
CUSTOMER**

THIS SIGN IS INTENDED TO BE INSTALLED
IN ACCORDANCE WITH ARTICLE 600 OF THE
NATIONAL ELECTRICAL CODE AND/OR OTHER
APPLICABLE LOCAL CODES. THIS INCLUDES
PROPER GROUNDING & BONDING OF THE SIGN.
SIGN WILL BEAR UL LABEL(S).



Design #	0621481AR19
Sheet	2 of 15
Client	American Bank
Address	3520 Bee Caves Rd. West Lake Hills, TX 78746
Acct. Rep. Coordinator	KATHERINE MOLTZ AMBER ZAVALA
Designer	JOEL GONZALES
Date	1/22/2019
Approval / Date	
Client	
Sales	
Estimating	
Art	
Engineering	
Landlord	

Revision/Date
R1(1/23/19)JGZ: REVISE SIGNS B AND C (UNKNOWN)
R3(10-4-19)BD: ADD 3 OPTIONS FOR SIGN "D"
R4(10-8-19)BD: REPLACE PHOTOS OF OP2 & OP3 SIGN "D" TO GIVE CLEAR SHOT FROM DOWN STREET.
R5(11/13/19)JGZ: ADD LIMESTONE BASE TO MONUMENT SIGN.
R6(12/19/19)JGZ: ADD EARTH TONE COLOR OPTIONS AND BUILDING SIGN OPTIONS.
R7(12/19/19)JGZ: REVISE BUILDING SIGNS TO 30" X 30" FEET. REVISE EARTH TONE MONUMENT.
R8(8/7/20)JGZ: REMOVE A AND D. REVISE MONUMENT LOCATIONS. SPACE OUT CL ON BUILDING.
R9(8/17/20)JGZ: REVISE A1 TO 5' OAH AND 125F
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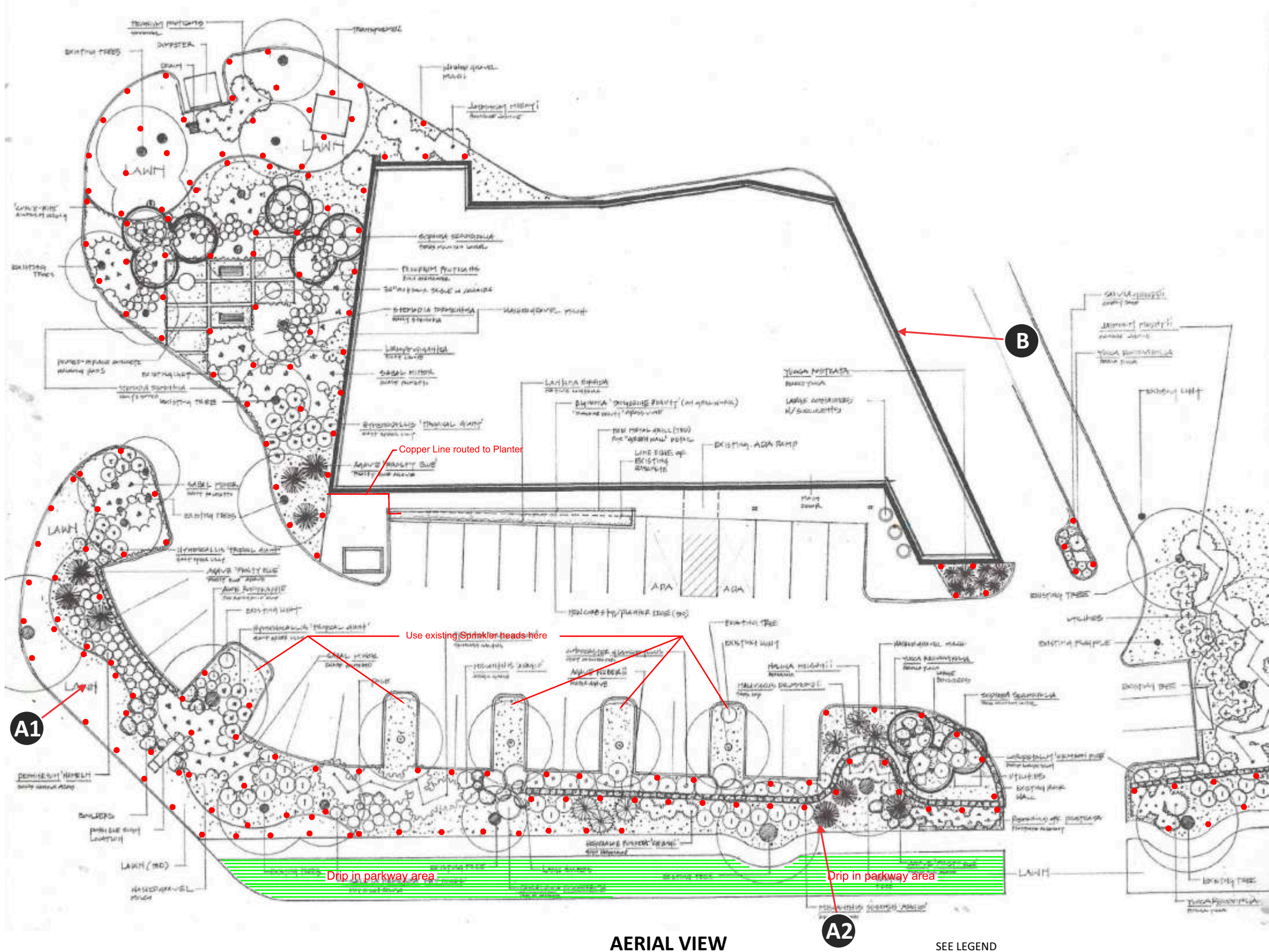


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FINAL ELECTRICAL CONNECTION BY CUSTOMER

THIS SIGN IS INTENDED TO BE INSTALLED IN ACCORDANCE WITH ARTICLE 600 OF THE NATIONAL ELECTRICAL CODE AND/OR OTHER APPLICABLE LOCAL CODES. THIS INCLUDES PROPER GROUNDING & BONDING OF THE SIGN. SIGN WILL BEAR UL LABEL(S).



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Sheet	7 of 15
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American Bank	
Address	
3520 Bee Caves Rd. West Lake Hills, TX 78746	
Acct. Rep.	KATHERINE MOLTZ
Coordinator	AMBER ZAVALA
Designer	JOEL GONZALES

Date 1/22/2019

Approval / Date	
Client	
Sales	
Estimating	
Art	
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Landlord	

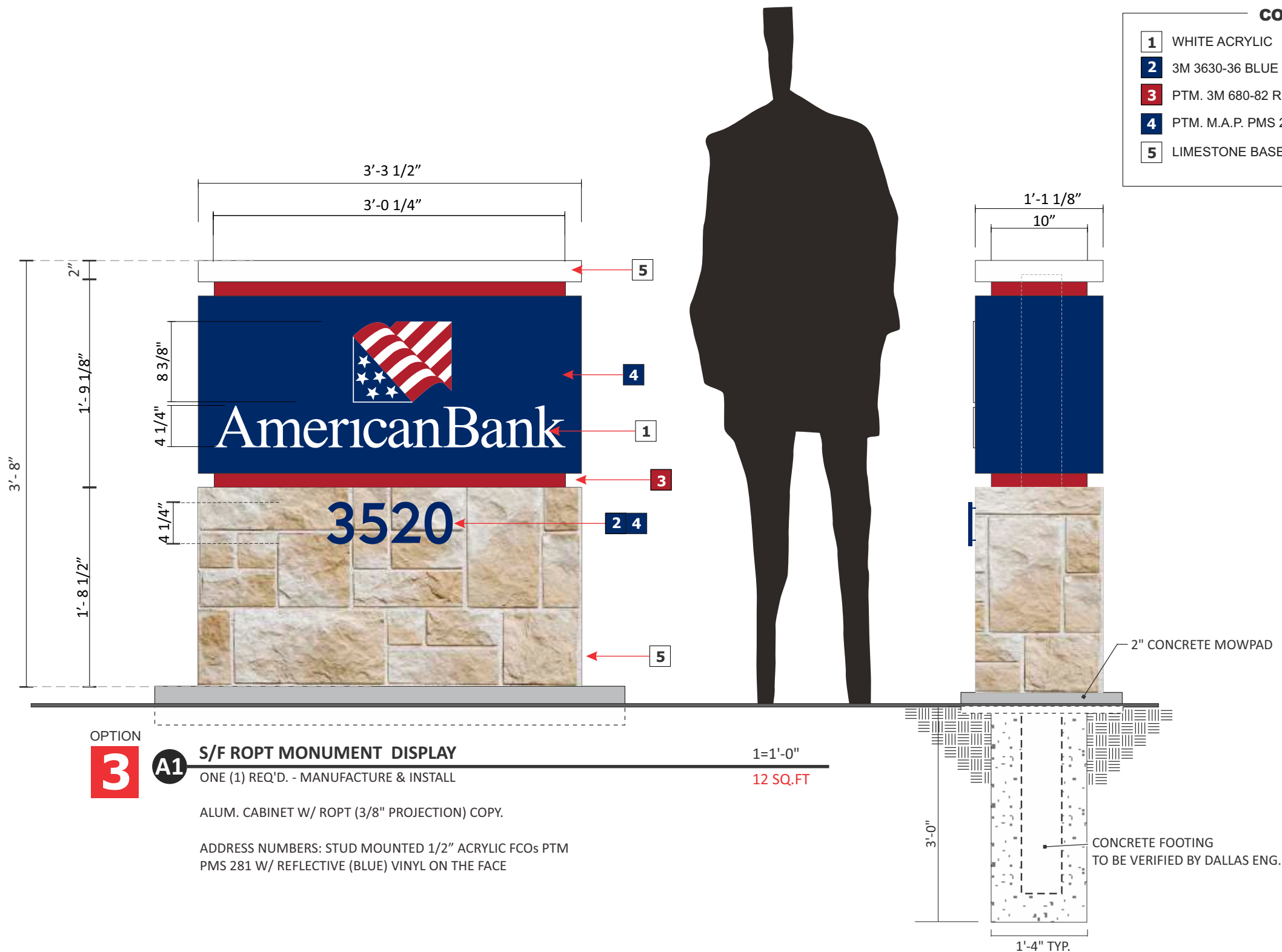
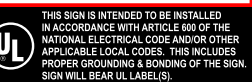
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West Coast	3220 Executive Ridge Dr Ste 250 Vista, CA 92081 (760) 734-1708 Fax (760) 734-3752
Northeast US	2301 River Road Suite 201 Louisville, KY 40206 (502) 897-9800 Cell (502) 554-2575
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Georgia	111 Woodstone Place Dawsonville, GA 30534 (678) 725-8852 Fax (210) 349-8724
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OPTION

3

A1

S/F ROPT MONUMENT DISPLAY

ONE (1) REQ'D. - MANUFACTURE & INSTALL

ALUM. CABINET W/ ROPT (3/8" PROJECTION) COPY.

ADDRESS NUMBERS: STUD MOUNTED 1/2" ACRYLIC FCOs PTM
PMS 281 W/ REFLECTIVE (BLUE) VINYL ON THE FACE

1=1'-0"

12 SQ.FT

Design #	
0621481AR19	
Sheet	8 of 15
Client	
American Bank	
Address	
3520 Bee Caves Rd. West Lake Hills, TX 78746	
Acct. Rep.	KATHERINE MOLTZ
Coordinator	AMBER ZAVALA
Designer	JOEL GONZALES
Date	1/22/2019
Approval / Date	
Client	
Sales	
Estimating	
Art	
Engineering	
Landlord	

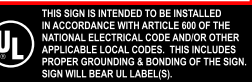
Revision/Date
R1(1/23/19)JGZ: REVISE SIGNS B AND C (2x UNKNOWN)
R3(10-4-19)BD: ADD 3 OPTIONS FOR SIGN "D"
R4(10-8-19)BD: REPLACE PHOTOS OF OP2 & OP3 SIGN "D" TO GIVE CLEAR SHOT FROM DOWN STREET
R5(11/13/19)JGZ: ADD LIMESTONE BASE TO MONUMENT SIGN.
R6(12/19/19)JGZ: ADD EARTH TONE COLOR OPTIONS AND BUILDING SIGN OPTIONS.
R7(12/19/19)JGZ: REVISE BUILDING SIGNS TO 30" SQ. FEET. REVISE EARTH TONE MONUMENT.
R8(8/7/20)JGZ: REMOVE A AND D. REVISE MONUMENT LOCATIONS. SPACE OUT CAL ON BUILDING
R9(8/17/20)JGZ: REVISE A1 TO 5' OAH AND 12SF
R10(1/12/21)JGZ: ADD LANDSCAPE PLAN
R11(3/19/21)JGZ: REVISE SIGN B TO 10'-0" OAL
R12(5/6/21)JGZ: REVISE SQFT CALCULATIONS.
R13(6/11/21)JGZ: REVISE MONUMENTS VERTICALLY
R14(6/15/21)JGZ: REVISE MONUMENT SIZE
R15(7/14/21)JGZ: REVISE MONUMENT SIZES
R16(7/20/21)JGZ: REVISE MONUMENT SIZES
R17(8/30/21)JLC: ADDED SIGN OPTIONS FROM R12 & R13. REVISED SIZES A1 OPT13 & A2 OPT13.
R18(9/9/21)JLC: RESIZED A1 OPT2. CHANGED SCALE OF A1 OPTION 2&3, AND A2 OPTION 3. CORRECTED SIZE ERRORS
R19(9/24/21)JGZ: REVISE A2 OPT 2 TO 8' TALL



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BURIED UTILITIES / POSSIBLE PUE'S



EXISTING ELEVATION

NTS



PROPOSED ELEVATION

NTS

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Design #

0621481AR19

Sheet 13 of 15

Client

American Bank

Address

3520 Bee Caves Rd.
West Lake Hills, TX
78746

Acct. Rep.
Coordinator

KATHERINE MOLTZ
AMBER ZAVALA

Designer

JOEL GONZALES

Date

1/22/2019

Approval / Date

Client

Sales

Estimating

Art

Engineering

Landlord

Revision/Date

R1(1/23/19)JGZ: REVISE SIGNS B AND C
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SIGN
R6(12/19/19)JGZ: ADD EARTH TONE COLOR OPTIONS AND
BUILDING SIGN OPTIONS
R7(12/19/19)JGZ: REVISE BUILDING SIGNS TO 30+ SQ. FEET.
REVISE EARTH TONE MONUMENT
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OPTION 2&3, AND A2 OPTION 3. CORRECTED SIZE ERRORS
R19(9/24/21)JGZ: REVISE A2 OPT 2 TO 8' TALL



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FINAL ELECTRICAL
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THIS SIGN IS INTENDED TO BE INSTALLED
IN ACCORDANCE WITH ARTICLE 600 OF THE
NATIONAL ELECTRICAL CODE AND/OR OTHER
APPLICABLE LOCAL CODES. THIS INCLUDES
PROPER GROUNDING & BONDING OF THE SIGN.
SIGN WILL BEAR UL LABEL(S).



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0621481AR19	
Sheet	14 of 15
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FINAL ELECTRICAL CONNECTION BY CUSTOMER



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EXISTING ELEVATION - VIEWING NORTH 3/16"=1'-0"



PROPOSED ELEVATION - VIEWING NORTH 3/16"=1'-0"



EXISTING ELEVATION - VIEWING SOUTH NTS



PROPOSED ELEVATION - VIEWING SOUTH 3/64"=1'-0"

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ELECTION AGREEMENT BETWEEN TRAVIS COUNTY AND NAME OF PARTICIPATING ENTITY

Pursuant to Chapter 31, Subchapter D, Chapter 123, and Chapter 271 of the Texas Election Code and Chapter 791 of the Texas Government Code, Travis County (the “County”) and **Name of Participating Entity** (“Participating Entity”) enter into this agreement (this “Agreement”) for the Travis County Clerk, as the County’s election officer (the “Election Officer”), to conduct the Participating Entity’s elections, including runoffs, and for the Participating Entity’s use of the County’s current or future-acquired election equipment for any voting system that the County adopts, as authorized under Title 8 of the Texas Election Code, for all Participating Entity elections. The purpose of this Agreement is to maintain consistency and accessibility in voting practices, polling places, and election procedures in order to best assist the voters of the Participating Entity.

Section 1. GENERAL PROVISIONS

- (A) Except as otherwise provided in this Agreement, the term “election” refers to any Participating Entity election, occurring on any uniform election date prescribed by the Texas Election Code or a primary election date, along with any resulting runoff, if necessary, within all Participating Entity’s territory located in Travis County. If a runoff is necessary, the Participating Entity shall work with the Election Officer to determine a mutually acceptable run-off date. In the event that the Participating Entity and the Election Officer do not agree on a run-off date, the Participating Entity agrees to the run-off date selected by the Election Officer.
- (B) If the Participating Entity determines it is necessary to conduct an election during a time other than that specified in Section 1(A), the Election Officer and a representative designated by the Participating Entity will meet as soon as possible thereafter to determine the feasibility of the Election Officer conducting such an election. If both parties agree that the Election Officer will administer the election, the new election will be based on all other applicable provisions of this Agreement except provisions that are inconsistent and cannot be feasibly applied.
- (C) Except as otherwise provided in this Agreement:
 - (1) The term “Election Officer” refers to the Travis County Clerk;
 - (2) The term “precinct” means all precincts in the territory of the Participating Entity located within Travis County.
 - (3) The term “election services” refers to services used to perform or supervise any or all of the duties and functions that the Election Officer determines necessary for the conduct of an election.
 - (4) The term “cost for election services” includes the costs for personnel, supplies, materials, or services needed for providing these services as

permitted by the Texas Election Code but does not refer to costs relating to the use of the voting equipment.

- (D) Except as otherwise provided in this Agreement, the cost for “use of voting equipment” for a particular election is the amount the County will charge the Participating Entity for use of the County’s voting equipment in use at the time of that election.
- (E) The Participating Entity agrees to commit the funds necessary to pay for all election-related expenses for Participating Entity elections in accordance with this Agreement.
- (F) The Election Officer has the right to enter into agreements with other entities at any time, including during the dates listed in Section 1(A).
- (G) As a condition for providing election services and equipment usage, the Election Officer may require authorities of political subdivisions holding elections on the same day in all or part of the same territory to enter into a joint election agreement as authorized in Chapter 271 of the Texas Election Code, and the Participating Entity agrees to enter into any joint election agreement required by the County.

SECTION 2. PARTICIPATING ENTITY’S USE OF VOTING EQUIPMENT; DUTIES OF THE ELECTION OFFICER AND OF THE PARTICIPATING ENTITY

The County shall make available to the Participating Entity the County’s current voting system and any future-acquired voting system as authorized under Title 8 of the Texas Election Code, subject to restrictions and conditions imposed by the Election Officer to ensure availability of the equipment for County-ordered elections, primary elections, special elections, and subsequent runoff elections, if applicable. The Election Officer may also impose restrictions and conditions to protect the equipment from misuse or damage.

SECTION 3. APPOINTMENT OF ELECTION OFFICER

- (A) The Travis County Election Officer (“Election Officer”) is appointed to serve as the Participating Entity’s Election Officer and Early Voting Clerk to conduct the Participating Entity’s elections described in Section 1.
- (B) As the Participating Entity’s Election Officer and Early Voting Clerk, the Election Officer shall coordinate, supervise, and conduct all aspects of administering voting in Participating Entity elections in compliance with all applicable laws, subject to Section 3(C) below.
- (C) The Participating Entity shall continue to perform those election duties listed in (1) through (7) below and any other election duties, such as receipt of candidate applications, that are not allowed to be delegated to another governmental entity:

- (1) Preparing, adopting, and publishing all required election orders, resolutions, notices, and other documents, including bilingual materials, evidencing action by the governing authority of the Participating Entity necessary to the conduct of an election, except that:
 - a. The Election Officer does not provide newspaper notices on behalf of the Participating Entity with respect to a specific election.
 - b. With respect to each debt obligation election the Election Officer conducts for the Participating Entity pursuant to this Agreement:
 - i. The Election Officer, after receiving from the Participating Entity a copy of the debt obligation election order, shall post the notice required by and in accordance with Texas Election Code Section 4.003(f)(1) on election day and during early voting by personal appearance, in a prominent location at each polling place;
 - ii. The Election Officer shall provide written confirmation to the Participating Entity that the debt obligation election order was posted in accordance with Texas Election Code Section 4.003(f)(1); and
 - iii. The Participating Entity shall pay any applicable expenses incurred by the Election Officer that directly relates to the posting required by Texas Election Code Section 4.003(f)(1).
 - (2) Preparing the text for the Participating Entity's official ballot in English and Spanish and any other languages as required by law;
 - (3) Providing the Election Officer with a list of candidates or propositions showing the order and the exact manner in which the candidates' names and the propositions are to appear on the official ballot;
 - (4) Conducting the official canvass of a Participating Entity election;
 - (5) Administering the Participating Entity's duties under state and local campaign finance laws;
 - (6) Filing the Participating Entity's annual voting system report to the Secretary of State as required under Texas Election Code Chapter 123.
- (D) The Participating Entity shall also be responsible for proofing and attesting to the accuracy of all ballot language, including any required language translations, and format information programmed by the County. This includes any information programmed for use with the audio or tactile button features of the equipment. The Participating Entity may also monitor and review all logic and accuracy testing and mandatory tabulations. The Participating Entity will complete its duties within timeframes as prescribed by the County. If the Participating Entity finds any discrepancies or concerns, it will immediately report them to the Election Officer and work with her to resolve any issues so that final approval can be reached. The

Participating Entity shall be responsible for any and all actual costs associated with correcting the ballot and ballot programming if the error is discovered after the Participating Entity has signed off on its final proof containing the error.

- (E) (Insert name or job title) will assist the County whenever possible when the conduct of the election requires assistance from Participating Entity departments and staff. (insert name or job title) will serve as the Regular Early Voting Clerk for the Participating Entity to receive requests for applications for early voting ballots and forward these applications to the Joint Early Voting Clerk. (insert name or job title) will serve as the Custodian of Records for the Participating Entity to complete those tasks in the Texas Election Code that the Election Officer will not perform.

SECTION 4. ELECTION WORKERS AND POLLING PLACES

- (A) For presentation to the governing body of the Participating Entity, the County shall provide a list containing the locations, times, and dates of early voting polling places suitable for consideration and adoption by the governing body in accordance with Texas Election Code Chapter 85. The Election Officer will designate and confirm all Election Day polling place locations.
- (B) The Election Officer will assume the responsibility for recruiting election personnel; however, if by the 5th day before the Election, the Election Officer reports vacancies in positions for election judges, alternate judges, election day clerks, early voting ballot board, receiving substation clerks, or any other key election personnel, the Participating Entity shall provide emergency personnel in these positions.
- (C) The Election Officer shall notify each of the election judges and alternates of their appointment and the eligibility requirements that pertain to them and to the selection of Election Day clerks. Included in this notification will be the number of clerks that each precinct should have in addition to the election judge and alternate judge. The election judges and/or the alternates are responsible for recruiting and supervising their clerks.
- (D) All election workers must agree to attend training sessions as determined by the Election Officer. Costs for these training sessions and compensation for attendees will be included as part of the election services costs.
- (E) During any election and any subsequent runoff election that involve entities in addition to the Participating Entity, the Election Officer will work with all parties to find a plan that can be agreed upon regarding the designation of polling places. If agreement cannot be reached, the Election Officer will resolve the differences. **In all cases, the Election Officer has sole discretion to determine whether polling place changes are necessary.**

SECTION 5. PAYMENTS FOR ELECTION SERVICES

- (A) Costs and payments for the use of voting equipment are addressed separately in Section 6 of this Agreement.
- (B) Requests for Election Services. For each election the Participating Entity desires the Election Officer to conduct, the Participating Entity must submit a written request to the Election Officer that describes the general nature of the election and specifies the date of the election.
- (C) Cancellations. On or before 11:59 p.m. on the 68th day before an election for which the Participating Entity has requested election services, the Participating Entity shall notify the Election Officer as to whether the Participating Entity anticipates the cancellation of its election, and on or before 11:59 p.m. on the 60th day before the election the Participating Entity shall notify the Election Officer as to whether the Participating Entity will cancel that election. If the Election Officer receives written notice from the Participating Entity on or before 11:59 p.m. of the 60th day before an election that the Participating Entity's election will be cancelled, the Contracting Officer shall only be entitled to receive the actual expenses incurred before the date of cancellation in connection with the election and an administrative fee of \$75 in accordance with Sections 2.051 - 2.053 of the Texas Election Code.
- (D) Notice, Cost Estimate, Initial Invoicing, and Initial Payment.
- (1) Notwithstanding the provisions in Section 9(B), the County and the Participating Entity agree that notice under Section 5 can be provided via e-mail. The following e-mail address will be used for e-mail communications to or from the County pursuant to Section 5: elections@traviscountytexas.gov, with a copy to ElectionEntities@traviscountytexas.gov. The Participating Entity has designated (give the name or job title of the person who will send notification) as the Participating Entity's representative for sending and receiving e-mail communications under Section 5, and the Participating Entity designates the following e-mail address as the Participating Entity's email address for sending and receiving e-mail communications pursuant to Section 5: _____@_____.
- (2) Initial Cost Estimate. On or before the 60th day before an election for which the Participating Entity has requested election services, the Election Officer will mail and/or email to the Participating Entity a cost estimate for conducting the election. The cost estimate will include an administrative fee that is equal to 10% of the total estimated cost of conducting the Participating Entity's election, excluding the costs of voting equipment. In the event of a joint election, the cost estimate will reflect that election costs will be divided on a pro rata basis among all entities involved in the election in the manner set forth in this Section 5. The proportional cost for the Election Officer to

conduct each participating entity's election will be calculated by dividing the number of registered voters in the territorial jurisdiction of each participating entity by the total number of registered voters for all of the participating entities involved in the joint election and multiplying that quotient by the total cost of the election. The product of these numbers is the pro rata cost share for each participating entity. The Participating Entity acknowledges and understands that if any other participating entity listed in the cost estimate cancels its election, each remaining participating entity's pro rata cost (including the Participating Entity's pro rata cost share) will result in a proportionate cost increase.

- (3) Initial Invoice and Initial Payment. Along with the initial cost estimate, the Election Officer will also include an initial invoice for the Participating Entity to pay 75% of the initial cost estimate. The Participating Entity must pay the County the amount specified in each invoice no later than 30 days after the Participating Entity's receipt of the invoice.
- (4) Runoff Elections. For each runoff election the Participating Entity has requested that the Election Officer conduct, the Participating Entity must make a payment equal to 75% of the projected costs for the runoff election no later than three business days after receiving that cost estimate from the Election Officer. The projected share of election costs will include an administrative fee that is equal to 10% of the total estimated cost of conducting the Participating Entity's runoff election, excluding the costs of voting equipment.
- (5) Each party may change its respective email addresses for e-mail communications under this Section 5, without the need to amend this Agreement, by sending notice to the other party in accordance with Section 9(B).
- (F) Final Accounting and Final Invoice. The County will send the Participating Entity a final invoice of election expenses not later than 90 days after an election unless the Election Officer notifies the Participating Entity during that 90-day period following the election that the Election Officer requires additional time to send a final invoice to the Participating Entity. The final invoice will include a listing of additional costs incurred at the Participating Entity's behalf and specify the total payment due from the Participating Entity for any unpaid portion of the Participating Entity's costs.
 - (1) Within 30 days after receipt of an election cost invoice setting forth the Election Officer's actual contract expenses and charges incurred in the conduct of the election, the Participating Entity shall pay the Election Officer the balance due on each final invoice no later than 30 days after the Participating Entity's receipt of that invoice.

- (2) A refund may be due from the County to the Participating Entity if the final costs are lower than the amount already paid by the Participating Entity or if, at the end of the calendar year, the County Auditor's Office makes adjustments to the election workers' payroll and the amount already paid by the Participating Entity for election worker payroll costs exceeds the payroll amounts calculated by the County Auditor's Office.
- (G) The Participating Entity shall promptly review an election invoice and any supporting documentation when received from the County. The Participating Entity may audit, during the County's normal business hours, relevant County election or accounting records upon reasonable notice to the County. The Participating Entity shall pay the entire final invoice or the undisputed portion of the final invoice not later than the 30th day after receiving the invoice. Failure by the Participating Entity to timely pay an invoice in full may impact the Election Officer's participation in future elections with the Participating Entity.

SECTION 6. PAYMENTS FOR USE OF VOTING EQUIPMENT

- (A) The Election Officer shall conduct elections using a voting system certified by the Secretary of State in accordance with the Texas Election Code and that has been approved for use by the Travis County Commissioners Court unless otherwise agreed upon by the Participating Entity, the Travis County Clerk, and the Travis County Commissioners Court.
- (B) The Participating Entity shall make payments to Travis County as consideration for the use of the County's voting equipment.
 - (1) For each election the Election Officer conducts for the Participating Entity after January 1, 2022, through January 1, 2023, the Participating Entity shall pay two percent of the cost of the electronic voting system equipment installed at a polling place and two percent for each unit of other electronic equipment used by the Travis County Clerk's Office to conduct the election or provide election services.
 - (2) In this Agreement "other electronic equipment" includes ballot marking devices, ballot scanners, ballot printers, ballot tabulators, electronic pollbooks, and ballot programming software.
- (C) Payment by the Participating Entity to the County for voting equipment is due no later than 30 days after the Participating Entity's receipt of an invoice from the County.
- (D) If the County acquires additional equipment, different voting equipment, or upgrades to existing equipment during the term of this Agreement, the charge for the use of the equipment may be renegotiated.

SECTION 7. ADDITIONAL EARLY VOTING LOCATIONS

- (A) All of the Participating Entity's voters within Travis County will have access to all of the Travis County Early Voting sites in each election at no additional cost.
- (B) If the Participating Entity desires to have one or more early voting sites that are in addition to those sites the Election Officer has already selected for a specific election, the Participating Entity must submit the request to the Election Officer no later than 60 days before the election, and the Election Officer will thereafter provide a written estimate to the Participating Entity that sets forth the estimated cost for providing the additional early voting location(s) and the deadline by which the cost estimate must be paid. If, after receiving the cost estimate, the Participating Entity desires to move forward with having the additional early voting location(s), the Participating Entity will notify the Election Officer and include payment of the cost estimate with the Participating Entity's notice to the Election Officer no later than the deadline specified in the Election Officer's cost estimate. *Pursuant to Texas Election Code Section 85.064(b) and notwithstanding any provision to the contrary, the Election Officer has sole discretion to determine whether to provide any additional early voting sites requested by the Participating Entity.*

SECTION 8. COMMUNICATIONS

- (A) The Participating Entity and the Election Officer shall each designate a member of their staff to serve as the primary contact for the respective offices under this Agreement and provide the name and contact information for that individual to the other party. Each party may change their designated staff members by sending notice to the other party without the further need to amend this Agreement.
- (B) Throughout the term of this Agreement, the Participating Entity and the County will engage in ongoing communications on issues related to Participating Entity elections, the use of County's voting equipment, and the delivery of services under this Agreement and, when necessary, the County Clerk, Elections Division staff members, and other election workers shall meet with the Participating Entity to discuss and resolve any problems which might arise under this Agreement.
- (C) The Election Officer shall be the main point of media contact for election information related to election administration. The Participating Entity shall designate a contact to be the main point of contact for matters related to the content of the Participating Entity's ballot or candidates.

SECTION 9. MISCELLANEOUS PROVISIONS

- (A) Amendment/Modification

Except as otherwise provided, this Agreement may not be amended, modified, or changed in any respect whatsoever, except by a further Agreement in writing and duly executed by the parties hereto. No official, representative, agent, or employee of the County has any authority to modify this Agreement except pursuant to such expressed authorization as may be granted by the Commissioners Court of Travis County, Texas. No official, representative, agent, or employee of the Participating Entity has any authority to modify this Agreement except pursuant to such expressed authorization as may be granted by the governing body of the Participating Entity. Rebecca Guerrero, Travis County Clerk (or her successor), may propose necessary amendments or modifications to this Agreement in writing in order to conduct a joint election smoothly and efficiently, except that any such proposals must be approved by the Commissioners Court of the County and the governing body of the Participating Entity.

(B) Notice

Unless otherwise provided herein, any notice to be given hereunder by any party to the other shall be in writing and may be affected by personal delivery, by certified mail, or by common carrier. Notice to a party shall be addressed as follows:

PARTICIPATING ENTITY

XXXXXXX

XXXXXXX

XXXXXXX

TRAVIS COUNTY

Honorable Rebecca Guerrero, Travis County Clerk (or her successor)
1000 Guadalupe Street, Room 222
Austin, Texas 78701

Cc: Honorable Delia Garza, Travis County Attorney (or her successor)
314 West 11th Street, 5th Floor
Austin, Texas 78701

Notice by hand-delivery is deemed effective immediately, notice by certified mail is deemed effective three days after deposit with a U.S. Postal Office or in a U.S. Mail Box, and notice by a common carrier, is deemed effective upon receipt. Each party may change the address for notice to it by giving notice of such change in accordance with the provisions of this Section. When notices by e-mail are permitted by this Agreement, (1) the notice is deemed effective upon the day it is sent if the e-mail is received before 5:00 p.m. on a business day; (2) the notice is deemed effective on the first business day after the e-mail was received if the email was received after 5:00 p.m. on a business day or anytime on a Saturday or Sunday. In this Agreement, "business day" means any weekday that is not a holiday designated by the Travis County Commissioners Court.

(C) Force Majeure

In the event that the performance by the County of any of its obligations or undertakings hereunder shall be interrupted or delayed by any occurrence not occasioned by its own conduct, whether such occurrence be an act of God or the result of war, riot, civil commotion, sovereign conduct, or the act or condition of any persons not a party hereto or in privity thereof, then it shall be excused from such performance for such period of time as is reasonably necessary after such occurrence to remedy the effects thereof.

(D) Venue and Choice of Law

The Participating Entity agrees that venue for any dispute arising under this Agreement will lie in the appropriate courts of Austin, Travis County, Texas. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and the United States of America.

(E) Entire Agreement

This Agreement contains the entire agreement of the parties relating to the rights herein granted and the obligations herein assumed and also supersedes all prior agreements, including prior election services contracts and prior agreements to conduct joint elections. Any prior agreements, promises, negotiations, or representations not expressly contained in this Agreement are of no force or effect. Any oral representations or modifications concerning this Agreement shall be of no force or effect, excepting a subsequent modification in writing as provided herein.

(F) Severability

If any provision of this Agreement is found to be invalid, illegal or unenforceable by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect the remaining provisions of this Agreement. Parties to this Agreement shall perform their obligations under this Agreement in accordance with the intent of the parties to this Agreement as expressed in the terms and provisions of this Agreement.

(G) Breach

In the event that Participating Entity or County breaches any of its obligations under this Agreement, the non-breaching party shall be entitled to pursue any and all rights and remedies allowed by law.

(H) Payments from Current Revenues

Payments made by the Participating Entity in meeting its obligations under this Agreement shall be made from current revenue funds available to the governing body of the Participating Entity. Payments made by the County in meeting its obligations under this Agreement shall be made from current budget or revenue available to the County.

(I) Other Instruments

The County and the Participating Entity agree that they will execute other and further instruments or any documents as may become necessary or convenient to effectuate and carry out the purposes of this Agreement.

(J) Third Party Beneficiaries

Except as otherwise provided herein, nothing in this Agreement, expressed or implied, is intended to confer upon any person, other than the parties hereto, any benefits, rights or remedies under or by reason of this Agreement.

(K) Joint Election Agreements

The County and the Participating Entity expressly understand and acknowledge that each may enter into other joint election agreements with other jurisdictions, to be held on Election Day and at common polling places covered by this Agreement.

When mediation is acceptable to both parties in resolving a dispute arising under this Agreement, the parties agree to use a mutually agreed upon mediator, or a person appointed by a court of competent jurisdiction, for mediation as described in Section 154.023 of the Texas Civil Practice and Remedies Code. Unless both parties are satisfied with the result of the mediation, the mediation will not constitute a final and binding resolution of the dispute. All communications within the scope of the mediation shall remain confidential as described in Section 154.053 of the Texas Civil Practice and Remedies Code unless both parties agree, in writing, to waive the confidentiality. Notwithstanding the foregoing, the parties intend to fully comply with the Texas Open Meetings Act and the Texas Public Information Act whenever applicable. The term “confidential” as used in this Agreement has the same meaning as defined and construed under the Texas Public Information Act and the Texas Open Meetings Act.

(L) Addresses for Payments

Payments made to the County or the Participating Entity under this Agreement shall be addressed to following respective addresses:

Travis County Clerk – Elections Division
P.O. Box 149325
Austin, Texas 78714

Participating Entity
XXXXXXXXXXXX
XXXXXXXXXXXX
XXXXXXXXXXXX

- (M) This Agreement is effective upon execution by both parties and remains in effect until either party terminates this agreement for any reason upon providing 60 days written notice to the other party.
- (N) All times referenced in this Agreement are to Central Time, and in all instances, the time-stamp clock used by the Travis County Clerk's Office at 5501 Airport Boulevard in Austin, Texas is the official clock for determining the correct time.
- (O) The individuals below have been authorized to sign this Agreement.

IN TESTIMONY WHEREOF, the parties hereto have executed this Agreement in multiple copies, each of equal dignity, and this Agreement takes effect on the date it is fully executed by the Participation Entity, the Travis County Judge (on behalf of the Travis County Commissioners Court), and the Travis County Clerk.

[Signatures on following page]

PARTICIPATING ENTITY

BY: _____
Name
Title

DATE: _____

TRAVIS COUNTY

BY: _____
Andy Brown (or his successor)
County Judge

DATE: _____

BY: _____
Rebecca Guerrero (or her successor)
County Clerk

DATE: _____

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF WEST LAKE HILLS, TEXAS, AMENDING CHAPTER 38, ARTICLE 38.02, SECTION 38.02.007 OF THE CODE OF ORDINANCES BY ADDING FACTORS THE BOARD OF ADJUSTMENT MAY CONSIDER IN EXERCISING ITS AUTHORITY TO AUTHORIZE VARIANCES FROM THE TERMS OF A ZONING ORDINANCE TO DETERMINE WHETHER COMPLIANCE WITH AN ORDINANCE AS APPLIED TO A STRUCTURE WOULD RESULT IN UNNECESSARY HARDSHIP; AND PROVIDING FOR THE FOLLOWING: FINDINGS OF FACT; ENACTMENT; REPEALER; SEVERABILITY; PENALTY; CODIFICATION; EFFECTIVE DATE; AND PROPER NOTICE & MEETING.

WHEREAS, the City Council of the City of West Lake Hills (“City Council”) seeks to provide for the public health, safety, and welfare of its citizens; and

WHEREAS, the City Council seeks to promote orderly and safe use of property within the City of West Lake Hills, Texas (“City”); and

WHEREAS, the Texas Legislature adopted House Bill 1475 (2021) relating to municipal board of adjustment zoning variances based on unnecessary hardship; and

WHEREAS, H.B. 1475 authorizes the Board of Adjustment in exercising its authority to authorize variances from the terms of a zoning ordinance, to consider certain factors as grounds to determine whether compliance with an ordinance as applied to a structure would result in unnecessary hardship; and

WHEREAS, the City Council desires to amend the zoning variance criteria to incorporate the factors from H.B. 1475; and

WHEREAS, the City Council finds that the amendment proposed is reasonable, necessary, and proper for the good government of the City of West Lake Hills.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WEST LAKE HILLS, TEXAS, THAT:

1. FINDINGS OF FACT

The foregoing recitals are incorporated into this Ordinance by reference as findings of fact as if expressly set forth herein.

2. ENACTMENT

Chapter 38, Article 38.02, Section 38.02.007 of the West Lake Hills Code of Ordinances is hereby amended to read in accordance with *Attachment "A"* which is attached hereto and incorporated into this Ordinance and the City Code for all intents and purposes. Underlined and italicized text shall be added and struck-through and bracketed text shall be deleted as indicated in *Attachment "A"*.

3. REPEALER

All ordinances, or parts thereof, that are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters regulated, herein.

4. SEVERABILITY

Should any of the clauses, sentences, paragraphs, sections or parts of this Ordinance be deemed invalid, unconstitutional, or unenforceable by a court of law or administrative agency with jurisdiction over the matter, such action shall not be construed to affect any other valid portion of this Ordinance.

5. CODIFICATION

The City Secretary is hereby directed to record and publish the attached rules, regulations and policies in the City's Code of Ordinances as authorized by Section 52.001 of the Texas Local Government Code.

6. EFFECTIVE DATE

This Ordinance shall be effective immediately upon passage and publication.

7. PROPER NOTICE & MEETING

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551. Notice was also provided as required by Chapter 52 of the Texas Local Government Code.

PASSED & APPROVED THIS, THE ____ DAY OF _____, 2022.

CITY OF WEST LAKE HILLS:

Linda Anthony, Mayor

ATTEST:

Stephanie Mills, City Secretary

ATTACHMENT “A”

CHAPTER 38 ZONING

Sec. 38.02.007 Interpretive criteria for the granting of variances

(a) The board, in performing its respective duties in reference to applications for variances, shall be guided by the interpretative criteria set forth in section 38.05.033 of the Code.

(b) In exercising its authority under Section 38.02.005(d)(3), the board may also consider the following as grounds to determine whether compliance with the ordinance as applied to a structure that is the subject of the appeal would result in unnecessary hardship:

(1) the financial cost of compliance is greater than 50 percent of the appraised value of the structure as shown on the most recent appraisal roll certified to the assessor for the City under Section 26.01, Tax Code;

(2) compliance would result in a loss to the lot on which the structure is located of at least 25 percent of the area on which development may physically occur;

(3) compliance would result in the structure not being in compliance with a requirement of a city ordinance, building code, or other requirement;

(4) compliance would result in the unreasonable encroachment on an adjacent property or easement; or

(5) the City considers the structure to be a nonconforming structure.

Ratings: S&P Global Ratings: “AAA”
(See “RATINGS” herein)

NEW ISSUE: BOOK-ENTRY-ONLY

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. See “TAX MATTERS” herein.

\$25,000,000~~23,405,000~~*
CITY OF WEST LAKE HILLS, TEXAS
(Travis County)
GENERAL OBLIGATION BONDS,
SERIES 2022

Dated Date: March 9, 2022

-Due: February 15, as shown on page

ii

Interest to accrue from Date of Delivery

PAYMENT TERMS. . . Interest on the \$25,000,000~~23,405,000~~* City of West Lake Hills, Texas, General Obligation Bonds, Series 2022 (the “Bonds”), will accrue from the Date of Delivery (defined below), will be payable February 15 and ~~August 1~~ August 15 of each year, commencing ~~February 1~~ February 15, 2023, until maturity or prior redemption, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company (“DTC”) pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof within a maturity. **No physical delivery of the Bonds will be made to the beneficial owners thereof.** Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See “THE BONDS - Book-Entry-Only System” herein. The initial Paying Agent/Registrar is U.S. Bank Trust Company, National Association***, Dallas, Texas (see “THE BONDS - Paying Agent/Registrar”).

AUTHORITY FOR ISSUANCE. . . The Bonds are issued pursuant to the Constitution and general laws of the State of Texas, including particularly Chapter 1331 of the Texas Government Code, as amended, an election held in the City of West Lake Hills, Texas (the “City”) on November 2, 2021 and an ordinance to be adopted by the City Council of the City (the “Ordinance”). The Bonds constitute direct obligations of the City, payable from a continuing ad valorem tax levied, within the limits prescribed by law, on all taxable property within the City within the limits prescribed by law, as provided in the Ordinance (see “THE BONDS - Authority for Issuance”).

PURPOSE. . . Proceeds from the sale of the Bonds will be used for (i) constructing, acquiring, improving, renovating, expanding and developing a new City Hall and Police Building and related infrastructure, (ii) constructing, improving, renovating, extending, expanding and developing streets, roads and related drainage improvements, including traffic signalization, lighting, sidewalks, soundwalls and landscaping, and acquiring right-of-way related thereto, with respect to Camp Craft Road, Laurel Valley Road, Redbud Trail, Westlake Drive, Yaupon Valley Road and Terrace Mountain Drive, and (iii) paying costs of issuance of the Bonds.

CUSIP PREFIX: _____
MATURITY SCHEDULE & 9 DIGIT CUSIP
See Schedule on Page ii

LEGALITY. . . The Bonds are offered for delivery when, as and if issued and received by the Initial Purchaser of the Bonds and subject to the approving opinion of the Attorney General of Texas and the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, Austin, Texas (see Appendix C, “Form of Bond Counsel’s Opinion”).

DELIVERY. . . It is expected that the Bonds will be available for delivery through DTC on March 9, 2022 (the “Date of Delivery”).

BIDS DUE WEDNESDAY, FEBRUARY 9, 2022, 10:00 AM C.S.T

* Preliminary, subject to change.

** Effective January 29, 2022, U.S. Bank National Association will transfer substantially all of its corporate trust business to its affiliate, U.S. Bank Trust Company, National Association. U.S. Bank Trust Company, National Association will perform the corporate trust duties currently administered by U.S. Bank National Association, including serving as Paying Agent/Registrar/Bond Trustee.

* Preliminary, subject to change.

** Effective January 29, 2022, U.S. Bank National Association will transfer substantially all of its corporate trust business to its affiliate, U.S. Bank Trust Company, National Association. U.S. Bank Trust Company, National Association will perform the corporate trust duties currently administered by U.S. Bank National Association, including serving as Bond Trustee.

CUSIP Prefix: _____ (1)

MATURITY SCHEDULE**

Maturity (2/15)*	Principal Amount*	Interest Rate	Yield	CUSIP Suffix⁽¹⁾
<u>2023</u>	<u>\$220,000</u>			
<u>2024</u>	<u>590,000</u>			
<u>2025</u>	<u>625,000</u>			
<u>2026</u>	<u>655,000</u>			
<u>2027</u>	<u>690,000</u>			
<u>2028</u>	<u>725,000</u>			
<u>2029</u>	<u>760,000</u>			
<u>2030</u>	<u>795,000</u>			
<u>2031</u>	<u>830,000</u>			
<u>2032</u>	<u>860,000</u>			
<u>2033</u>	<u>890,000</u>			
<u>2034</u>	<u>920,000</u>			
<u>2035</u>	<u>950,000</u>			
<u>2036</u>	<u>975,000</u>			
<u>2037</u>	<u>1,005,000</u>			
<u>2038</u>	<u>1,035,000</u>			
<u>2039</u>	<u>1,070,000</u>			
<u>2040</u>	<u>1,100,000</u>			
<u>2041</u>	<u>1,135,000</u>			
<u>2042</u>	<u>1,170,000</u>			
<u>2043</u>	<u>1,205,000</u>			
<u>2044</u>	<u>1,240,000</u>			
<u>2045</u>	<u>1,280,000</u>			
<u>2046</u>	<u>1,320,000</u>			
<u>2047</u>	<u>1,360,000</u>			

(Interest to accrue from the Date of Delivery)

- (1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard and Poor's Financial Services LLC on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the City nor the Financial Advisor shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.

OPTIONAL REDEMPTION. . . The City reserves the right, at its option, to redeem Bonds having stated maturities on and after February 15, 2032, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2031, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see "THE BONDS – Optional Redemption").

MANDATORY SINKING FUND REDEMPTION . . . In the event any of the Bonds are structured as "term" Bonds at the option of the Initial Purchaser, such term Bonds will be subject to mandatory sinking fund redemption in accordance with the applicable provisions of the Ordinance, which provisions will be included in the final Official Statement.

*—Preliminary, subject to change.

* Preliminary, subject to change.

USE OF INFORMATION IN OFFICIAL STATEMENT

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, this document may be treated as an Official Statement of the City with respect to the Bonds described herein that has been deemed “final” by the City as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

No dealer, broker, salesman or other person has been authorized to give any information, or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the City, the Financial Advisor or the Initial Purchaser.

This Official Statement is not to be used in connection with an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Certain information set forth herein in this Official Statement has been furnished by sources other than the City which are believed to be reliable, but such information is not guaranteed by the City as to accuracy or completeness.

Any information and expression of opinion herein contained is subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or other matters described herein since the date hereof. See “CONTINUING DISCLOSURE” for a description of the City’s undertaking to provide certain information on a continuing basis.

THE BONDS ARE EXEMPT FROM REGISTRATION WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AND CONSEQUENTLY HAVE NOT BEEN REGISTERED THEREWITH. THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE BONDS IN ACCORDANCE WITH APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTION IN WHICH THE BONDS HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF.

IN CONNECTION WITH THIS OFFERING, THE INITIAL PURCHASER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THIS OFFICIAL STATEMENT CONTAINS “FORWARD-LOOKING” STATEMENTS WITHIN THE MEANING OF SECTION 21e OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. SUCH STATEMENTS MAY INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE THE ACTUAL RESULTS, PERFORMANCE AND ACHIEVEMENTS TO BE DIFFERENT FROM THE FUTURE RESULTS, PERFORMANCE AND ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INVESTORS ARE CAUTIONED THAT THE ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE SET FORTH IN THE FORWARD-LOOKING STATEMENTS. See “FORWARD-LOOKING STATEMENTS DISCLAIMER” herein.

The agreements of the City and others related to the Bonds are described herein. Neither this Official Statement nor any other statement made in connection with the offer or sale of the Bonds is to be construed as constituting an agreement with the purchasers of the Bonds. INVESTORS SHOULD READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO, TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.

None of the City, the Financial Advisor, or the Initial Purchaser make any representation regarding the information contained in this Official Statement regarding The Depository Trust Company (“DTC”) and its Book-Entry-Only System, as such information was furnished by DTC.

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SEPTEMBER 30, 2020

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CITY OF WEST LAKE HILLS, TEXAS

ELECTED OFFICIALS

CITY COUNCIL

<u>Name</u>	<u>Position</u>	<u>Term Expires (May)</u>	<u>Occupation</u>
Linda Anthony	Mayor	2022	Retired
Rhonda McCollough	Council Member Place 1	2023	Real Estate
Brian Plunkett	Council Member Place 2	2022	Engineer
Beth South	Council Member Place 3	2023	Public Relations/Consultant
Darin Walker	Mayor Pro Tem Place 4	2022	Realtor
Gordon Bowman	Council Member Place 5	2023	Attorney/Consultant

CERTAIN APPOINTED OFFICIALS

<u>Name</u>	<u>Position</u>	<u>Length of Service with the City</u>
Ashby Grundman	Interim City Administrator ⁽¹⁾	5 Years
Vonda Ragsdale	Finance Director	5 Years
Stephanie Mills	City Secretary	2 Years

(1) Mr. Ashby Grundman was appointed Interim City Manager effective November 22, 2021. Mr. Grundman previously served as the Director of Building and Development Services and has 10 years' experience in local government.

CONSULTANTS AND ADVISORS

Financial AdvisorPFM Financial Advisors LLC
Austin, Texas

Bond Counsel.....Orrick, Herrington & Sutcliffe LLP
Austin, Texas

Certified Public AccountantsSingleton, Clark & Company, PC
Houston, Texas

For Additional Information Regarding the City Please Contact:

Vonda Ragsdale
Finance Officer
City of West Lake Hills
911 West Lake Drive
West Lake Hills, Texas 78746
512-327-3628

or

Blake Roberts
Director
PFM Financial Advisors LLC
111 Congress Ave., Suite 2150
Austin, Texas 78701
512-614-5324

OFFICIAL STATEMENT SUMMARY

This summary is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement. The offering of the Bonds to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this summary from this Official Statement or to otherwise use it without the entire Official Statement.

The City	The City of West Lake Hills, Texas (the “City”) is a political subdivision and municipal corporation of the State of Texas, located in Travis County, Texas. The City covers approximately 3.7 square miles and has an estimated 2021 population of 3,444 (see “INTRODUCTION – Description of the City”).
The Bonds	\$25,000,000 <u>23,405,000</u> [□] * General Obligation Bonds, Series 2022 (the “Bonds”), maturing on February 1 <u>February 15</u> in each of the years shown on page ii hereof. Interest on the Bonds will accrue from the date of initial delivery and will be payable February 1 <u>February 15</u> and August 1 <u>August 15</u> of each year, commencing February 1 <u>February 15</u> , 2023, until the earlier of maturity or prior redemption.
Purpose of the Bonds	Proceeds of the Bonds will be used for (i) constructing, acquiring, improving, renovating, expanding and developing a new City Hall and Police Building and related infrastructure, (ii) constructing, improving, renovating, extending, expanding and developing streets, roads and related drainage improvements, including traffic signalization, lighting, sidewalks, soundwalls and landscaping, and acquiring right-of-way related thereto, with respect to Camp Craft Road, Laurel Valley Road, Redbud Trail, Westlake Drive, Yaupon Valley Road and Terrace Mountain Drive, and (iii) paying costs of issuance of the Bonds. (see “THE BONDS – Purpose” herein).
Security for the Bonds	The Bonds constitute direct obligations of the City payable from a continuing direct annual ad valorem tax levied, within the limits prescribed by law, on all taxable property within the City in an amount sufficient to provide for payment of principal of and interest on all ad valorem tax debt (see “THE BONDS – Security and Source of Payment” herein).
Optional Redemption*	The Bonds maturing on or after February 1 <u>February 15</u> , 2032, are subject to redemption at the option of the City, in whole or in part, on February 1 <u>February 15</u> , 2031, or any date thereafter, at a price of par plus accrued interest to the date fixed for redemption (see “THE BONDS – Optional Redemption” herein).
Ratings	S&P Global Ratings, a division of S&P Global Inc., has assigned a municipal bond rating of “AAA” (Stable Outlook) to the Bonds (see “RATINGS” herein).
Book-Entry-Only System	The Bonds will be initially deposited with and registered solely to Cede & Co., the nominee of The Depository Trust Company, pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the purchasers thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the DTC Participants (as defined herein) for subsequent remittance to the owners of the beneficial interests in the Bonds (see “BOOK-ENTRY-ONLY SYSTEM” herein).
Continuing Disclosure	Pursuant to the Ordinance, the City will be obligated to provide certain updated financial information and operating data annually, and timely notice of certain specified events to the Municipal Securities Rulemaking Board (the “MSRB”). Investors will be able to access continuing disclosure information filed with the MSRB free of charge at www.emma.msrb.org (see “CONTINUING DISCLOSURE OF INFORMATION”).
Tax Exemption	In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. See “TAX MATTERS” herein.

^{*} Preliminary, subject to change.

[□] Preliminary, subject to change.

Payment Record	The City has never defaulted on the payment of its tax-supported debt.
Legal Opinion	Orrick, Herrington & Sutcliffe LLP, Austin, Texas.
Delivery	When issued, anticipated to be on or about March 9, 2022.

SELECTED FINANCIAL INFORMATION

Fiscal Year Ended 9/30	Estimated Population ⁽¹⁾	Taxable Assessed Valuation ⁽²⁾	Per Capita Taxable Assessed Valuation	Tax Supported Debt ⁽³⁾	Per Capita Tax Supported Debt	Ratio of Tax Supported Debt to Taxable Assessed Valuation	% of Total Tax Collections to Tax Levy
2018	3,318	\$ 2,000,942,608	\$ 603,057	-	-	-	99.00%
2019	3,286	2,166,540,982	659,325	-	-	-	99.00%
2020	3,444	2,316,854,575	672,722	-	-	-	99.00%
2021	3,444	2,423,683,426	703,741	-	-	-	99.00%
2022	3,444	2,516,854,534 ⁽⁴⁾	730,794	\$ 23,405,000 ⁽⁵⁾	\$ 6,796 ⁽⁵⁾	0.93%	⁽⁶⁾

(1) Source: The City.

(2) As reported by the Travis Central Appraisal District; subject to change during the ensuing year.

(3) Prior to the issuance of the Bonds, the City has not previously issued tax-supported debt.

(4) Excludes taxable values pending before the Appraisal Review Board in the amount of \$89,053,160.

(5) Projected. Includes the Bonds. Preliminary, subject to change.

(6) In process of collection.

Fiscal Year Ended 9/30	Estimated Population ⁽¹⁾	Taxable Assessed Valuation ⁽²⁾	Per Capita Taxable Assessed Valuation	Tax Supported Debt ⁽³⁾	Per Capita Tax Supported Debt	Ratio of Tax Supported Debt to Taxable Assessed Valuation	% of Total Tax Collections to Tax Levy
2018	3,318	\$2,000,942,608	\$603,057	-	-	-	99.00%
2019	3,286	2,166,540,982	659,325	-	-	-	99.00%
2020	3,444	2,316,854,575	672,722	-	-	-	99.00%
2021	3,444	2,423,683,426	703,741	-	-	-	99.00%
2022	3,444	2,516,854,534 ⁽⁴⁾	730,794	\$25,000,000 ⁽⁵⁾	\$ 7,259 ⁽⁵⁾	0.99%	⁽⁶⁾

(1) Source: The City.

(2) As reported by the Travis Central Appraisal District; subject to change during the ensuing year.

(3) Prior to the issuance of the Bonds, the City has not previously issued tax-supported debt.

(4) Excludes taxable values pending before the Appraisal Review Board in the amount of \$89,053,160.

(5) Projected. Includes the Bonds. Preliminary, subject to change.

(6) In process of collection.

GENERAL FUND CONSOLIDATED STATEMENT SUMMARY

	For Fiscal Year Ended September 30,				
	2020	2019	2018	2017	2016
Beginning Balance	\$5,691,816	\$5,670,361	\$4,656,123	\$4,172,859	\$5,848,509
Total Revenue	5,967,984	6,285,227	5,664,446	5,467,158	5,393,449
Total Expenditures	4,839,808	6,281,764	4,653,958	4,985,274	7,074,186
Other Sources (Uses)	56,364	17,992	3,750	1,380	5,087
Ending Balance	<u>\$6,876,356</u>	<u>\$5,691,816</u>	<u>\$5,670,361</u>	<u>\$4,656,123</u>	<u>\$4,172,859</u>

OFFICIAL STATEMENT

RELATING TO

~~\$25,000,000~~23,405,000*
CITY OF WEST LAKE HILLS, TEXAS
GENERAL OBLIGATION BONDS, SERIES 2022

INTRODUCTION

This Official Statement, which includes the Appendices hereto, provides certain information regarding the issuance of ~~\$25,000,000~~23,405,000* City of West Lake Hills, Texas, General Obligation Bonds, Series 2022 (the “Bonds”). Capitalized terms used in this Official Statement have the same meanings assigned to such terms in the Ordinance (defined herein) except as otherwise indicated herein. There follows in this Official Statement descriptions of the Bonds and certain information regarding the City of West Lake Hills, Texas (the “City”) and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from the City’s Financial Advisor, PFM Financial Advisors LLC, Austin, Texas.

Description of the City

The City is a political subdivision and municipal corporation of the State, duly organized and existing under the laws of the State. The City was incorporated in 1953. The City operates under a Council/Manager form of government with a City Council comprised of the Mayor and five Councilmembers. The term of office is two years with the terms of the Mayor and two of the Councilmembers’ terms expiring in even-numbered years and the other terms of the other three Councilmembers expiring in odd-numbered years. The City Administrator is the chief administrative officer for the City. The 2020 Census population for the City was 3,444. The City covers approximately 3.7 square miles

THE BONDS

Description of the Bonds

The Bonds will be dated as of the date of initial delivery (the “Date of Delivery”) thereof to the initial purchaser(s) of the Bonds (the “Initial Purchaser”). Interest on the Bonds will accrue from the Date of Delivery and will be payable ~~February~~ February 15 and ~~August~~ August 15 of each year, commencing ~~February~~ February 15, 2023, until the earlier of maturity or prior redemption. The definitive Bonds will be issued only in fully-registered form in any integral multiple of \$5,000 for any one maturity and will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company (“DTC”) pursuant to the Book-Entry-Only System described herein. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See “THE BONDS - Book-Entry-Only System” herein.

Authority for Issuance

The Bonds are being authorized and issued pursuant to the Constitution and general laws of the State, particularly Chapter 1331, Texas Government Code, as amended, an election held in the City on November 2, 2021 (the “Election”), and the ordinance passed by the City Council of the City (the “Ordinance”). After the issuance of the Bonds, the City will have no authorized but unissued ad valorem tax bonds remaining from the Election (see "Table 11 - Authorized but Unissued General Obligation Bonds" herein).

Security and Source of Payment

All taxable property within the City is subject to a continuing direct annual ad valorem tax levied by the City, within the limits prescribed by law, sufficient to provide for the payment of principal of and interest on the Bonds.

* Preliminary, subject to change.

Tax Rate Limitation

The City operates as a Type A general law municipality. Article XI, Section 4, of the Texas Constitution is applicable to the City, and limits its maximum ad valorem tax rate to \$1.50 per \$100 assessed valuation for all City purposes. Administratively, the Attorney General of the State of Texas will not permit such a city to issue ad valorem tax debt in an amount greater than that which at the time of issuance can be supported by a tax rate of \$1.00 per \$100 of assessed valuation based on 90% tax collections.

Optional Redemption

The City reserves the right, at its option, to redeem Bonds having stated maturities on and after ~~February 1~~February 15, 2032, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on ~~February 1~~February 15, 2031, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. If less than all of the Bonds are to be redeemed, the City shall determine the maturity or maturities to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Bonds or portion thereof, within such maturity or maturities and in such principal amounts for redemption. If less than all the Bonds of any maturity are to be redeemed, the Paying Agent/Registrar (or DTC while the Bonds are in Book-Entry-Only form) shall determine by lot the Bonds, or portions thereof, within such maturity to be redeemed. If a Bond (or any portion of the principal sum thereof) shall have been called for redemption and notice of such redemption shall have been given, such Bond (or the principal amount thereof to be redeemed) shall become due and payable on such redemption date and interest thereon shall cease to accrue from and after the redemption date, provided funds for the payment of the redemption price and accrued interest thereon are held by the Paying Agent/Registrar on the redemption date.

Mandatory Sinking Fund Redemption

In the event any of the Bonds are structured as “term” Bonds, such term Bonds will be subject to mandatory sinking fund redemption in accordance with the applicable provisions of the Ordinance, which provisions will be included in the final Official Statement.

Notice of Redemption

Not less than 30 days prior to a redemption date for the Bonds, the City shall cause a notice of redemption to be sent by United States mail, first class, postage prepaid, to the registered owners of the Bonds to be redeemed, in whole or in part, at the address of the registered owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice. ANY NOTICE SO MAILED SHALL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN, WHETHER OR NOT THE REGISTERED OWNER RECEIVES SUCH NOTICE. NOTICE HAVING BEEN SO GIVEN, THE BONDS CALLED FOR REDEMPTION SHALL BECOME DUE AND PAYABLE ON THE SPECIFIED REDEMPTION DATE, AND NOTWITHSTANDING THAT ANY BOND OR PORTION THEREOF HAS NOT BEEN SURRENDERED FOR PAYMENT, INTEREST ON SUCH BOND OR PORTION THEREOF SHALL CEASE TO ACCRUE, PROVIDED THAT MONIES FOR THE PAYMENT OF THE REDEMPTION PRICE AND THE INTEREST ACCRUED ON THE PRINCIPAL AMOUNT TO BE REDEEMED TO THE DATE OF REDEMPTION ARE HELD FOR THE PURPOSE OF SUCH PAYMENT BY THE PAYING AGENT/REGISTRAR.

With respect to any optional redemption of the Bonds, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Paying Agent/Registrar and the City, so long as a Book-Entry-Only System is used for the Bonds, will send any notice of redemption, notice of proposed amendment to the Ordinance or other notices with respect to the Bonds only to DTC. Any failure by DTC to advise any DTC participant, or of any DTC participant or indirect participant to notify the beneficial owner, shall not affect the validity of the redemption of the Bonds called for redemption or any other action premised on any such notice. Redemption of portions of the Bonds by the City will reduce the outstanding principal amount of such Bonds held by DTC. In such event, DTC may implement, through its Book-Entry-Only System, a redemption of such Bonds held

for the account of DTC participants in accordance with its rules or other agreements with DTC participants and then DTC participants and indirect participants may implement a redemption of such Bonds from the beneficial owners. Any such selection of Bonds to be redeemed will not be governed by the Ordinance and will not be conducted by the City or the Paying Agent/Registrar. Neither the City nor the Paying Agent/Registrar will have any responsibility to DTC participants, indirect participants or the persons for whom DTC participants act as nominees, with respect to the payments on the Bonds or the providing of notice to DTC participants, indirect participants, or beneficial owners of the selection of portions of the Bonds selected for redemption (see "THE BONDS - Book- Entry-Only System").

Defeasance

The Ordinance provides for the defeasance of the Bonds when the payment of the principal and premium, if any, on the Bonds, plus interest on the Bonds to the due date thereof is provided by irrevocably depositing with the Paying Agent/Registrar or another authorized escrow agent, in trust (1) money sufficient to make such payment and/or (2) Defeasance Securities to mature as to principal and interest in such amounts and at such times to insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation and expenses of the paying agent for the Bonds, and thereafter the City will have no further responsibility with respect to amounts available to such paying agent (or other financial institution permitted by applicable law) for the payment of such defeased Bonds, including any insufficiency therein caused by the failure of such paying agent (or other financial institution permitted by applicable law) to receive payment when due on the Defeasance Securities. The City additionally has the right, subject to satisfying the requirements of (1) and (2) above, to substitute other Defeasance Securities originally deposited, to reinvest the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the City moneys in excess of the amount required for such defeasance. The Ordinance provides that "Defeasance Securities" means any securities and obligations now or hereafter authorized by State law that are eligible to discharge the Bonds. Current State law permits defeasance with the following types of securities: (a) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the City authorizes the defeasance, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (c) 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 City adopts or approves the proceedings authorizing the financial arrangements, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent. There is no assurance that the current law will not be changed in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds. Because the Ordinance does not contractually limit such investments, registered owners will be deemed to have consented to defeasance with such other investments, notwithstanding the fact that such investments may not be of the same investment quality as those currently permitted under State law. There is no assurance that the ratings for U.S. Treasury securities used for defeasance purposes or that for any other Defeasance Security will be maintained at any particular rating category.

Upon such deposit as described above, such Bonds shall no longer be regarded to be outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the City to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided, however, that the right to call the Bonds for redemption is not extinguished if the City: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

Amendments

In the Ordinance, the City has reserved the right to amend the Ordinance without the consent of any holder of the Bonds for the purpose of amending or supplementing the Ordinance to (i) cure any ambiguity, defect or omission therein that does not materially adversely affect the interests of the holders, (ii) grant additional rights or security for the benefit of the holders, (iii) add events of default as shall not be inconsistent with the provisions of the Ordinance that do not materially adversely affect the interests of the holders, (iv) qualify the Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect or (v) make such other provisions in regard to matters or questions arising under the Ordinance that are not inconsistent with the provisions thereof and which, in the opinion of Bond Counsel for the City, do not materially adversely affect the interests of the holders.

The Ordinance further provides that the holders of the Bonds aggregating in principal amount a majority of the outstanding Bonds will have the right from time to time to approve any amendment not described above to the Ordinance if it is deemed necessary or desirable by the City; provided, however, that without the consent of 100% of the holders in original principal amount of the then outstanding Bonds, no amendment may be made for the purpose of: (i) making any change in the maturity of any of the outstanding Bonds; (ii) reducing the rate of interest borne by any of the outstanding Bonds; (iii) reducing the amount of the principal of, or redemption premium, if any, payable on any outstanding Bonds; (iv) modifying the terms of payment of principal or of interest or redemption premium on outstanding Bonds, or imposing any condition with respect to such payment; or (v) changing the minimum percentage of the principal amount of the Bonds necessary for consent to such amendment. Reference is made to the Ordinance for further provisions relating to the amendment thereof.

Book-Entry-Only System

This section describes how ownership of the Bonds is to be transferred and how the principal of and interest on the Bonds are to be paid to and credited by DTC while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The City believes the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.

The City cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered security certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of each such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owners entered into the transaction. Transfers of ownership interest in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will

not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participant to whose account such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent/Registrar on payable dates in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as in the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment principal and interest to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC is the responsibility of the City or the Paying Agent/Registrar, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City and the Paying Agent/Registrar. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository) with respect to the Bonds. In that event, the Bonds will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

Use of Certain Terms in Other Sections of this Official Statement. . . In reading this Official Statement it should be understood that while the Bonds are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to registered owners under the Ordinance will be given only to DTC.

Information concerning DTC and the Book-Entry-Only System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the City, the Financial Advisor or the Initial Purchaser.

Effect of Termination of Book-Entry-Only System. . . In the event that the Book-Entry-Only System is discontinued by DTC or the use of the Book-Entry-Only System is discontinued by the City with respect the Bonds, printed Bonds will be issued to the holders and the Bonds will be subject to transfer, exchange and registration provisions as set forth in the Ordinance and summarized under “THE BONDS - Transfer, Exchange and Registration” below.

Paying Agent/Registrar

The initial Paying Agent/Registrar for the Bonds is U.S. Bank Trust Company^{*,} National Association, Dallas, Texas. In the Ordinance, the City retains the right to replace the Paying Agent/Registrar. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are duly paid and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution or other entity duly qualified and legally authorized to serve as and perform the duties and services of Paying Agent/Registrar for the Bonds. Upon any change in the Paying Agent/Registrar for the Bonds, the City agrees to promptly cause a written notice thereof to be sent to each registered owner of the Bonds affected by the changes by United States mail, first class, postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Transfer, Exchange and Registration

In the event the Book-Entry-Only System should be discontinued with respect to the Bonds, printed Bonds will be issued to the registered owners of the Bonds and thereafter such printed Bonds may be transferred and exchanged on the registration books of the Paying Agent/Registrar only upon presentation and surrender to the Paying Agent/Registrar and such transfer or exchange shall be without expense or service charge to the registered owner, except for any tax or other governmental charges required to be paid with respect to such registration, exchange and transfer. Bonds may be assigned by the execution of an assignment form on the respective Bonds or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. New Bonds will be delivered by the Paying Agent/Registrar, in lieu of the Bonds being transferred or exchanged, at the designated office of the Paying Agent/Registrar, or sent by United States mail, first class, postage prepaid, to the new registered owner or his designee. To the extent possible, new Bonds issued in an exchange or transfer of Bonds will be delivered to the registered owner or assignee of the registered owner in not more than three business days after the receipt of the Bonds to be canceled, and the written instrument of transfer or request for exchange duly executed by the registered owner or his duly authorized agent, in form satisfactory to the Paying Agent/Registrar. New Bonds registered and delivered in an exchange or transfer shall be in any integral multiple of \$5,000 for any one maturity and for a like aggregate principal amount as the Bonds surrendered for exchange or transfer. See “Book-Entry-Only System” herein for a description of the system to be utilized initially in regard to ownership and transferability of the Bonds. Neither the City nor the Paying Agent/Registrar will be required to make any transfer, conversion, or exchange of a Bond (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

^{*} Effective January 29, 2022, U.S. Bank National Association will transfer substantially all of its corporate trust business to its affiliate, U.S. Bank Trust Company, National Association. U.S. Bank Trust Company, National Association will perform the corporate trust duties currently administered by U.S. Bank National Association, including serving as Bond TrusteePaying Agent/Registrar.

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Payment Provisions

Interest on the Bonds shall be paid to the registered owners appearing on the registration books of the Paying Agent/Registrar at the close of business on the Record Date (hereinafter defined), and such interest shall be paid (i) by check sent by United States mail, first class postage prepaid to the address of the registered owner recorded in the registration books of the Paying Agent/Registrar or (ii) by such other method, acceptable to the Paying Agent/Registrar requested by, and at the risk and expense of, the registered owner. Principal of the Bonds will be paid to the registered owner at the stated maturity or earlier redemption of a Bond upon presentation to the designated payment/transfer office of the Paying Agent/Registrar; provided, however, that so long as Cede & Co. (or other DTC nominee) is the registered owner of the Bonds, all payments will be made as described under “Book-Entry-Only System” herein. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday or a day when banking institutions in the city where the designated payment/transfer office of the Paying Agent/Registrar is located are authorized to close, then the date for such payment shall be the next succeeding day which is not such a day, and payment on such date shall have the same force and effect as if made on the date payment was due.

Record Date for Interest Payment

The record date (“Record Date”) for the interest payable on the Bonds on any interest payment date means the close of business on the fifteenth business day of the preceding month.

In the event of a non-payment of interest on a scheduled payment date, and for 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 City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (“Special Payment Date”, which shall be 15 days after the Special Record Date) shall be sent at least five 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 registration books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

Replacement Bonds

If any Bond is mutilated, destroyed, stolen or lost, a new Bond in the same principal amount as the Bond so mutilated, destroyed, stolen or lost will be issued. In the case of a mutilated Bond, such new Bond will be delivered only upon surrender and cancellation of such mutilated Bond. In the case of any Bond issued in lieu of and substitution for a Bond which has been destroyed, stolen or lost, such new Bond will be delivered only (a) upon filing with the Paying Agent/Registrar a certificate to the effect that such Bond has been destroyed, stolen or lost and proof of ownership thereof, and (b) upon furnishing the Paying Agent/Registrar with indemnity satisfactory to hold the City and the Paying Agent/Registrar harmless. The person requesting the authentication and delivery of a new Bond must pay such expenses as the Paying Agent/Registrar may incur in connection therewith.

Bondholders’ Remedies

The Ordinance does not provide for the appointment of a trustee to represent the interests of the Bond holders upon any failure of the City to perform in accordance with the terms of the Ordinance or upon any other condition and, in the event of any such failure to perform, the registered owners would be responsible for the initiation and cost of any legal action to enforce performance of the Ordinance. Furthermore, the Ordinance does not establish specific events of default with respect to the Bonds and, under State law, there is no right to the acceleration of maturity of the Bonds upon the failure of the City to observe any covenant under the Ordinance. A registered owner of Bonds could seek a judgment against the City if a default occurred in the payment of principal of or interest on any such Bonds; however, such judgment could not be satisfied by execution against any property of the City and a suit for monetary damages could be vulnerable to the defense of sovereign immunity, as discussed below. A registered owner’s only practical remedy, if a default occurs, is a mandamus or mandatory injunction proceeding to compel the City to levy, assess and collect an annual ad valorem tax sufficient to pay principal of and interest on the Bonds as it becomes due or perform other material terms and covenants contained in the

Ordinance. In general, Texas courts have held that a writ of mandamus may be issued to require a public official to perform legally imposed ministerial duties necessary for the performance of a valid contract, and Texas law provides that, following their approval by the Attorney General and issuance, the Bonds are valid and binding obligations for all purposes according to their terms. However, the enforcement of any such remedy may be difficult and time consuming and a registered owner could be required to enforce such remedy on a periodic basis. The Texas Supreme Court has ruled in *Tooke v. City of Mexia*, 197 S.W.3d 325 (Tex. 2006), that a waiver of sovereign immunity in a contractual dispute must be provided for by statute in “clear and unambiguous” language. Because it is unclear whether the Texas legislature has effectively waived the City’s sovereign immunity from a suit for money damages, Bondholders may not be able to bring such a suit against the City for breach of the Bonds or Ordinance covenants. Even if a judgment against the City could be obtained, it could not be enforced by direct levy and execution against the City’s property. Further, the registered owners cannot themselves foreclose on property within the City or sell property within the City to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. Furthermore, the City is eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code (“Chapter 9”). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, the pledge of ad valorem taxes in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or Bondholders of an entity which has sought protection under Chapter 9. Therefore, should the City avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court); and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Bond Counsel will note that all opinions relative to the enforceability of the Ordinance and the Bonds are qualified with respect to the customary rights of debtors relative to their creditors, including principles of governmental immunity, and by general principles of equity which permit the exercise of judicial discretion.

Sources and Uses of Bond Proceeds

Proceeds from the sale of the Bonds are expected to be expended approximately as follows:

Sources
Par Amount
Net Reoffering Premium
Total Sources
Uses:
Deposit to Project Fund
Underwriter’s Discount
Cost of Issuance
Total Uses

TAX INFORMATION

The following is a summary of certain provisions of State law as it relates to ad valorem taxation and is not intended to be complete. Prospective investors are encouraged to review Title I of the Texas Tax Code, as amended (the “Property Tax Code”), for identification of property subject to ad valorem taxation, property exempt or which may be exempted from ad valorem taxation if claimed, the appraisal of property for ad valorem tax purposes, and the procedures and limitations applicable to the levy and collection of ad valorem taxes.

Valuation of Taxable Property

The Property Tax Code provides for countywide appraisal and equalization of taxable property values and establishes in each county of the State an appraisal district and an appraisal review board (the “Appraisal Review Board”) responsible for appraising property for all taxing units within the county. The appraisal of property within the City is the responsibility of the Travis Central Appraisal District (the “Appraisal District”). Except as generally described below, the Appraisal District is required to appraise all property within the Appraisal District on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining market value of property, the Appraisal District is required to consider the cost method of appraisal, the income method of appraisal and the market data comparison method of appraisal, and use the method the chief appraiser of the Appraisal District considers most appropriate. The Property Tax Code requires

appraisal districts to reappraise all property in its jurisdiction at least once every three (3) years. A taxing unit may require annual review at its own expense, and is entitled to challenge the determination of appraised value of property within the taxing unit by petition filed with the Appraisal Review Board.

State law requires the appraised value of an owner's principal residence ("homestead" or "homesteads") to be based solely on the property's value as a homestead, regardless of whether residential use is considered to be the highest and best use of the property. State law further limits the appraised value of a homestead to the lesser of (1) the market value of the property or (2) 110% of the appraised value of the property for the preceding tax year plus the market value of all new improvements to the property.

State law provides that eligible owners of both agricultural land and open-space land, including open-space land devoted to farm or ranch purposes or open-space land devoted to timber production, may elect to have such property appraised for property taxation on the basis of its productive capacity. The same land may not be qualified as both agricultural and open-space land.

The appraisal values set by the Appraisal District are subject to review and change by the Appraisal Review Board. The appraisal rolls, as approved by the Appraisal Review Board, are used by taxing units, such as the City, in establishing their tax rolls and tax rates (see "TAX INFORMATION– City and Taxpayer Remedies").

State Mandated Homestead Exemptions

State law grants, with respect to each city in the State, various exemptions for disabled veterans and their families, surviving spouses of members of the armed services killed in action, and surviving spouses of first responders killed or fatally wounded in the line of duty.

Local Option Homestead Exemptions

The governing body of a taxing unit, including a city, county, school district, or special district, at its option may grant: (1) an exemption of up to 20% of the appraised value of all homesteads (but not less than \$5,000) and (2) an additional exemption of at least \$3,000 of the appraised value of the homesteads of persons sixty-five (65) years of age or older and the disabled. Each taxing unit decides if it will offer the local option homestead exemptions and at what percentage or dollar amount, as applicable. The exemption described in (2), above, may be created, increased, decreased or repealed at an election called by the governing body of a taxing unit upon presentment of a petition for such creation, increase, decrease, or repeal of at least 20% of the number of qualified voters who voted in the preceding election of the taxing unit.

Local Option Freeze for the Elderly and Disabled

The governing body of a county, municipality or junior college district may, at its option, provide for a freeze on the total amount of ad valorem taxes levied on the homesteads of persons 65 years of age or older or of disabled persons above the amount of tax imposed in the year such residence qualified for such exemption. Also, upon voter initiative, an election may be held to determine by majority vote whether to establish such a freeze on ad valorem taxes. Once the freeze is established, the total amount of taxes imposed on such homesteads cannot be increased except for certain improvements, and such freeze cannot be repealed or rescinded.

Personal Property

Tangible personal property (furniture, machinery, supplies, inventories, etc.) used in the "production of income" is taxed based on the property's market value. Taxable personal property includes income-producing equipment and inventory. Intangibles such as goodwill, accounts receivable, and proprietary processes are not taxable. Tangible personal property not held or used for production of income, such as household goods, automobiles or light trucks, and boats, is exempt from ad valorem taxation unless the governing body of a taxing unit elects to tax such property.

Freeport and Goods-In-Transit Exemptions

Certain goods that are acquired in or imported into the State to be forwarded outside the State, and are detained in the State for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication ("Freeport Property") are exempt from ad valorem taxation unless a taxing unit took official action to tax Freeport Property before April 1, 1990 and has not subsequently taken official action to exempt Freeport Property. Decisions to continue taxing Freeport Property may be reversed in the future; decisions to exempt Freeport Property are not subject to reversal.

Certain goods that are acquired in or imported into the State to be forwarded to another location within or without the State, stored in a location that is not owned by the owner of the goods and are transported to another location within or without the State within 175 days (“Goods-in-Transit”), are generally exempt from ad valorem taxation; however, the Property Tax Code permits a taxing unit, on a local option basis, to tax Goods-in-Transit if the taxing unit takes official action after conducting a public hearing, before January 1 of the first tax year in which the taxing unit proposes to tax Goods-in-Transit. Goods-in-Transit and Freeport Property do not include oil, natural gas or petroleum products, and Goods-in-Transit does not include aircraft or special inventories such as manufactured housing inventory, or a dealer’s motor vehicle, boat, or heavy equipment inventory.

A taxpayer may receive only one of the Goods-in-Transit or Freeport Property exemptions for items of personal property.

Other Exempt Property

Other major categories of exempt property include property owned by the State or its political subdivisions if used for public purposes, property exempt by federal law, property used for pollution control, farm products owned by producers, property of nonprofit corporations used for scientific research or educational activities benefitting a college or university, designated historic sites, solar and wind-powered energy devices, and certain classes of intangible personal property.

Temporary Exemption for Qualified Property Damaged by a Disaster

The Property Tax Code entitles the owner of certain qualified (i) tangible personal property used for the production of income, (ii) improvements to real property, and (iii) manufactured homes, located in an area declared by the governor to be a disaster area following a disaster and is at least 15 percent damaged by the disaster, as determined by the chief appraiser, to an exemption from taxation of a portion of the appraised value of the property. The amount of the exemption ranges from 15 percent to 100 percent based upon the damage assessment rating assigned by the chief appraiser. Except in situations where the territory is declared a disaster on or after the date the taxing unit adopts a tax rate for the year in which the disaster declaration is issued, the governing body of the taxing unit is not required to take any action in order for the taxpayer to be eligible for the exemption. If a taxpayer qualifies for the exemption after the beginning of the tax year, the amount of the exemption is prorated based on the number of days left in the tax year following the day on which the governor declares the area to be a disaster area. For more information on the exemption, reference is made to Section 11.35 of the Property Tax Code. Section 11.35 of the Property Tax Code was enacted during the 2019 legislative session, and there is no historical judicial precedent for how the statute will be applied. Texas Attorney General Opinion KP-0299, issued on April 13, 2020, concluded a court would likely find the Texas Legislature intended to limit the temporary tax exemption to apply to property physically harmed as a result of a declared disaster and would not apply to purely economic, non-physical damage to property such as economic losses caused by COVID-19.

Tax Increment Reinvestment Zones

A city or county, by petition of the landowners or by action of its governing body, may create one or more tax increment reinvestment zones (“TIRZ”) within its boundaries. At the time of the creation of the TIRZ, a “base value” for the real property in the TIRZ is established and the difference between any increase in the assessed valuation of taxable real property in the TIRZ in excess of the base value is known as the “tax increment”. During the existence of the TIRZ, all or a portion of the taxes levied against the tax increment by a city or county, and all other overlapping taxing units that elected to participate, are restricted to paying only planned project and financing costs within the TIRZ and are not available for the payment of other obligations of such taxing units.

Tax Abatement Agreements

Taxing units may also enter into tax abatement agreements to encourage economic development. Under the agreements, a property owner agrees to construct certain improvements on its property. The taxing unit, in turn, agrees not to levy a tax on all or part of the increased value attributable to the improvements until the expiration of the agreement. The abatement agreement could last for a period of up to 10 years.

For a discussion of how the various exemptions described above are applied by the City, see “TAX INFORMATION– City Application of Tax Code” herein.

City and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units, including the City, may appeal the determinations of the Appraisal

District by timely initiating a protest with the Appraisal Review Board. Additionally, taxing units such as the City may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

Owners of certain property with a taxable value in excess of the current year “minimum eligibility amount”, as determined by the State Comptroller, and situated in a county with a population of one million or more, may protest the determinations of an appraisal district directly to a three-member special panel of the appraisal review board, appointed by the chairman of the appraisal review board, consisting of highly qualified professionals in the field of property tax appraisal. The minimum eligibility amount is set at \$50.6 million for the 2021 tax year, and is adjusted annually by the State Comptroller to reflect the inflation rate.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the City and provides for taxpayer referenda that could result in the repeal of certain tax increases (see “TAX INFORMATION – Public Hearing and Maintenance and Operations Tax Rate Limitations”). The Property Tax Code also establishes a procedure for providing notice to property owners of reappraisals reflecting increased property value, appraisals which are higher than renditions, and appraisals of property not previously on an appraisal roll.

Levy and Collection of Taxes

The City is responsible for the collection of its taxes, unless it elects to transfer such functions to another governmental entity. Taxes are due October 1, or when billed, whichever comes later, and become delinquent after January 31 of the following year. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty of up to twenty percent (20%) if imposed by the City. The delinquent tax also accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code also makes provision for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes for certain taxpayers. Furthermore, the City may provide, on a local option basis, for the split payment, partial payment, and discounts for early payment of taxes under certain circumstances.

Public Hearing and Maintenance And Operations Tax Rate Limitations

The following terms as used in this section have the meanings provided below:

“adjusted” means lost values are not included in the calculation of the prior year’s taxes and new values are not included in the current year’s taxable values.

“de minimis rate” means the maintenance and operations tax rate that will produce the prior year’s total maintenance and operations tax levy (adjusted) from the current year’s values (adjusted), plus the rate that produces an additional \$500,000 in tax revenue when applied to the current year’s taxable value, plus the debt service tax rate.

“no-new-revenue tax rate” means the combined maintenance and operations tax rate and debt service tax rate that will produce the prior year’s total tax levy (adjusted) from the current year’s total taxable values (adjusted).

“special taxing unit” means a city for which the maintenance and operations tax rate proposed for the current tax year is 2.5 cents or less per \$100 of taxable value.

“unused increment rate” means the cumulative difference between a city’s voter-approval tax rate and its actual tax rate for each of the tax years 2020 through 2022, which may be applied to a city’s tax rate in tax years 2021 through 2023 without impacting the voter-approval tax rate.

“voter-approval tax rate” means the maintenance and operations tax rate that will produce the prior year’s total maintenance and operations tax levy (adjusted) from the current year’s values (adjusted) multiplied by 1.035, plus the debt service tax rate, plus the “unused increment rate.”

The City’s tax rate consists of two components: (1) a rate for funding of maintenance and operations expenditures in the

current year (the “maintenance and operations tax rate”), and (2) a rate for funding debt service in the current year (the “debt service tax rate”). Under State law, the assessor for the City must submit an appraisal roll showing the total appraised, assessed, and taxable values of all property in the City to the City Council by ~~August 1~~August 15 or as soon as practicable thereafter.

A city must annually calculate its “voter-approval tax rate” and “no-new-revenue tax rate” (as such terms are defined above) in accordance with forms prescribed by the State Comptroller and provide notice of such rates to each owner of taxable property within the city and the county tax assessor-collector for each county in which all or part of the city is located. A city must adopt a tax rate before the later of September 30 or the 60th day after receipt of the certified appraisal roll, except that a tax rate that exceeds the voter-approval tax rate must be adopted not later than the 71st day before the next occurring November uniform election date. If a city fails to timely adopt a tax rate, the tax rate is statutorily set as the lower of the no-new-revenue tax rate for the current tax year or the tax rate adopted by the city for the preceding tax year.

As described below, the Property Tax Code provides that if a city adopts a tax rate that exceeds its voter-approval tax rate or, in certain cases, its “de minimis rate”, an election must be held to determine whether or not to reduce the adopted tax rate to the voter- approval tax rate.

A city may not adopt a tax rate that exceeds the lower of the voter-approval tax rate or the no-new-revenue tax rate until each appraisal district in which such city participates has delivered notice to each taxpayer of the estimated total amount of property taxes owed and the city has held a public hearing on the proposed tax increase.

For cities with a population of 30,000 or more as of the most recent federal decennial census, if the adopted tax rate for any tax year exceeds the voter-approval tax rate, that city must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

For cities with a population less than 30,000 as of the most recent federal decennial census, if the adopted tax rate for any tax year exceeds the greater of (i) the voter-approval tax rate or (ii) the de minimis rate, the city must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate. However, for any tax year during which a city has a population of less than 30,000 as of the most recent federal decennial census and does not qualify as a special taxing unit, if a city’s adopted tax rate is equal to or less than the de minimis rate but greater than both (a) the no-new-revenue tax rate, multiplied by 1.08, plus the debt service tax rate or (b) the city’s voter-approval tax rate, then a valid petition signed by at least three percent of the registered voters in the city would require that an election be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

Any city located at least partly within an area declared a disaster area by the Governor of the State or the President of the United States during the current year may calculate its “voter-approval tax rate” using a 1.08 multiplier, instead of 1.035, until the earlier of (i) the second tax year in which such city’s total taxable appraised value exceeds the taxable appraised value on January 1 of the year the disaster occurred, or (ii) the third tax year after the tax year in which the disaster occurred.

State law provides cities and counties in the State the option of assessing a maximum one-half percent (1/2%) sales and use tax on retail sales of taxable items for the purpose of reducing its ad valorem taxes, if approved by a majority of the voters in a local option election. If the additional sales and use tax for ad valorem tax reduction is approved and levied, the no-new-revenue tax rate and voter-approval tax rate must be reduced by the amount of the estimated sales tax revenues to be generated in the current tax year.

The calculations of the no-new-revenue tax rate and voter-approval tax rate do not limit or impact the City’s ability to set a debt service tax rate in each year sufficient to pay debt service on all of the City’s tax-supported debt obligations, including the Bonds.

Reference is made to the Property Tax Code for definitive requirements for the levy and collection of ad valorem taxes and the calculation of the various defined tax rates.

Debt Tax Rate Limitations

All taxable property within the City is subject to the assessment, levy and collection by the City of a continuing, direct

annual ad valorem tax sufficient, within the limits prescribed by law, to provide for the payment of principal of and interest on all ad valorem tax debt. The City operates as a Type A general law municipality. Article XI, Section 4, of the Texas Constitution is applicable to the City, and limits its maximum ad valorem tax rate to \$1.50 per \$100 assessed valuation for all City purposes. Administratively, the Attorney General of the State of Texas will not permit such a city to issue ad valorem tax debt in an amount greater than that which at the time of issuance can be supported by a tax rate of \$1.00 per \$100 of assessed valuation based on 90% tax collections.

The City's Rights in the Event of Tax Delinquencies

Taxes levied by the City are a personal obligation of the owner of the property. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of each taxing unit, including the City, having power to tax the property. The City's tax lien is on a parity with tax liens of such other taxing units. A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the City is determined by applicable federal law. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

At any time after taxes on property become delinquent, the City may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the City must join other taxing units that have claims for delinquent taxes against all or part of the same property.

Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, adverse market conditions, taxpayer redemption rights, or bankruptcy proceedings which restrain the collection of a taxpayer's debt.

Federal bankruptcy law provides that an automatic stay of actions by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases, post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

City Application of Tax Code

The City grants an exemption to the market value of the residence homestead of persons 65 years of age or older of \$30,000; the disabled are also granted an exemption of \$5,000. The City has established a freeze on the taxes on residence homesteads of persons 65 years of age and older or who are disabled, as may be done on a local option basis.

The City has granted an additional exemption of 1% of the market value of residence homesteads and has set the minimum of such an exemption at \$5,000.

Ad valorem taxes are levied by the City against the exempt value of residence homesteads for the payment of debt.

The City does not tax nonbusiness personal property, and the Travis County Tax-Assessor Collector collects taxes for the City. The City does not permit split payments, but discounts are allowed.

The City does tax freeport property. The City does not tax goods-in-transit.

Tax Increment Financing

A city may utilize tax increment financing, pursuant to the Tax Increment Financing Act, Texas Tax Code, Chapter 311, as amended, to encourage development and redevelopment within a designated reinvestment zone. Taxes collected from increases in valuation above the base value (the "captured appraised value") by each taxing unit that levies ad valorem taxes on real property in the reinvestment zone may be used to pay costs of infrastructure or other public improvements in the reinvestment zone and to supplement on act as a catalyst for private development in the defined area of the reinvestment zone. The tax increment base value for a taxing unit is the total appraised value of all real property taxable by the taxing unit

and located in the reinvestment zone as of January 1 of the year in which the city created the reinvestment zone. Each taxing unit can choose to dedicate all, any portion or none of its taxes collected from the captured appraised value to the costs of improvements in the reinvestment zone. The amount of a taxing unit's tax increment for a year is the amount of property taxes levied by the taxing unit for that year on the captured appraised value of real property taxable by the taxing unit and located in the reinvestment zone, multiplied by the taxing unit's percentage level of participation.

ISSUANCE OF ADDITIONAL DEBT

On November 2, 2021, voters approved a total of \$25 million in general obligation bond authority to fund the construction of a municipal building and streets and drainage improvements. Upon the issuance of the Bonds, the City will have issued its entire authorized general obligation bond authority. The City does not anticipate issuing any non-voted tax supported debt within the next 12 months.

Purpose	Date Authorized	Amount Authorized	Amount Previously Issued	Amount Being Issued ⁽¹⁾	Unissued Balance ⁽¹⁾
Municipal Building	11/2/2021	\$ 13,200,000	\$ -	\$ 13,200,000	\$ -
Streets & Drainage	11/2/2021	11,800,000	-	11,800,000	-

(1) Includes any premium. Preliminary, subject to change.

FINANCIAL POLICIES

Basis of Accounting . . . The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds, including the City's, are accounted for using a current financial resources measurement focus. This measurement focus only includes current assets and current liabilities generally on the balance sheet, and operating statements present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

General Fund . . The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund . . The Debt Service Fund is used to account for the accumulation of resources for payment of general long- term debt principal, long-term contract notes, interest, and other related costs.

Special Revenue Fund . . . The Special Revenue Fund is used to account for the collection and disbursement of monies earmarked for the enhancement of economic development within the City.

Capital Projects Funds . . . The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or improvements, including those financed by special assessments and the capital asset replacement account.

PENSION AND OTHER POST-EMPLOYMENT BENEFITS

Pension Plan

The City participates as one of approximately 900 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the TMRS with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com. All eligible employees of the city are required to participate in TMRS.

Benefits Provided... TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS. At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Employees Covered by Benefit Terms... At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	31
Inactive employees entitled to but not yet receiving benefits	34
Active employees	25
	90

Contributions... The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 15.99% and 16.40% in calendar years 2019 and 2020, respectively. The City's contributions to TMRS for the year ended September 30, 2020 were \$310,206, and were equal to the required contributions.

Net Pension Liability... The City's Net Pension Liability (NPL) was measured as of December 31, 2019, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

	Increase (Decrease)		
	Total Pension	Plan Fiduciary	Net Pension
	Liability	Net Position	Liability
	(a)	(b)	(a) - (b)
Balance at 12/31/2018	\$ 9,121,615	\$ 7,384,863	\$ 1,736,752
Changes for the year:			
Service cost	354,293	-	354,293
Interest	613,357	-	613,357
Change of benefit terms	-	-	-
Difference between expected and actual experience	20,066	-	20,066
Changes of assumptions	20,532	-	20,532
Contributions - employer	-	304,272	(304,272)
Contributions - employee	-	133,264	(133,264)
Net investment income	-	1,142,280	(1,142,280)
Benefit payments, including refunds of employee contr.	(423,986)	(423,986)	-
Administrative expense	-	(6,451)	6,451
Other changes	-	(194)	194
Net changes	584,262	1,149,185	(564,923)
Balance at 12/31/2019	\$ 9,705,877	\$ 8,534,048	\$ 1,171,829

For additional information regarding the City's pension plan, see "APPENDIX B - EXCERPTS FROM THE CITY OF WEST LAKE HILLS, TEXAS ANNUAL FINANCIAL REPORT"

Other Post-Employment Obligations

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an other postemployment benefit, or OPEB.

For additional information regarding the City's pension plan, see "APPENDIX B - EXCERPTS FROM THE CITY OF WEST LAKE HILLS, TEXAS ANNUAL FINANCIAL REPORT".

INVESTMENTS

The City invests its investable funds in investments authorized by Texas law, including particularly V.T.C.A., Texas Government Code, Chapter 2256, as amended (the "PFIA"), in accordance with investment policies approved by the City Council. Both State law and the City's investment policies are subject to change.

Legal Investments

Under State law, the City is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities, including letters of credit; (2) direct obligations of the State or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which is unconditionally guaranteed or insured by or backed by the full faith and credit of, the State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit

Insurance Corporation (the "FDIC") or by the explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) interest-bearing banking deposits that are guaranteed or insured by the FDIC or the National Credit Union Share Insurance Fund, or their respective successors; (8) certificates of deposit and share certificates meeting the requirements of the Texas Public Funds Investment Act (Chapter 2256, Texas Government Code, as amended) (i) that are issued by or through an institution that has its main office or a branch office in Texas and are guaranteed or insured by the FDIC or the National Credit Union Share Insurance Fund, or are secured as to principal by obligations described in clauses (1) through (7) or in any other manner and amount provided by law for City deposits; or (ii) where (a) the funds are invested by the City through (I) a broker that has its main office or a branch office in the State and is selected from a list adopted by the City as required by law or (II) a depository institution that has its main office or a branch office in the State that is selected by the City; (b) the broker or the depository institution selected by the City arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the City; (c) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States, and (d) the City appoints the depository institution selected under (a) above, a custodian as described by Section 2257.041(d) of the Texas Government Code, or a clearing broker-dealer registered with the United States Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the City with respect to the certificates of deposit; (9) fully collateralized repurchase agreements that have a defined termination date, are fully secured by a combination of cash and obligations described in clause (1) which are pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City and are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State; (10) securities lending programs if (i) the value of the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (7) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than "A" or its equivalent or (c) cash invested in obligations described in clauses (1) through (7) above, clauses (12) through (14) below, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the City, held in the City's name and deposited at the time the investment is made with the City or a third party designated by the City; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv) the agreement to lend securities has a term of one year or less; (11) certain bankers' acceptances with the remaining term of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated at least "A-1" or "P-1" or the equivalent by at least one nationally recognized credit rating agency; (12) commercial paper with a stated maturity of 270 days or less that is rated at least "A-1" or "P-1" or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a U.S. or state bank; (13) no-load money market mutual funds registered with and regulated by the United States Securities and Exchange Commission that complies with federal Securities and Exchange Commission Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.); and, (14) no-load mutual funds registered with the United States Securities and Exchange Commission that have an average weighted maturity of less than two years, either (i) has a duration of one year or more and is invested exclusively in obligations described in this paragraph or (ii) has a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities, and invest exclusively in obligations described in this paragraph. In addition, bond proceeds may be invested in guaranteed investment contracts that have a defined termination date and are secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities in an amount at least equal to the amount of bond proceeds invested under such contract, other than the prohibited obligations described below.

The City may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than "AAA" or "AAA-m" or an equivalent by at least one nationally recognized rating service. The City may also contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control for a term up to two years, but the City retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the City must do so by order, ordinance, or resolution. The City is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than 10 years; and

(4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Under State law, the City is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; and that includes a list of authorized investments for City funds, maximum allowable stated maturity of any individual investment, the maximum average dollar-weighted maturity allowed for pooled fund groups, methods to monitor the market price of investments acquired with public funds, a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis, and procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the Public Funds Investment Act.

All City funds must be invested consistent with a formally adopted "Investment Strategy Statement" that specifically addresses each funds' investment. Each Investment Strategy Statement will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) market ability of each investment, (5) diversification of the portfolio, and (6) yield. The City is required to designate one or more officers or employees as investment officers to be responsible for the investment of its funds. In the administration of the duties of an investment officer, the person so designated shall exercise the judgment and care, under prevailing circumstances that a prudent person would exercise in the management of the person's own affairs. Unless authorized by law, a person may not deposit, withdraw, or manage in any other manner the funds of the City.

Under State law, City investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." At least quarterly the investment officers of the City shall submit an investment report for the period. The report must: (1) describe the investment position of the City, (2) be prepared jointly and signed by each investment officer, (3) contain a summary of each pooled fund group that states: the beginning market value, the ending market value and the fully accrued interest for the reporting period of each pooled fund group, (4) state the book value and market value of each separately listed asset at the end of the reporting period, (5) state the maturity date of each separately invested asset, (6) state the account or pooled fund group for which each individual investment was acquired, and (7) state the compliance of the investment portfolio as it relates to: (a) adopted investment strategy statements and (b) State law. If the City invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of Bonds of deposit, or money market accounts or similar accounts, the reports prepared by the investment officers shall be reviewed at least annually by an independent auditor, and the result of the review shall be reported to the City Council. No person may invest City funds without express written authority from the City Council.

Under State law, the City is additionally required to: (1) annually review its adopted policies and strategies; (2) adopt a rule, order, ordinance or resolution stating that it has reviewed its investment policy and investment strategies and records any changes made to either its investment policy or investment strategy in the respective rule, order, ordinance or resolution; (3) require any investment officers with personal business relationships or relatives with firms seeking to sell securities to the City to disclose the relationship and file a statement with the Texas Ethics Commission and the City; (4) require the qualified representative of firms offering to engage in an investment transaction with the City to: (a) receive and review the City's investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude investment transactions conducted between the City and the business organization that are not authorized by the City's investment policy (except to the extent that this authorization is dependent on an analysis of the makeup of the City's entire portfolio or requires an interpretation of subjective investment standards), and (c) deliver a written statement in a form acceptable to the City and the business organization attesting to these requirements; (5) perform an annual audit of the management controls on investments and adherence to the City's investment policy; (6) provide specific investment training for the treasurer, chief financial officer and investment officers; (7) restrict reverse repurchase agreements to not more than 90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse purchase agreement; (8) restrict the investment in no-load mutual funds in the aggregate to no more than 15% of the City's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service; (9) require local government investment pools to conform to the new disclosure, rating, net asset value, yield calculation, and advisory board requirements; and (10) at least annually review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City.

The City's current investment policy is in compliance with the State law requirements described above. See "APPENDIX A – Table 12 Current Investments" for detail on the City's current investments.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, Austin, Texas ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix C hereto.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Beneficial Owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The City has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislature proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the

market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the City or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The City has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the City or the Beneficial Owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the City and its appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the City legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the City or the Beneficial Owners to incur significant expense.

CONTINUING DISCLOSURE OF INFORMATION

In the Ordinance, the City has made the following agreement for the benefit of the registered and beneficial owners of the Bonds. The City is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the agreement, the City will be obligated to provide certain updated financial information and operating data annually and timely notice of specified events to the Municipal Securities Rulemaking Board ("MSRB"). This information will be publicly available on the MSRB's Electronic Municipal Market Access System ("EMMA") at <http://emma.msrb.org/>.

Annual Reports

The City will provide certain updated financial information and operating data to the MSRB annually. The information to be updated includes all quantitative financial information and operating data with respect to the City of the general type included in this Official Statement in Appendix A under Tables numbered 1 through 6 and 8 through 12 and in Appendix B, which is the City's annual audited financial report. The City will update and provide the information in the numbered tables within six months after the end of each fiscal year ending in and after 2021 and, if not submitted as part of such annual financial information, the City will provide audited financial statements when and if available, and in any event, within 12 months after the end of each fiscal year. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City will file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available. Any such financial statements will be prepared in accordance with the accounting principles described in Appendix B or such other accounting principles as the City may be required to employ from time to time pursuant to State law or regulation.

The City's current fiscal year end is September 30. Accordingly, the City must provide updated information included in the above- referenced tables by the last day of March in each year, and audited financial statements for the preceding fiscal year (or unaudited financial statements if the audited financial statements are not yet available) must be provided by September 30 in each year, unless the City changes its fiscal year. If the City changes its fiscal year, it will file notice of the change (and of the date of the new fiscal year end) with the MSRB prior to the next date by which the City otherwise would be required to provide financial information and operating data as set forth above.

All financial information, operating data, financial statements and notices required to be provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB. Financial information and operating data to be provided as set forth above 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 on the MSRB's Internet Web site or filed with the Securities and Exchange Commission (the "SEC"), as permitted by SEC Rule 15c2-12 (the "Rule").

Event Notices

The City will provide notice in a timely manner not in excess of ten business days after the occurrence of the event of any of the following events with respect to the Bonds, as applicable: (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 City; (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor trustee or change in the name of a trustee, if material; (15) incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of any such financial obligation of the City, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any such financial obligation of the City, any of which reflect financial difficulties. As used above in item (12), the phrase "bankruptcy, insolvency, receivership or similar event" means the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court of governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if jurisdiction has been assumed by leaving the existing City Council and officials or officers of the City in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City. (Neither the Bonds nor the Ordinance make any provision for debt service reserves, liquidity enhancement or credit enhancement). For the purposes of the above describe event notices (15) and (16), the term "financial obligation" means a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) a guarantee of (i) or (ii); provided however, that a "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

In addition, the City will provide timely notice of any failure by the City to provide information, data, or financial statements in accordance with its agreement described above under "Annual Reports."

Availability of Information

The City has agreed to provide the foregoing information only as described above. Investors will be able to access continuing disclosure information filed with the MSRB free of charge via the Electronic Municipal Market Access ("EMMA") system at www.emma.msrb.org.

Limitations and Amendments

The City has agreed to update information and to provide notices of certain events only as described above. The City has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The City makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The City disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders of Bonds may seek a writ of mandamus to compel the City to comply with its agreement.

The City may amend its continuing disclosure agreement from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, if (i) the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering described herein in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (a) the holders of a majority in aggregate principal amount of the outstanding Bonds consent to the amendment or (b) any person unaffiliated with the City (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the registered and

beneficial owners of the Bonds. The City may also amend or repeal the provisions of its continuing disclosure agreement if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds. If the City so amends the agreement, it has agreed to include with the next financial information and operating data provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

Compliance with Prior Undertakings

During the past five years, the City has had no outstanding debt with continuing disclosure agreements made by it in accordance with the Rule.

OTHER INFORMATION

Ratings

The Bonds are rated "AAA" by S&P Global Inc. ("S&P"), without regard to credit enhancement. An explanation of the significance of such rating may be obtained from the company furnishing the rating. The rating reflects only the view of such company and the City makes no representation as to the appropriateness of the rating. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating company, if in the judgment of such company, circumstances so warrant. Any such downward revision or withdrawal of such rating, or either of them, may have an adverse effect on the market price of the Bonds.

Litigation

A condition to the Initial Purchaser's obligation to purchase the Bonds is the delivery of a no-litigation certificate in substantially the form described in "CERTIFICATION OF THE OFFICIAL STATEMENT AND NO-LITIGATION CERTIFICATE."

Registration and Qualification of Bonds for Sale

The sale of the Bonds has not been registered under the Federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2); and the Bonds have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been qualified under the securities acts of any other jurisdiction. The City assumes no responsibility for qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

Legal Investments and Eligibility to Secure Public Funds in Texas

Section 1201.041 of the Public Security Procedures Act (Chapter 1201, Texas Government Code) provides that the Bonds are negotiable instruments, investment securities governed by Chapter 8, Texas Business and Commerce Code, and are legal and authorized investments for insurance companies, fiduciaries, and trustees, and for the sinking funds of municipalities or other political subdivisions or public agencies of the State. With respect to investment in the Bonds by municipalities or other political subdivisions or public agencies of the State, the Texas Public Funds Investment Act requires that the Bonds be assigned a rating of at least "A" or its equivalent as to investment quality by a national rating agency. See "OTHER INFORMATION - Ratings" herein. In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Bonds are legal investments for state banks, savings banks, trust companies with capital of one million dollars or more, and savings and loan associations. The Bonds are eligible to secure deposits of any public funds of the State, its agencies, and its political subdivisions, and are legal security for those deposits to the extent of their market value. No review by the City has been made of the laws in other states to determine whether the Bonds are legal investments for various institutions in those states.

LEGAL MATTERS

The City will furnish to the Initial Purchaser a complete transcript of proceedings had incident to the authorization and issuance of the Bonds, including the unqualified approving legal opinion of the Attorney General of Texas approving the

Initial Bond and to the effect that the Bonds are valid and legally binding obligations of the City, and based upon examination of such transcript of proceedings, the approving legal opinion of Bond Counsel. The customary closing papers, including a certificate from the City to the effect that no litigation of any nature has been filed or is then pending to restrain the issuance and delivery of the Bonds or which would affect the provision made for their payment or security, or in any manner questioning the validity of said Bonds will also be furnished. In its capacity as Bond Counsel, such firm has reviewed the information describing the Bonds in the Notice of Sale and Bidding Instructions, the Official Bid Form and the Official Statement to verify that such information conforms to the provisions of the Ordinance. No person is entitled to rely upon such firm's limited participation as an assumption of responsibility for, or an expression of opinion of any kind with regard to, the accuracy or completeness of any of the information contained herein. In connection with the transactions described in the Official Statement, Bond Counsel represents only the City. The legal fee to be paid Bond Counsel for services rendered in connection with the issuance of the Bonds is contingent on the sale and delivery of the Bonds. The legal opinion will accompany the Bonds deposited with DTC or will be printed on the Bonds in the event of the discontinuance of the Book-Entry-Only System.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

Financial Advisor

PFM Financial Advisors LLC is employed as Financial Advisor to the City in connection with the issuance of the Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. The Financial Advisor, has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies. The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the City and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

COVID-19 PANDEMIC

The World Health Organization has declared a pandemic following the outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus (the "Pandemic"), which is currently affecting many parts of the world, including the United States and Texas. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States in connection with COVID-19. On March 13, 2020, the President of the United States (the "President") declared the Pandemic a national emergency and the Texas Governor (the "Governor") declared COVID-19 an imminent threat of disaster for all counties in Texas (collectively, the "disaster declarations"). On March 25, 2020, in response to a request from the Governor, the President issued a Major Disaster Declaration for the State of Texas.

On March 13, 2020, the Governor of Texas (the "Governor") declared a state of disaster for all counties in Texas in response to the Pandemic. Pursuant to Chapter 418 of the Texas Government Code, the Governor has broad authority to respond to disasters, including suspending any regulatory statute prescribing the procedures for conducting state business or any order or rule of a state agency that would in any way prevent, hinder, or delay necessary action in coping with the disaster, and issuing executive orders that have the force and effect of law.

The Governor of Texas has since issued a number of executive orders relating to COVID-19 preparedness and mitigation. These included, for example, the issuance of executive orders, which, among other things, (i) closed bars; (ii) reduced maximum business occupancy; (iii) limited gatherings, and (iv) required face coverings under certain circumstances. Under executive orders in effect as of the date of this Official Statement, however, there are no COVID-19 related operating limits for any business or other establishment. The Governor retains the right to impose additional restrictions on activities. Additional information regarding executive orders issued by the Governor is accessible on the website of the Governor at <https://gov.texas.gov/>. Neither the information on (nor accessed through) such website of the Governor is incorporated by reference, either expressly or by implication, into this Official Statement.

The Pandemic has negatively affected travel, commerce, and financial markets globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide. These negative impacts may reduce or negatively affect property values and/or the collection of ad valorem tax revenues within the City. The Bonds are secured by an ad valorem tax (within the limits prescribed by law), and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Bonds as well as the City's operations and maintenance expenses. See "TAX INFORMATION" herein.

Such adverse economic conditions, if they continue, could result in declines in city's sales tax collections, the demand for residential and commercial property in the area and could reduce or negatively affect property values or homebuilding activity within the city. The Bonds are secured by the City's ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Bonds as well as the City's share of operations and maintenance expenses payable from ad valorem taxes. The City continues to monitor the spread of COVID-19 and is working with local, state, and national agencies to address the potential impact of COVID-19 upon the City. While the potential impact of COVID-19 on the City cannot be quantified at this time, the continued outbreak of COVID-19 could have an adverse effect on the City's operations and financial condition. The financial and operating data contained herein are the latest available, but are as of dates and for periods prior to the economic impact of the Pandemic and measures instituted to slow it. Accordingly, they are not indicative of the economic impact of the Pandemic on the City's financial condition. See "TAX INFORMATION" for the City's current fund balances.

As of the date hereof, the omicron variant of SARS-CoV-2 is beginning to spread globally. It is unknown at this time to what extent this variant will negatively impact the economy at the global, federal, state and local levels. The City can make no representation or give any assurance regarding the short or long-term impact that the outbreak of COVID-19 may have on the City or its finances.

INITIAL PURCHASER

After requesting competitive bids for the Bonds, the City accepted the bid of _____ (the "Initial Purchaser") to purchase the Bonds at the interest rates shown on page ii of this Official Statement at a price of _____. The Initial Purchaser can give no assurance that any trading market will be developed for the Bonds after their sale by the City to the Initial Purchaser. The initial yields shown on page ii of this Official Statement will be established by and are the sole responsibility of the Initial Purchaser and may subsequently be changed at the sole discretion of the Initial Purchaser. The City has no control over the determination of the initial yields and has no control over the prices at which the Bonds are sold in the secondary market.

CERTIFICATION OF THE OFFICIAL STATEMENT AND NO-LITIGATION CERTIFICATE

At the time of payment for and delivery of the Bonds, the Initial Purchaser will be furnished a certificate, executed by a proper City official, acting in such person's official capacity, to the effect that to the best of such person's knowledge and belief: (a) the descriptions and statements of or pertaining to the City contained in its Official Statement and any addenda, supplement or amendment thereto, for its Bonds on the date of such Official Statement, on the date of purchase of said Bonds, and on the date of delivery, were and are true and correct in all material respects; (b) insofar as the City and its affairs, including its financial affairs, are concerned, such Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (c) insofar as the descriptions and statements, including financial data, of, or pertaining to, entities other than the City and their activities contained in such Official Statement are concerned, such statements and data have been obtained from sources which the City believes to be reliable and that the City has no reason to believe that they are untrue in any material respect; (d) there has been no material adverse change in the financial condition of the City since September 30, 2020, the date of the last audited financial statements of the City and (e) except as disclosed herein, no litigation of any nature has been filed or is pending, as of that date, of which the City has notice to restrain or enjoin the issuance, execution or delivery of the Bonds, in any manner questioning the authority or proceedings for the issuance, execution, or delivery of the Bonds; or which would affect the provisions made for their payment or security, or in any manner question the validity of the Bonds.

FORWARD-LOOKING STATEMENTS DISCLAIMER

The statements contained in this Official Statement, and in any other information provided by the City, that are not purely historical, are forward-looking statements, including statements regarding the City's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the City on the date hereof, and the City assumes no obligation to update any such forward-looking statements. The City's actual results could differ materially from those discussed in such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers,

business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the City. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

MISCELLANEOUS

The financial data and other information contained herein have been obtained from the City's records, audited financial statements and other sources which are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents and resolutions. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects.

The Ordinance will also approve the form and content of this Official Statement, and any addenda, supplement or amendment thereto, and authorize its further use in the reoffering of the Bonds by the Initial Purchaser.

Linda Anthony
Mayor, City of West Lake Hills

Stephanie Mills
City Secretary, City of West Lake Hills

APPENDIX A - FINANCIAL INFORMATION REGARDING THE CITY

TABLE 1 - VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT

2021/22 Market Valuation Established by the Travis Central Appraisal District ⁽¹⁾	\$ 2,905,071,868
Less Exemptions:	
Homestead Cap	\$ 193,676,542
Totally Exempt Property	175,209,469
Other Exemptions (Over 65, Disabled Veterans)	<u>19,331,323</u>
Total Property Exemptions	<u>\$ 388,217,334</u>
2021/22 Net Taxable Assessed Valuation ⁽¹⁾	<u>\$ 2,516,854,534</u>
General Obligation Bonded Debt	
Outstanding Tax-Supported Debt	\$ -
Plus: The Bonds ⁽²⁾	<u>23,405,000</u>
Total Gross Debt	\$ 23,405,000
Net General Obligation Bonded Debt	
Ratio of Gross General Obligation Bonded Debt to 2021/22 Taxable Valuation	0.93%
2022 Estimated Population	3,444
2020 Census Population	3,444
Per Capita Taxable Assessed Valuation	730,794
Per Capita General Obligation Debt	\$ 6,796

2021/22 Market Valuation Established by the Travis Central Appraisal District ⁽¹⁾	\$ 2,905,071,868
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Less Exemptions:

Homestead Cap	\$ 193,676,542	
Totally Exempt Property	175,209,469	
Other Exemptions (Over 65, Disabled Veterans)	<u>19,331,323</u>	
Total Property Exemptions		<u>\$ 388,217,334</u>

2021/22 Net Taxable Assessed Valuation ⁽¹⁾	<u>\$ 2,516,854,534</u>
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General Obligation Bonded Debt

Outstanding Tax-Supported Debt	\$ -
Plus: The Bonds ⁽²⁾	<u>25,000,000</u>
Total Gross Debt	\$ 25,000,000

Net General Obligation Bonded Debt

Ratio of Gross General Obligation Bonded Debt to 2021/22 Taxable Valuation	0.99%
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2022 Estimated Population	3,444
2020 Census Population	3,444
Per Capita Taxable Assessed Valuation	730,794
Per Capita General Obligation Debt	\$ 7,259

⁽¹⁾ Taxable Valuation for 2021/2022 based on initial Certified Tax Values not under protest at time of tax roll certification.

⁽²⁾ Preliminary, subject to change.

Source: Travis Central Appraisal District.

TABLE 2 – TAXABLE ASSESSED VALUATION BY CATEGORY⁽¹⁾

Taxable Appraised Value For Fiscal Year Ended September 30,						
Category	2022		2021		2020	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$2,070,157,879	71.26%	\$1,776,872,141	66.76%	\$1,762,173,630	67.04%
Real, Residential, Multi-Family	\$17,707,740	0.61%	\$19,297,694	0.73%	\$19,189,085	0.73%
Real, Vacant Lots/Tracts	\$45,631,091	1.57%	\$50,666,322	1.90%	\$44,533,172	1.69%
Real, Acreage (Land Only)	\$16,820,851	0.58%	\$17,702,008	0.67%	\$17,702,908	0.67%
Real, Commercial and Industrial	\$522,369,807	17.98%	\$552,712,940	20.77%	\$539,939,510	20.54%
Real and Tangible Personal, Utilities	\$4,767,486	0.16%	\$6,365,478	0.24%	\$6,937,430	0.26%
Tangible Personal, Commercial and Industrial	\$52,160,435	1.80%	\$60,501,850	2.27%	\$60,150,670	2.29%
Tangible Personal, Other	\$247,110	0.01%	\$247,882	0.01%	\$292,947	0.01%
Totally Exempt	\$175,209,469	6.03%	\$177,334,523	6.66%	\$177,773,810	6.76%
Total Appraised Value Before Exemptions	\$2,905,071,868	100.00%	\$2,661,700,838	100.00%	\$2,628,693,162	100.00%
Less: Total Exemptions/Reductions	<u>(388,217,334)</u>		<u>(238,017,412)</u>		<u>(311,838,587)</u>	
Taxable Assessed Value	<u>\$2,516,854,534</u>		<u>\$2,423,683,426</u>		<u>\$ 2,316,854,575</u>	

Taxable Appraised Value For Fiscal Year Ended September 30,				
Category	2019		2018	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	1,658,880,277	57.10%	1,422,966,382	53.46%
Real, Residential, Multi-Family	18,855,131	0.65%	16,056,618	0.60%
Real, Vacant Lots/Tracts	\$45,198,522	1.56%	\$41,480,638	1.56%
Real, Acreage (Land Only)	\$17,353,845	0.60%	\$15,495,558	0.58%
Real, Commercial and Industrial	\$512,269,982	17.63%	\$511,856,004	19.23%
Real and Tangible Personal, Utilities	\$6,852,410	0.24%	\$7,241,004	0.27%
Tangible Personal, Commercial and Industrial	\$55,057,725	1.90%	\$53,943,942	2.03%
Tangible Personal, Other	\$294,491	0.01%	\$293,603	0.01%
Totally Exempt	\$172,989,250	5.95%	\$164,351,617	6.17%
Total Appraised Value Before Exemptions	2,487,751,633	85.63%	\$2,233,685,366	83.92%
Less: Total Exemptions/Reductions	<u>(321,210,651)</u>		<u>(232,742,758)</u>	
Taxable Assessed Value	<u>\$2,166,540,982</u>		<u>\$2,000,942,608</u>	

Note: The values shown in this table are calculated at the beginning of each tax year and are subject to appeal.

⁽¹⁾ Source: Travis Central Appraisal District.

TABLE 3 – VALUATION AND GENERAL OBLIGATION DEBT HISTORY

Fiscal Year Ended 9/30	Estimated Population	Taxable Assessed Valuation ⁽¹⁾	Taxable Assessed Valuation Per Capita	Funded Debt Outstanding at End of Year	Ratio Funded Debt to Taxable Assessed Valuation	Funded Debt Per Capita
2018	3,318	\$2,000,942,608	\$ 603,057	\$ - ⁽²⁾	0.00%	\$ -
2019	3,286	2,166,540,982	659,325	- ⁽²⁾	0.00%	-
2020	3,444	2,316,854,575	672,722	- ⁽²⁾	0.00%	-
2021	3,444	2,423,683,426	703,741	- ⁽²⁾	0.00%	-
2022	3,444	2,516,854,534	730,794	23,405,000 ⁽³⁾	0.93%	6,796

⁽¹⁾ Taxable Valuation for 2021/2022 based on initial Certified Tax Values not under protest at time of tax roll certification.

⁽²⁾ The City has not previously issued tax-supported debt.

⁽³⁾ Preliminary, subject to change.

Fiscal Year Ended 9/30	Estimated Population	Taxable Assessed Valuation (1)	Taxable Assessed Valuation Per Capita	Funded Debt Outstanding at End of Year	Ratio Funded	
					Debt to Taxable Assessed Valuation	Funded Debt Per Capita
2018	3,318	\$ 2,000,942,608	\$ 603,057	\$ - (2)	0.00%	\$ -
2019	3,286	2,166,540,982	659,325	- (2)	0.00%	-
2020	3,444	2,316,854,575	672,722	- (2)	0.00%	-
2021	3,444	2,423,683,426	703,741	- (2)	0.00%	-
2022	3,444	2,516,854,534	730,794	25,000,000 (3)	0.99%	7,259

(1) Taxable Valuation for 2021/2022 based on initial Certified Tax Values not under protest at time of tax roll certification.

(2) The City has not previously issued tax-supported debt.

(3) Preliminary, subject to change.

TABLE 4- TAX RATE, LEVY AND COLLECTION HISTORY

Fiscal Year Ended 9/30	Tax Rate	Distribution		Tax Levy	% Current Collections	% Total Collections
		General Fund	Interest and Sinking Fund			
2018	\$ 0.0650	\$ 0.0650	\$ -	\$ 1,300,613	99.00%	99.00%
2019	0.0700	0.0700	-	1,516,579	99.00%	99.00%
2020	0.0700	0.0700	-	1,621,798	99.00%	99.00%
2021	0.0786	0.0786	-	1,905,015	99.00%	99.00%
2022	0.0786	0.0786	- (1)	1,978,248	(In Process of Collection)	

(1) The City will establish an Interest and Sinking Fund Tax Rate to pay debt service on the Bonds beginning with Fiscal Year 2023.

Source: The City of West Lake Hills.

TABLE 5 – TEN LARGEST TAXPAYERS

<u>Name of Taxpayer</u>	<u>Nature of Property</u>	<u>2021/2022 Taxable Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
Westlake Retail LP	Retailer	\$ 71,900,000	2.86%
Westbank Market LP	Retailer	52,852,331	2.10%
Westlake Medical of Austin LTD Phase II	Medical Office	46,526,143	1.85%
4310 Bee Cave Road LLC	Real Estate	21,500,000	0.85%
Bogle Family Realty LLP	Real Estate	11,420,214	0.45%
Schoolyard LTD	Real Estate	11,306,000	0.45%
Give Thanks Every Friday LLC	Residence	10,599,672	0.42%
Generational Enclave LLC	Real Estate	9,978,266	0.40%
Hills Medical Office Park LTD THD	Medical Office	9,501,800	0.38%
Touchstone Realty Almo LLC	Real Estate	9,213,600	0.37%
		<u>\$ 254,798,026</u>	<u>10.12%</u>

DEBT INFORMATION

TABLE 6 – DEBT SERVICE REQUIREMENTS

Fiscal Year Ending August 31	The Bonds ⁽¹⁾		Total Tax-Supported Debt Service	% of Principal Retired
	Principal	Interest		
2023	220,000	1,158,797	1,378,797	
2024	590,000	786,550	1,376,550	
2025	625,000	756,175	1,381,175	
2026	655,000	724,175	1,379,175	
2027	690,000	690,550	1,380,550	11.88%
2028	725,000	655,175	1,380,175	
2029	760,000	618,050	1,378,050	
2030	795,000	583,150	1,378,150	
2031	830,000	550,650	1,380,650	
2032	860,000	516,850	1,376,850	28.84%
2033	890,000	486,300	1,376,300	
2034	920,000	459,150	1,379,150	
2035	950,000	431,100	1,381,100	
2036	975,000	402,225	1,377,225	
2037	1,005,000	372,525	1,377,525	49.09%
2038	1,035,000	341,925	1,376,925	
2039	1,070,000	310,350	1,380,350	
2040	1,100,000	277,800	1,377,800	
2041	1,135,000	244,275	1,379,275	
2042	1,170,000	209,700	1,379,700	72.63%
2043	1,205,000	174,075	1,379,075	
2044	1,240,000	137,400	1,377,400	
2045	1,280,000	99,600	1,379,600	
2046	1,320,000	60,600	1,380,600	
2047	1,360,000	20,400	1,380,400	100.00%
Total	<u>\$ 23,405,000</u>	<u>\$ 11,067,547</u>	<u>\$ 34,472,547</u>	

(1) Preliminary, subject to change. The estimated Average life of the Bonds is: 14.912 years. Interest is calculated at an average rate for purposes of illustration. ~~Preliminary, subject to change.~~Does not include the City's outstanding wastewater system revenue bonds.

TABLE 7 - ESTIMATED OVERLAPPING DEBT

Expenditures of the various taxing entities within the territory of the City are paid out of ad valorem taxes levied by such entities on properties within the City. Such entities are independent of the City and may incur borrowings to finance their expenditures. This statement of direct and estimated overlapping ad valorem tax debt ("Tax Debt") was developed from information contained in "Texas Municipal Reports" published by the Municipal Advisory Council of Texas. Except for the amounts relating to the City, the City has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed may have issued additional Tax Debt since the date hereof, and such entities may have programs requiring the issuance of substantial amounts of additional Tax Debt, the amount of which cannot be determined. The following table reflects the estimated share of overlapping Tax Debt of the City.

<u>Taxing Jurisdiction</u>	<u>Outstanding Tax Supported Gross Debt</u>	<u>Estimated % Overlapping</u>	<u>Amount Overlapping</u>
Eanes Independent School District	\$ 129,650,000	15.67%	\$ 20,319,961
Travis County	1,054,720,000	1.05%	11,113,952
Travis County Healthcare District	82,490,000	1.05%	869,533
Travis County WCID No. 10	40,260,000	48.61%	19,570,381
Travis County ESD No. 9	475,000	26.86%	127,604
Total Overlapping Debt			\$ 52,001,430
City of West Lake Hills	\$ 23,405,000 ⁽¹⁾	100.00%	\$ 23,405,000
Total Direct and Overlapping Tax-Supported Debt			\$ 75,406,430
Ratio of Direct and Overlapping Tax-Supported Debt to Taxable Assessed Valuation			3.00%
Per Capita Overlapping Tax-Supported Debt			21,895

(1) Includes the Bonds. Preliminary, subject to change.

Source: Travis Central Appraisal District; Municipal Advisory Council of Texas.

<u>Taxing Jurisdiction</u>	<u>Outstanding Tax Supported Gross Debt</u>	<u>Estimated % Overlapping</u>	<u>Amount Overlapping</u>
Eanes Independent School District	\$ 129,650,000	15.67%	\$ 20,319,961
Travis County	1,054,720,000	1.05%	11,113,952
Travis County Healthcare District	82,490,000	1.05%	869,533
Travis County WCID No. 10	40,260,000	48.61%	19,570,381
Travis County ESD No. 9	475,000	26.86%	127,604
Total Overlapping Debt			\$ 52,001,430
City of West Lake Hills	\$ 25,000,000 ⁽¹⁾	100.00%	\$ 25,000,000
Total Direct and Overlapping Tax-Supported Debt			\$ 77,001,430
Ratio of Direct and Overlapping Tax-Supported Debt to Taxable Assessed Valuation			3.06%
Per Capita Overlapping Tax-Supported Debt			22,358

(1) Includes the Bonds. Preliminary, subject to change.

Source: Travis Central Appraisal District; Municipal Advisory Council of Texas.

TABLE 8 - INTEREST AND SINKING FUND BUDGET PROJECTION⁽¹⁾

Net Tax Supported Debt Service Requirements, Fiscal Year Ending 09/30/2022	N/A
Interest and Sinking Fund, Fiscal Year Ending 9/30/21	N/A
Budgeted Interest and Sinking Fund Tax Levy	<u>N/A</u>
Estimated Balance, Fiscal Year Ending 9/30/22	<u></u>

⁽¹⁾ Includes the Bonds; preliminary, subject to change. Excludes self-supporting debt.

Other Obligations

The City currently has no other unfunded tax-supported obligations.

TABLE 9 – GENERAL FUND REVENUES AND EXPENDITURE HISTORY

Revenues	For Fiscal Year Ended September 30				
	2020	2019	2018	2017	2016
Property Taxes	\$ 1,600,706	\$ 1,505,831	\$ 1,283,720	\$ 1,052,557	\$ 953,945
Sales Taxes	3,035,861	3,379,556	3,088,279	3,160,597	3,124,751
Fees	641,608	733,320	601,313	612,451	639,272
Building Permits	192,961	162,994	135,159	159,630	134,367
Charges for Services	-	-	153,576	159,391	159,145
Fines and Forfeitures	167,883	243,580	214,141	239,589	196,019
Investment Earnings	74,105	145,621	76,460	34,776	20,664
Miscellaneous Revenue	254,860	114,325	111,798	48,167	165,286
Total Revenues	\$ 5,967,984	\$ 6,285,227	\$ 5,664,446	\$ 5,467,158	\$ 5,393,449
Expenditures					
General Government	\$ 1,105,493	\$ 1,307,383	\$ 955,501	\$ 974,278	\$ 3,467,648
Public Safety	2,303,095	2,071,508	1,892,501	2,185,881	2,092,497
Public Works	976,282	1,407,097	1,400,376	1,399,052	1,211,893
Capital Outlays	454,938	1,495,776	405,580	426,063	302,148
Total Expenditures	\$ 4,839,808	\$ 6,281,764	\$ 4,653,958	\$ 4,985,274	\$ 7,074,186
Excess (Deficiency) of Revenues					
Over Expenditures	\$ 1,128,176	\$ 3,463	\$ 1,010,488	\$ 481,884	\$ (1,680,737)
Other Financing Sources (Uses)	\$ 56,364	\$ 17,992	\$ 3,750	\$ 1,380	\$ 5,087
Net Change in Fund Balance	\$ 1,184,540	\$ 21,455	\$ 1,014,238	\$ 483,264	\$ (1,675,650)
Beginning Fund Balance	5,691,816	5,670,361	4,656,123	4,172,859	5,848,509
Ending Fund Balance	\$ 6,876,356	\$ 5,691,816	\$ 5,670,361	\$ 4,656,123	\$ 4,172,859

TABLE 10 - MUNICIPAL SALES TAX HISTORY

Fiscal Year Ended 9-30	Total Collected	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita
2018	\$ 3,072,129	236.21%	\$ 0.1535	\$ 926
2019	3,334,766	219.89%	0.1539	1,015
2020	3,046,779	187.86%	0.1315	885
2021	3,276,868	172.01%	0.1352	951
2022	1,319,698 ⁽¹⁾	66.71%	0.0524	383

⁽¹⁾ Partial year collections through January 31, 2022.

TABLE 11 – AUTHORIZED BUT UNISSUED DEBT

Purpose	Date Authorized	Amount Authorized	Amount Being Sold	Unissued Balance
Municipal Building	11/2/2021	\$ 13,200,000	\$ 13,200,000	\$ -
Roads and Drainage	11/2/2021	11,800,000	11,800,000	-
		<u>\$ 25,000,000</u>	<u>\$ 25,000,000</u>	<u>\$ -</u>

TABLE 12 - CURRENT INVESTMENTS

As of December 31, 2021, the City's investable general funds were invested in the following categories:

Description	Book Value	Market Value	% of Portfolio
Investment Pools	\$9,294,352	\$9,294,275	72.31%
Bank Accounts	3,559,449	3,559,449	27.69%
Total	<u>\$12,853,801</u>	<u>\$12,853,723</u>	<u>100.00%</u>

APPENDIX B

EXCERPTS FROM THE CITY OF WEST LAKE HILLS, TEXAS ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED SEPTEMBER 30, 2020

The information contained in this Appendix consists of excerpts from the City of West Lake Hills, Texas Annual Financial Report for the Year Ended September 30, 2020, and is not intended to be a complete statement of the City's financial condition. Reference is made to the complete Report for further information.

APPENDIX C
FORM OF BOND COUNSEL'S OPINION

**NOTICE OF SALE AND BIDDING INSTRUCTIONS
AND OFFICIAL BID FORM**

**City of West Lake Hills, Texas
(Travis County, Texas)**

\$~~25,000,000~~23,405,000*
General Obligation Bonds, Series 2022

Electronic Bids Due Wednesday, February 9, 2022 at 10:00 AM CST

Via PARITY

*Preliminary, subject to change. See “THE BONDS – ADJUSTMENT OF PRINCIPAL AMOUNT AND MATURITY SCHEDULE OF THE BONDS” in the Notice of Sale.

CONTACTS

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Jerry Kyle (512) 582-6951
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Financial Advisor
PFM Financial Advisors LLC
111 Congress Avenue, Suite 2150
Austin, Texas 78701
Blake Roberts (512) 614-5324
robertsb@pfm.com

i-Deal, LLC
1359 Broadway, 2nd Floor
New York, New York 10018
www.i-dealprospectus.com
(212) 849-5024

**NOTICE OF SALE
AND
BIDDING INSTRUCTIONS**

on

~~\$25,000,000~~**23,405,000***
CITY OF WEST LAKE HILLS, TEXAS
(Travis County, Texas)

GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2022

Electronic Bids Due: Wednesday, February 9, 2022 at 10:00 A.M., C.S.T

THE SALE

BONDS OFFERED FOR SALE AT COMPETITIVE BID: The City Council (the "Council") of the City of West Lake Hills, Texas (the "City") is offering for sale at competitive bid its ~~\$25,000,000~~**23,405,000*** General Obligation Improvement Bonds, Series 2022 (the "Bonds").

ELECTRONIC BIDS ONLY: Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY prior to 10:00 A.M., C.S.T. on Wednesday, February 9, 2022. Subscription to i-Deal's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The City will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe. Bidders submitting an electronic bid shall not be required to submit Official Bid Forms prior to bidding.

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in the Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the City. The City shall not be responsible for any malfunction or mistake made by or as a result of the use of the facilities of PARITY; the use of such facilities being the sole risk of the prospective bidder.

If any provisions of the Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Notice of Sale shall control. Further information about PARITY, including any fee charged, may be obtained from PARITY Customer Support, 1359 Broadway, 2nd Floor, New York, New York 10018, 212-849-5021.

For purposes of the electronic bidding process, the time as maintained by PARITY shall constitute the official time of the bid. For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the City, as described under "CONDITIONS OF THE SALE – BASIS OF AWARD" below. All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale and the Official Bid Form.

BIDS BY FACSIMILE: BIDS BY FACSIMILE WILL NOT BE ACCEPTED.

PLACE AND TIME OF BID OPENING: The bids for the Bonds will be publicly opened at the City Hall of the City of West Lake Hills, 911 Westlake Drive, West Lake Hills, Texas 78746 at 10:00 A.M., C.S.T. on Wednesday, February 9, 2022.

EXTENSION OF THE SALE DATE: The City reserves the right to extend the date and/or time for the receipt of bids by giving notice, by Bloomberg and PARITY, not later than 3:00 P.M. C.S.T., on Tuesday, February 8, 2022, of the new date and time for receipt of bids. Such notice shall be considered an amendment to this Notice of Sale.

AWARD OF THE BONDS: The City Council will take action to award the Bonds (or reject all bids) at a meeting scheduled to convene at 7:00 PM, CST, on the date of the bids opening, and adopt the ordinance authorizing the issuance of the Bonds, awarding the sale of the Bonds to the winning bidder, and approving the Official Statement (the "Ordinance"). The City reserves the right to reject any and all bids and to waive any irregularities except time of submission.

~~*Preliminary, subject to change. See "THE BONDS – ADJUSTMENT OF PRINCIPAL AMOUNT AND MATURITY SCHEDULE OF THE BONDS"~~
~~*Preliminary, subject to change. See "THE BONDS – ADJUSTMENT OF PRINCIPAL AMOUNT AND MATURITY SCHEDULE OF THE BONDS"~~

THE BONDS

DESCRIPTION: The Bonds will be dated as of the Delivery Date (defined below) and interest will be calculated on the basis of a 360-day year of twelve 30-day months. Interest on the Bonds will accrue from the date of initial delivery to the initial Purchaser (the “Delivery Date”) and such interest will be payable ~~August 1~~August 15 and ~~February 1~~February 15 of each year, commencing ~~August 1~~February 15, 2022~~2023~~, until maturity or prior redemption. The Bonds will be issued as fully registered obligations in book-entry form only and when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository (the “Securities Depository”). Book-entry interests in the Bonds will be available for purchase in the principal amount of \$5,000 or any integral multiple thereof. Purchasers of the Bonds (“Beneficial Owners”) will not receive physical delivery of certificates representing their interest in the Bonds purchased. So long as DTC or its nominee is the registered owner of the Bonds, the principal of and interest on the Bonds will be payable by U.S. Bank Trust Company, National Association⁽¹⁾⁽⁴⁾, as Paying Agent/Registrar, to the Securities Depository, which will in turn remit such principal and interest to its Participants, which in turn will remit such principal and interest to the Beneficial Owners of the Bonds (see “THE BONDS - Book-Entry-Only System” in the Preliminary Official Statement). The Bonds will be issued only in fully registered form in any integral multiple of \$5,000 for any one maturity. The Bonds will mature on ~~February 1~~February 15 in each year as shown below:

MATURITY SCHEDULE⁽²⁾

Maturity Date <u>(2/15)</u>	Principal Amount	Maturity Date <u>(2/15)</u>	Principal Amount
<u>2023</u>	<u>\$220,000</u>	<u>2036</u>	<u>\$975,000</u>
<u>2024</u>	<u>590,000</u>	<u>2037</u>	<u>1,005,000</u>
<u>2025</u>	<u>625,000</u>	<u>2038</u>	<u>1,035,000</u>
<u>2026</u>	<u>655,000</u>	<u>2039</u>	<u>1,070,000</u>
<u>2027</u>	<u>690,000</u>	<u>2040</u>	<u>1,100,000</u>
<u>2028</u>	<u>725,000</u>	<u>2041</u>	<u>1,135,000</u>
<u>2029</u>	<u>760,000</u>	<u>2042</u>	<u>1,170,000</u>
<u>2030</u>	<u>795,000</u>	<u>2043</u>	<u>1,205,000</u>
<u>2031</u>	<u>830,000</u>	<u>2044</u>	<u>1,240,000</u>
<u>2032</u>	<u>860,000</u>	<u>2045</u>	<u>1,280,000</u>
<u>2033</u>	<u>890,000</u>	<u>2046</u>	<u>1,320,000</u>
<u>2034</u>	<u>920,000</u>	<u>2047</u>	<u>1,360,000</u>
<u>2035</u>	<u>950,000</u>		

⁽¹⁾ Effective January 29, 2022, U.S. Bank National Association will transfer substantially all of its corporate trust business to its affiliate, U.S. Bank Trust Company, National Association. U.S. Bank Trust Company, National Association will perform the corporate trust duties currently administered by U.S. Bank National Association, including serving as Bond Trustee.

⁽²⁾ Preliminary, subject to change. See “THD BONDS – ADJUSTMENT OF PRINCIPAL AMOUNT AND MATURITY SCHEDULE OF THE BONDS.”

ADJUSTMENT OF PRINCIPAL AMOUNT AND MATURITY SCHEDULE OF THE BONDS: After selecting the winning bid, the aggregate principal amount of the Bonds and the principal amortization schedule may be adjusted as determined by the City and its Financial Advisor in \$5,000 increments to reflect the actual interest rates and to create a substantially level debt service schedule for the City. Such adjustments will not change the aggregate principal amount of the Bonds by more than 15% from the amount set forth herein. The dollar amount bid for the Bonds by the winning bidder will be adjusted proportionately to reflect any increase or decrease in the aggregate principal amount of the Bonds finally determined to be issued. The City will use its best efforts to communicate to the winning bidder any such adjustment within four (4) hours after the opening of the bids. Purchaser's compensation will be based upon the final par amount of the Bonds after any adjustment thereto, subsequent to the receipt and tabulation of the winning bid, within the aforementioned parameters.

In the event of any adjustment of the maturity schedule for the Bonds as described above, no rebidding or recalculation of the proposals submitted will be required or permitted. Any such adjustment of the aggregate principal amount of the Bonds and/or the maturity schedule for the Bonds made by the City or its Financial Advisor shall be subsequent to the award of the Bonds to the winning bidder as determined pursuant to "CONDITIONS OF THE SALE – BASIS OF AWARD" herein and shall not affect such determination. **The winning bidder may not withdraw its bid as a result of any changes made within the aforementioned limits.**

OPTIONAL REDEMPTION: The Bonds maturing on and after ~~February 1~~February 15, 2032 are subject to redemption prior to maturity, at the option of the City, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, on ~~February 1~~February 15, 2031 or any date thereafter, at a redemption price equal to the principal amount thereof plus accrued interest to the date fixed for redemption (see "THE BONDS – Optional Redemption" in the Preliminary Official Statement).

SERIAL BONDS AND/OR TERM BONDS: Bidders may provide that all of the Bonds be issued as Serial Bonds maturing in accordance with the Maturity Schedule shown above or may provide that any two or more consecutive annual principal amounts be combined into one or more term bonds ("Term Bonds").

MANDATORY SINKING FUND REDEMPTION: If the successful bidder elects to alter the Maturity Schedule reflected above and convert any of the principal amounts of the Serial Bonds into Term Bonds, such Term Bonds shall be subject to mandatory sinking fund redemption on the first ~~February 1~~February 15 next following the last maturity for Serial Bonds or Term Bonds, if applicable, immediately preceding such Term Bonds, and annually thereafter on each ~~February 1~~February 15 until the stated maturity for the Term Bonds at the redemption price of par plus accrued interest to the date of redemption. The principal amount of the Term Bonds to be redeemed on each mandatory redemption date shall be the principal amount that would have been due and payable in the Maturity Schedule shown above had no conversion to Term Bonds occurred. At least forty-five (45) days prior to each mandatory redemption date, the Paying Agent/Registrar shall select by lot the Term Bonds to be redeemed and cause a notice of redemption to be given in the manner provided in the Official Statement. Any Term Bond not selected for prior redemption shall be paid on the date of their stated maturity.

The final Official Statement will incorporate the mandatory redemption provisions for the Bonds in the event the successful bidder elects to convert Serial Bonds into one or more Term Bonds.

PURPOSE: Proceeds from the sale of the Bonds will be used for (i) constructing, acquiring, improving, renovating, expanding and developing a new City Hall and Police Building and related infrastructure, (ii) constructing, improving, renovating, extending, expanding and developing streets, roads and related drainage improvements, including traffic signalization, lighting, sidewalks, soundwalls and landscaping, and acquiring right-of-way related thereto, with respect to Camp Craft Road, Laurel Valley Road, Redbud Trail, Westlake Drive, Yaupon Valley Road and Terrace Mountain Drive, and (iii) paying costs of issuance of the Bonds.

SECURITY FOR PAYMENT: The Bonds constitute direct obligations of the City payable from a continuing annual ad valorem tax levied, within the limits prescribed by law, on all taxable property within the City in an amount sufficient to provide for payment of principal of and interest on all ad valorem tax debt (see "THE BONDS – Security and Source of Payment" in the Preliminary Official Statement).

BOOK-ENTRY-ONLY SYSTEM: The City intends to utilize the Book-Entry-Only System of The Depository Trust Company ("DTC") (see "THE BONDS - Book-Entry-Only System" in the Preliminary Official Statement).

PAYING AGENT/REGISTRAR: The initial Paying Agent/Registrar shall be U.S. Bank Trust Company, National Association⁽¹⁾⁽⁺⁾. If the Paying Agent/Registrar becomes unable for any reason to act as Paying Agent/Registrar, the City has covenanted to appoint a successor Paying Agent/Registrar.

CONDITIONS OF THE SALE

TYPES OF BIDS AND INTEREST RATES: The Bonds will be sold in one block on an “All or None” basis and at a price of not less than their par value. **No bid producing a cash premium on the Bonds that results in a dollar price of less than \$101.50 nor greater than \$120115.00 will be considered, provided, however, that any bid is subject to adjustment as described under the caption “THE BONDS – ADJUSTMENT OF PRINCIPAL AMOUNT AND MATURITY SCHEDULE FOR THE BONDS” which adjustment could result in the price of the Bonds or the bidders premium to exceed the parameters provided above.** Bidders must specify the rate(s) of interest borne by the Bonds, provided that each rate bid must be in a multiple of 1/8 of 1% or 1/100 of 1% and the net effective interest rate for the Bonds (calculated in the manner required by Chapter 1204, Texas Government Code, as amended) must not exceed 15%. The highest rate may not exceed the lowest rate bid by more than 3.0% in rate. No limitation is imposed upon bidders as to the number of rates which may be used. All Bonds of one maturity must bear one and the same rate. No bids involving supplemental interest rates will be considered. Each bidder shall state the True Interest Cost (defined below) in its bid. The Purchaser (defined below) will be required to submit offering yields and dollar prices prior to award. Each bidder shall state in the bid the total interest cost in dollars and the effective interest rate determined thereby, which shall be considered informative only and not as part of the bid. In the event of a bidder’s error in interest cost calculations, the interest rates set forth in the Bid Form will be considered as the intended bid.

BASIS OF AWARD: The sale of the Bonds will be awarded to the best bidder or syndicate account whose name first appears on the Official Bid Form (the “Initial Purchaser” or “Purchaser”) whose bid based on the above computation produces the lowest True Interest Cost (“TIC”) to the City. The TIC is that rate which, when used to compute the total present value as of the Delivery Date of all debt service payments on the Bonds on the basis of semi-annual compounding, produces an amount equal to the sum of the par value of the Bonds plus the required cash premium. In case of error in TIC calculations, interest rates named on the Official Bid Form will govern; however, the City reserves the right to reject any and all bids and to waive any and all irregularities, except the time for filing of the bids. If two or more equal bids are received, the City will determine by lot which bid, if any, shall be accepted, and such determination shall be final.

⁽⁺⁾ Effective January 29, 2022, U.S. Bank National Association will transfer substantially all of its corporate trust business to its affiliate, U.S. Bank Trust Company, National Association. U.S. Bank Trust Company, National Association will perform the corporate trust duties currently administered by U.S. Bank National Association, including serving as Bond Trustee.

⁽¹⁾ Effective January 29, 2022, U.S. Bank National Association will transfer substantially all of its corporate trust business to its affiliate, U.S. Bank Trust Company, National Association. U.S. Bank Trust Company, National Association will perform the corporate trust duties currently administered by U.S. Bank National Association, including serving as Bond Trustee.

In order to provide the City with information required to be submitted to the Texas Bond Review Board pursuant to Section 1202.008, Texas Government Code, as amended, the Initial Purchaser will be required to provide the City with a breakdown of its “underwriting spread” among the following categories: Takedown, Management Fee (if any), Legal Counsel Fee (if any) and Spread Expenses (if any).

ESTABLISHMENT OF ISSUE PRICE (HOLD-THE-OFFERING PRICE RULE WILL APPLY IF COMPETITIVE SALE REQUIREMENTS ARE NOT SATISFIED):

In the event that the City does not receive sufficient qualified bids to satisfy the competitive sale requirements of Treasury Regulation § 1.148-1(f)(3)(i), allowing the City to treat the reasonably expected initial offering price to the public as of the sale date as the issue price of the Bonds, the City will treat (i) the first price at which 10 percent of a maturity of the Bonds is sold to the public as the issue price of that maturity (the “10 percent rule”) or (b) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the “hold the price rule”). If the 10 percent rule has not been satisfied as to any maturity of the Bonds, the winning bidder agrees to promptly report to the Financial Advisor the prices at which it sells Bonds of that maturity to the public. This reporting obligation shall continue, whether or not the Bonds have been delivered, until the 10 percent rule has been satisfied. The attached Certificate Regarding Issue Price has language for (I) when the competitive sale requirements of Treasury Regulation § 1.148-1(f)(3)(i) are met and (II) when such requirements are not met.

ADJUSTMENT OF INITIAL PRINCIPAL AMOUNTS: See “THE BONDS – ADJUSTMENT OF PRINCIPAL AMOUNT AND MATURITY SCHEDULE OF THE BONDS” for a description of the City’s reservation of the right to increase or decrease the principal amount of any maturity of the Bonds, including the elimination of a maturity or maturities.

GOOD FAITH DEPOSIT: A bank cashier’s check, payable to the “The City of West Lake Hills,” in the amount of ~~\$500,000~~\$468,100 which is approximately 2% of the proposed par value of the Bonds (the “Good Faith Deposit”), is required to accompany any bid and shall be submitted to PFM Financial Advisors LLC, 111 Congress Ave, Austin, TX 78701, Attention: Blake Roberts. Such Good Faith Deposit will be retained uncashed pending the Purchaser’s compliance with the terms of the bid and the Notice of Sale. The Good Faith Deposit may accompany the Official Bid Form or be submitted separately. If submitted separately, it shall be submitted prior to the opening of the bids, and shall be accompanied by instructions from the bank on which drawn which authorize its use as a Good Faith Deposit by the Purchaser who shall be named in such instructions. **The Good Faith Deposit of the Purchaser will be returned on the Delivery Date of the Bonds.** No interest will be allowed on the Good Faith Deposit. In the event the Purchaser should fail or refuse to take up and pay for the Bonds in accordance with the bid, then said check shall be cashed and accepted by the City as full and complete liquidated damages. The checks accompanying bids other than the winning bid will be returned promptly after the bids are opened and an award of the Bonds has been made.

TEC FORM 1295: Pursuant to Texas Government Code, Section 2252.908 (the “Interested Party Disclosure Act”), unless the Purchaser is exempt from the filing requirements of Section 2252.908, the City may not award the Bonds to the Purchaser unless the Purchaser submits a Certificate of Interested Parties Form 1295 (the “Disclosure Form”) to the City as prescribed by the Texas Ethics Commission (“TEC”). Effective January 1, 2018, publicly traded business entities (including wholly owned subsidiaries of a publicly traded business entity) are no longer be required to file Form 1295 as provided in Section 2252.908(c)(4). Prior to accepting the Official Bid Form of the Purchaser, the Purchaser must either (1) complete an electronic form of the TEC Form 1295 through the TEC’s electronic portal and submit the resulting certified TEC Form 1295 that is generated by the TEC’s electronic portal to the City or (2) submit a written representation that it is exempt from the TEC Form 1295 filing requirements pursuant to Section 2252.908(c)(4). The failure to provide the TEC Form 1295 or written representation regarding exemption, as described herein, will prohibit the City from accepting the Official Bid Form of the Purchaser.

If a Purchaser is claiming an exception to the filing requirement under Section 2252.908(c)(4), the written representation that the Purchaser is not required to file a Form 1295 must state that it is publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity and identify the publicly traded business entity that allows them to utilize the exception.

If the Purchaser is submitting a Disclosure Form, the form can be found at <https://www.ethics.state.tx.us/TECCertInt/pages/login/certLogin.jsf>, and reference should be made to the following information in order to complete it: (a) item 2 – Name (“City of West Lake Hills, Texas”), (b) item 3 – the identification number (“WLH GO 22”), and (c) item 3 – description of the goods or services assigned to this contract by the City (“Purchase of Bonds”). If completing the Disclosure Form, the Purchaser must (i) complete the Disclosure Form electronically at the TEC’s “electronic portal”, and (ii) print, sign and deliver a copy of the Disclosure Form that is generated by the TEC’s “electronic portal” to the City by email at vragdale@westlakehills.gov and to the City’s financial advisor at robertsb@pfm.com.

Selection of Alternate Winning Bid. If the apparent winning bidder and each syndicate member listed on the Official Bid Form fail to promptly file the Disclosure Form, the City reserves the right to reject such bid and, through its financial advisor, provide conditional verbal acceptance to the bidder submitting a bid, conforming to the specifications herein, which produces the next, lowest True Interest Cost rate to the City.

VERIFICATION PURSUANT TO CHAPTER 2271 OF THE TEXAS GOVERNMENT CODE: To the extent the winning bid for the Bonds represents a contract for goods or services within the meaning of Section 2271.002 of the Texas Government Code, as amended, the bidder verifies, for purposes of Chapter 2271 of the Texas Government Code, as amended, that, at the time of execution and delivery of its bid, neither the bidder nor any syndicate member listed on the Official Bid Form, nor any parent company, wholly-or majority-owned subsidiaries, and other affiliates of the same, if any, boycotts Israel or will boycott Israel through the date of delivery of the Bonds. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, “boycotts Israel” and “boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The bidder understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the bidder or any syndicate member listed on the Official Bid Form and exists to make a profit.

VERIFICATION PURSUANT TO CHAPTER 2252 AND 2270 OF THE TEXAS GOVERNMENT CODE: Pursuant to Chapter 2252 of the Texas Government Code, the bidder verifies that neither the bidder nor any syndicate member listed on the Official Bid Form, nor any parent company, wholly-or majority-owned subsidiaries, or other affiliates of the same are companies identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer’s internet website:

<https://comptroller.texas.gov/purchasing/docs/sudanlist.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/ftolist.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the bidder or any syndicate member listed on the Official Bid Form and each parent company, wholly-or majority-owned subsidiaries, and other affiliates, of the same, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

The winning bidder and any syndicate member listed on the Official Bid Form understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the bidder or any syndicate member listed on the Official Bid Form within the meaning of SEC Rule 405, 17. C.F.R. § 230.405, and exists to make a profit.

COMPLIANCE WITH LAW PROHIBITING CONTRACTS WITH COMPANIES THAT DISCRIMINATE AGAINST FIREARM ENTITIES OR FIREARM TRADE ASSOCIATIONS: To the extent the winning bid for the Bonds constitutes a contract for the purchase of goods or services for which a written verification is required under Section 2274.002, Texas Government Code, (as added by Senate Bill 19, 87th Texas Legislature, Regular Session), as amended, the bidder verifies, for purposes of Chapter 2274 of the Texas Government Code, as amended, that neither the winning bidder nor any syndicate member listed on the Official Bid Form, nor any parent company, wholly-or majority-owned subsidiaries, and other affiliates of the same, if any,

- (1) do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and
- (2) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.

The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” (A) means, with respect to the entity or association, to (i) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (ii) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (iii) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; and (B) does not include: (i) the established policies of a merchant, retail seller, or platform that restrict or

prohibit the listing or selling of ammunition, firearms, or firearm accessories; and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship: (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association.

The bidder and each syndicate member listed on the Official Bid Form understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the bidder or any syndicate member listed on the Official Bid Form within the meaning of SEC Rule 405, 17. C.F.R. § 230.405, and exists to make a profit.

COMPLIANCE WITH LAW PROHIBITING CONTRACTS WITH COMPANIES THAT BOYCOTT ENERGY COMPANIES: To the extent the winning bid for the Bonds constitutes a contract for goods or services for which a written verification is required under Section 2274.002, Texas Government Code, (as added by Senate Bill 13, 87th Texas Legislature, Regular Session) as amended, neither the winning bidder nor any syndicate member listed on the Official Bid Form, nor any parent company, wholly-or majority-owned subsidiaries, and other affiliates of the same, if any, do not boycott energy companies and, will not boycott energy companies through the delivery date of the Bonds. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law.

As used in the foregoing verification, "boycott energy companies" shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

The winning bidder and any syndicate member listed on the Official Bid Form understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the bidder or any syndicate member listed on the Official Bid Form within the meaning of SEC Rule 405, 17. C.F.R. § 230.405, and exists to make a profit.

STANDING LETTER REQUIREMENT: Each prospective bidder must have a standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General's Office as required by the All Bond Counsel Letter of the Texas Attorney General dated September 22, 2021. Bidder agrees that it will not rescind its standing letter at any time before the delivery of the Bonds unless same is immediately replaced with a standing letter meeting the requirements of the above-described All Bond Counsel Letter.

The City reserves the right, in its sole discretion, to reject any bid from a bidder that does not have such standing letter on file as of the deadline for bids for the Bonds. In the event that a bidder does not have such standing letter on file at the time of submission of a bid, the bidder agrees to file such standing letter with the Municipal Advisory Council of Texas and the Texas Attorney General's Office by the earlier of: (a) two (2) hours after submitting its bid, and (b) the deadline for bids for the Bonds.

OFFICIAL STATEMENT

To assist the Purchaser in complying with Rule 15c2-12, as amended (the "Rule"), of the United States Securities and Exchange Commission ("SEC"), the City and the Purchaser contract and agree, by the submission and acceptance of the winning bid, as follows:

COMPLIANCE WITH RULE:

The City agrees to provide, or cause to be provided, to the Purchaser, the Preliminary Official Statement and the Official Statement and any amendments or supplements thereto in a "designated electronic format" (or printed format with respect to the final Official Statement) as may be required for the Purchaser to comply with the Rule or the rules of the Municipal Securities Rulemaking Board ("MSRB"). The City consents to the distribution of such documents in a "designated electronic format." Upon receipt, the Purchaser shall promptly file the Official Statement with the MSRB in accordance with the applicable MSRB rules.

The City will complete and authorize distribution of the Official Statement and containing information omitted from the Preliminary Official Statement. The City does not intend to amend or supplement the Official Statement otherwise, except

to take into account certain subsequent events, if any, as described below. By delivering the final Official Statement or any amendment or supplement thereto in the requested quantity to the Purchaser on or after the sale date, the City intends the same to be final as of such date, within the meaning of Section 15c2-12(b)(3) of the Rule. Notwithstanding the foregoing, the City makes no representation concerning the absence of material misstatements or omissions from the Official Statement. To the best knowledge and belief of the City, the Official Statement contains information, including financial information or operating data, concerning every entity, enterprise, fund, account, or person that is material to an evaluation of the offering of the Bonds.

FINAL OFFICIAL STATEMENT: In addition to delivering the Official Statement in a “designated electronic format”, the City agrees to furnish to the Purchaser, within seven (7) days after the sale date, an aggregate maximum of twenty (20) copies of the Official Statement, if requested by the Purchaser, together with information regarding interest rates and other terms relating to the reoffering of the Bonds, in accordance with Section 15c2-12(b)(3) of the Rule. The Purchaser may arrange, at its own expense, to have the Official Statement reproduced and printed if it requires more than 20 copies and may also arrange, at its own expense and responsibility, for completion and perfection of the first or cover page of the Official Statement so as to reflect interest rates and other terms and information related to the reoffering of the Bonds. The Purchaser will be responsible for providing information concerning the City and the Bonds to subsequent purchasers of the Bonds, and the City will undertake no responsibility for providing such information other than to make the Official Statement available to the Purchaser as provided herein. The City agrees to provide, or cause to be provided, to the Purchaser the Preliminary Official Statement and the Official Statement and any amendments or supplements thereto in a “designated electronic format” (or printed format with respect to the final Official Statement) as may be required for the Purchaser to comply with the Rule or the rules of the MSRB. The City consents to the distribution of such documents in a “designated electronic format”. Upon receipt, the Purchaser shall promptly file the Official Statement with the MSRB in accordance with the MSRB Rule G-32. The City's obligation to supplement the Official Statement to correct key representations determined to be materially misleading, after the date of the Official Statement, shall terminate upon initial delivery of the Bonds to the Purchaser, unless the Purchaser notifies, in writing, the City that less than all of the Bonds have been sold to ultimate customers on or before such date, in which case the obligation will extend for an additional period of time (but not more than 90 days after the sale date) until all of the Bonds have been sold to ultimate customers.

CHANGES TO OFFICIAL STATEMENT: If, subsequent to the date of the Official Statement, the City learns or is notified by the Purchaser of any adverse event which causes any of the key representations in the Official Statement to be materially misleading, the City will promptly prepare and supply to the Purchaser a supplement to the Official Statement which corrects such representation to the reasonable satisfaction of the Purchaser, unless the Purchaser elects to terminate its obligation to purchase the Bonds as described in “DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS – Conditions to Delivery.” The obligation of the City to do so will terminate when the City delivers the Bonds to the Purchaser, unless the Purchaser notifies the City that less than all of the Bonds have been sold to ultimate customers on or before such date, in which case the obligation will extend for an additional period of time (but not for more than 90 days after the sale date) until all of the Bonds have been sold to ultimate customers.

CONTINUING DISCLOSURE AGREEMENT: The City will agree in the Ordinance to provide certain periodic information and notices of certain events in accordance with Securities and Exchange Commission Rule 15c2-12, as described in the Preliminary Official Statement under “CONTINUING DISCLOSURE OF INFORMATION”. The Initial Purchaser's obligation to accept any and pay for the Bonds is conditioned upon delivery to the Initial Purchaser or its agent, of a copy of the Ordinance containing the agreement described under such heading.

COMPLIANCE WITH PRIOR UNDERTAKINGS: The City has not previously issued debt subject to a continuing disclosure agreement made in accordance with the Rule.

DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will appear on the Bonds, but neither the failure to print or type such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Purchaser to accept delivery of and pay for the Bonds in accordance with the terms of this Notice of Sale and the terms of the Official Bid Form. All expenses in relation to the printing or typing of CUSIP numbers on the Bonds shall be paid by the City; provided, however, that the CUSIP Service Bureau fee for the assignment of the numbers shall be the responsibility of and shall be paid for by the Purchaser.

INITIAL DELIVERY OF INITIAL BOND: The Bonds will be initially delivered as one Bond (“Initial Bond”) in the aggregate principal amount of the entire issue of the Bonds payable in stated installments to the Initial Purchaser. Initial delivery will be at the designated office of the Paying Agent/Registrar. Payment for the Bonds must be made in immediately available funds for unconditional credit to the City, or as otherwise directed by the City. The Initial Purchaser

will be given six business days' notice of the time fixed for delivery of the Bonds. It is anticipated that delivery of the Bonds can be made on or about March 9, 2022, and it is understood and agreed that the Initial Purchaser will accept delivery and make payment for the Bonds by 10:00 AM, CST, on March 9, 2022, or thereafter on the date the Bond is tendered for delivery, up to and including April 8, 2022. If for any reason the City is unable to make delivery on or before April 8, 2022, the City shall immediately contact the Initial Purchaser and offer to allow the Initial Purchaser to extend its offer for an additional thirty (30) days. If the Initial Purchaser does not elect to extend its offer within six days thereafter, then its Good Faith Deposit will be returned, and both the City and the Initial Purchaser shall be relieved of any further obligation. In no event shall the City be liable for any damages by reason of its failure to deliver the Bonds, provided such failure is due to circumstances beyond the City's reasonable control.

DTC DEFINITIVE BONDS: Upon payment for the Bonds at the time of the Initial Delivery, the Paying Agent/Registrar shall cancel the Initial Bond, and one definitive Bond for each maturity will be registered and delivered only to Cede & Co., and deposited with DTC in connection with DTC's Book-Entry-Only System. After delivery of the Initial Bond, the Bonds will be issued in Book-Entry-Only form. Cede & Co. is the nominee for DTC. All references herein to the Bondholders or registered owners of the Bonds shall mean Cede & Co. and not the beneficial owners of the Bonds. Purchases of beneficial interests in the Bonds will be made in book-entry form (without Bonds) in authorized denominations. Under certain limited circumstances described herein, the City may determine to forego immobilization of the Bonds at DTC, or another securities depository, in which case such beneficial interests would become exchangeable for one or more fully registered Bonds of like principal amount as the Bonds presented for cancellation and exchange.

CONDITIONS TO DELIVERY: The obligation of the Purchaser to take up and pay for the Bonds is subject to the Purchaser's receipt of (a) the legal opinion of Orrick, Herrington & Sutcliffe LLP, Austin, Texas, Bond Counsel for the City ("Bond Counsel"), (b) the no-litigation certificate, and (c) the certification as to the Official Statement, all as further described in the Preliminary Official Statement. The certifications described in (b) and (c) in the immediately preceding sentence may be contained in one or more certificates at the option of the City.

NO MATERIAL ADVERSE CHANGE: The obligation of the Purchaser to take up and pay for the Bonds, and of the City to deliver the Initial Bond(s), are subject to the condition that, up to the time of delivery of and receipt of payment for the Initial Bond(s), there shall have been no material adverse change in the affairs of the City subsequent to the date of sale from that set forth in the Preliminary Official Statement, as it may have been finalized, supplemented or amended through the date of delivery.

LEGAL OPINION: The Bonds are offered when, as and if issued, subject to the unqualified legal opinion of the Attorney General of the State of Texas. Delivery of and payment for the Bonds is subject to the receipt by the Purchaser of the opinion of Orrick, Herrington and Sutcliffe LLP, Bond Counsel, substantially in the form reproduced in Appendix C to the Preliminary Official Statement.

Bond Counsel did not take part in the preparation of the Official Bid Form, Notice of Sale or Preliminary Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken to independently verify any of the information contained therein, except that in its capacity as Bond Counsel, such firm has reviewed the information describing the Bonds in the Preliminary Official Statement to verify that such description conforms to the provisions of the Ordinance. No person is entitled to rely upon such firm's limited participation as an assumption of responsibility for, or an expression of opinion of any kind with regard to, the accuracy or completeness of any of the information contained herein. In reviewing the Preliminary Official Statement, Bond Counsel represents the City. The legal fee to be paid Bond Counsel for services rendered in connection with the issuance of the Bonds is contingent upon the sale and delivery of the Bonds.

CHANGE IN TAX-EXEMPT STATUS: At any time before the Bonds are tendered for initial delivery to the Purchaser, the Purchaser may withdraw its bid if the interest on obligations such as the Bonds shall be declared to be includable in the gross income, as defined in section 61 of the Code, of the owners thereof for federal income tax purposes, either by U.S. Treasury regulations, by ruling or administrative guidance of the Internal Revenue Service, by a decision of any federal court, or by the terms of any federal income tax legislation enacted subsequent to the date of this Notice of Sale.

GENERAL

FINANCIAL ADVISOR: PFM Financial Advisors LLC is employed as Financial Advisor to the City in connection with the issuance of the Bonds. In its role as Financial Advisor, PFM Financial Advisors LLC has relied on the City for certain

~~*Preliminary, subject to change. See "THE BONDS—ADJUSTMENT OF PRINCIPAL AMOUNT AND MATURITY SCHEDULE OF THE BONDS".~~

information concerning the City and the Bonds. The fee of the Financial Advisor for services with respect to the Bonds is contingent upon the issuance and sale of the Bonds.

BLUE SKY LAWS: The City has made no investigation regarding the eligibility to purchase or participate in the underwriting of the Bonds under any applicable securities, legal investment, insurance, banking or other laws which might govern the ability of such institution to underwrite or invest in the Bonds. By submission of its bid, the Purchaser represents that the sale of the Bonds in jurisdictions other than Texas will be made only pursuant to exemptions from registration or, where necessary, the Purchaser will register the Bonds in accordance with the securities law of the jurisdictions in which the Bonds are offered or sold. The City agrees to cooperate with the Purchaser, at the Purchaser's written request and expense, in registering the Bonds or obtaining an exemption from registration in any state where such action is necessary, except that the City will not be obligated to qualify as a foreign corporation or consent to service of process.

NOT AN OFFER TO SELL: This Notice of Sale does not alone constitute an offer to sell the Bonds, but is merely notice of the sale of the Bonds. The offer to sell the Bonds is being made by means of the Notice of Sale, the Official Bid Form and the Preliminary Official Statement. Prospective purchasers are urged to carefully examine the Preliminary Official Statement to determine the investment quality of the Bonds.

RATINGS: S&P Global Ratings, a division of S&P Global Inc. ("S&P") has assigned municipal bond rating of "~~AAA~~" (~~Stable~~ Outlook) to the Bonds (see "RATINGS" in the Preliminary Official Statement). An explanation of the significance of such ratings may be obtained from S&P. The ratings of the Bonds by S&P reflect only the view of S&P at the time the rating is given and the City makes no representations as to the appropriateness of the ratings. There is no assurance that the ratings will continue for any given period of time, or that the ratings will not be revised downward or withdrawn entirely by S&P, if, in the judgment of such company, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

REGISTRATION AND QUALIFICATION OF BONDS FOR SALE: No registration statement relating to the Bonds has been filed with the Securities and Exchange Commission ("SEC") under the Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2). The Bonds have not been approved or disapproved by the SEC, nor has the SEC passed upon the accuracy or adequacy of the Official Statement. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities acts of any other jurisdiction. The City assumes no responsibility for registration or qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions.

On the date of the sale, the City will, within the Ordinance authorizing the sale, delivery and issuance of the Bonds, confirm its approval of the form and content of the Notice of Sale and the Official Statement, and any addenda, supplement or amendment thereto, and authorize its use in the reoffering of the Bonds by the Purchaser.

/s/ Linda Anthony

Linda Anthony, Mayor
City of West Lake Hills, Texas

OFFICIAL BID FORM

City of West Lake Hills, Texas
911 Westlake Drive
West Lake Hills, Texas 78746

Wednesday, February 9, 2022

Ladies and Gentlemen:

Subject to the terms of your Notice of Sale and Preliminary Official Statement, dated ~~February 1~~ February 1, 2022, which are incorporated herein by reference, we hereby submit the following bid for \$ *\$23,405,000* CITY OF WEST LAKE HILLS, TEXAS GENERAL OBLIGATION BONDS, SERIES 2022 dated March ~~19~~, 2022. We have read in detail the Notice of Sale and Preliminary Official Statement. We realize that the Bonds involve certain investment risks, and we have made such inspections and investigations we deem necessary relating to the City and to the investment quality of the Bonds. This offer is being made for all said Bonds and for not less than all.

For your legally issued Bonds, as described in said Notice of Sale and Bidding Instructions and Preliminary Official Statement, we will pay you par plus a cash premium of \$ _____ (no bid producing a cash premium that results in a dollar price of less than \$101.50 will be considered nor greater than \$115.00 will be considered; provided however, that any bid is subject to adjustment as described in the Notice of Sale and Bidding Instructions under the caption – “THE BONDS – ADJUSTMENT OF PRINCIPAL AMOUNT AND MATURITY SCHEDULE OF THE BONDS”) for Bonds maturing and bearing interest per annum as follows:

Select one: ☐ There are no Term Bonds in this bid.
☐ This bid does contain Term Bonds. Details are as follows. Interest rates are shown below.

Term Bond Maturity Date	_____	_____	_____	_____	_____
Total Term Bond Amount	_____	_____	_____	_____	_____
1 st Year of Mandatory Redemption	_____	_____	_____	_____	_____

Maturity Date <u>(2/12/15)</u>	Principal Amount	Interest Rate	Maturity Date <u>(2/12/15)</u>	Principal Amount	Interest Rate
<u>2023</u>	<u>220,000</u>	<u>_____ %</u>	<u>2036</u>	<u>975,000</u>	<u>_____ %</u>
<u>2024</u>	<u>590,000</u>	<u>_____ %</u>	<u>2037</u>	<u>1,005,000</u>	<u>_____ %</u>
<u>2025</u>	<u>625,000</u>	<u>_____ %</u>	<u>2038</u>	<u>1,035,000</u>	<u>_____ %</u>
<u>2026</u>	<u>655,000</u>	<u>_____ %</u>	<u>2039</u>	<u>1,070,000</u>	<u>_____ %</u>
<u>2027</u>	<u>690,000</u>	<u>_____ %</u>	<u>2040</u>	<u>1,100,000</u>	<u>_____ %</u>
<u>2028</u>	<u>725,000</u>	<u>_____ %</u>	<u>2041</u>	<u>1,135,000</u>	<u>_____ %</u>
<u>2029</u>	<u>760,000</u>	<u>_____ %</u>	<u>2042</u>	<u>1,170,000</u>	<u>_____ %</u>
<u>2030</u>	<u>795,000</u>	<u>_____ %</u>	<u>2043</u>	<u>1,205,000</u>	<u>_____ %</u>
<u>2031</u>	<u>830,000</u>	<u>_____ %</u>	<u>2044</u>	<u>1,240,000</u>	<u>_____ %</u>
<u>2032</u>	<u>860,000</u>	<u>_____ %</u>	<u>2045</u>	<u>1,280,000</u>	<u>_____ %</u>
<u>2033</u>	<u>890,000</u>	<u>_____ %</u>	<u>2046</u>	<u>1,320,000</u>	<u>_____ %</u>
<u>2034</u>	<u>920,000</u>	<u>_____ %</u>	<u>2047</u>	<u>1,360,000</u>	<u>_____ %</u>
<u>2035</u>	<u>950,000</u>	<u>_____ %</u>			

(Interest to accrue from the Delivery Date)

If an adjustment is made as described in the Notice of Sale, it is possible that the actual cash premium generated in the transaction may result in a cash premium amount less than or greater than the amounts shown in the bid for the Bonds. Cash premium paid, after adjustment is \$ _____.

Our calculation (which is not part of this bid) of the true interest cost from the above bid is:

TRUE INTEREST COST %

* Preliminary, subject to change.

By accepting this bid, the bidder understands the City will provide the copies of the Official Statement, as well as any amendments or supplements thereto (in a designated electronic format), all in accordance with the Notice of Sale.

The Initial Bond shall be registered in the name of _____ (Syndicate Manager), which will, upon payment for the Bonds, be canceled by the Paying Agent/Registrar. The Bonds will then be registered in the name of Cede & Co. (DTC's partnership nominee), under the Book-Entry-Only System. We will advise the Paying Agent/Registrar of registration instructions at least five business days prior to the date set for Initial Delivery.

A bank cashier's check or certified check of the _____ Bank, _____, Texas, in the amount of ~~\$500,000~~468,100 which represents our Good Faith Deposit (is attached hereto) or (has been made available to the City prior to the opening of this Bid), and is submitted in accordance with the terms as set forth in the "Notice of Sale" and "Preliminary Official Statement." If we fail or refuse to make payment for and accept delivery of the Bonds in accordance with our bid, this check will be cashed and accepted by the City as full and complete liquidated damages and we shall have no further claim to such monies. The Good Faith Deposit of the bidder will be returned on the date of delivery of the Bonds.

We agree to accept delivery of the Bonds through the Paying Agent/Registrar utilizing the Book-Entry-Only System through DTC, and make payment for the Initial Bonds in immediately available funds at the Corporate Trust Office of U.S. Bank Trust Company, National Association⁽¹⁾⁽⁴⁾, not later than 10:00 A.M., C.S.T., on March 9, 2022, or thereafter on the date the Bonds are tendered for delivery, pursuant to the terms set forth in the Notice of Sale. It will be the obligation of the Purchaser of the Bonds to complete the DTC Eligibility Questionnaire.

The undersigned agrees to complete, execute, and deliver to the City, at least six (6) business days prior to delivery of the Bonds, a certificate relating to the "issue price" of the Bonds in the form and to the effect accompanying the Notice of Sale, with such changes thereto as may be acceptable to or required by the City. The undersigned also agrees to provide the City and its consultants, at least ten (10) business days prior to the delivery of the Bonds, a breakdown of its "underwriting spread" among the following categories: Takedown, Management Fee (if any), Legal Counsel Fee (if any) and Spread Expenses (if any).

By executing this Bid Form, the bidder represents that, to the extent Section 2271.002 of the Texas Government Code is applicable to the sale of the Bonds, solely for purposes of compliance with Chapter 2271 of the Texas Government Code, and subject to applicable Federal law, neither the bidder nor any syndicate member listed on the Official Bid Form nor any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of the same, (i) boycotts Israel or (ii) will boycott Israel for the term of the agreement to purchase the Bonds. For purposes of this representation, the terms "boycotts Israel" and "boycott Israel" have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended.

Additionally, by executing this Bid Form, the bidder also represents that, as of the date of this bid form, to the extent the bid for the Bonds represents a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable Federal law, neither the bidder nor a syndicate member listed on the Official Bid Form, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same is an entity listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code.

In accordance with Texas Government Code Section 2252.908 (the "Interested Party Disclosure Act"), the City may not award the Bonds to a bidder unless the winning bidder either: (i) submits a Certificate of Interested Parties Form 1295 (the "Disclosure Form") to the City as prescribed by the Texas Ethics Commission ("TEC"), or (ii) certifies below that it is exempt from filing the Disclosure Form by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

Unless the bidder certifies that it is exempt from filing a Disclosure Form with the City, upon notification of conditional verbal acceptance, the undersigned will complete an electronic form of the Certificate of Interested Parties Form 1295 (the "Disclosure Form") through the Texas Ethics Commission's (the "TEC") electronic portal and the resulting certified Disclosure Form that is generated by the TEC's electronic portal will be printed, signed and sent by email to the City at vragdale@westlakehills.gov and to the City's financial advisor at robertsb@pfm.com. The undersigned understands that the failure to provide the certified Disclosure Form will prohibit the City from providing final written award of the enclosed bid.

⁽¹⁾ Effective January 29, 2022, U.S. Bank National Association will transfer substantially all of its corporate trust business to its affiliate, U.S. Bank Trust Company, National Association. U.S. Bank Trust Company, National Association will perform the corporate trust duties currently administered by U.S. Bank National Association, including serving as Bond Trustee.

The bidder (*mark one*): (i) Agrees to timely make a filing of a completed Disclosure Form with the City ☐ or (ii) Hereby certifies that it is exempt from filing the Disclosure Form by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity ☐. If the bid is accepted by the City, this bid shall thereupon become a contract of purchase for the Bonds under the terms contained in this Official Bid Form and in the Notice of Sale and Bidding Instructions. We hereby acknowledge that we have received and read the Notice of Sale and Bidding Instructions and Preliminary Official Statement referred to above.

The bidder represents that, to the extent this bid form constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the bidder hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this bid form. The foregoing verification is made solely to enable the District to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, “boycott energy companies” shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. The bidder understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the bidder or any syndicate member listed on the Official Bid Form and exists to make a profit.

The bidder represents that, to the extent this bid form constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this bid form. The foregoing verification is made solely to enable the District to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company’s refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity’s or association’s status as a firearm entity or firearm trade association. As used in the foregoing verification, (b) “firearm entity” means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and (c) “firearm trade association” means a person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code. The bidder understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the bidder or any syndicate member listed on the Official Bid Form and exists to make a profit.

~~(+) Effective January 29, 2022, U.S. Bank National Association will transfer substantially all of its corporate trust business to its affiliate, U.S. Bank Trust Company, National Association. U.S. Bank Trust Company, National Association will perform the corporate trust duties currently administered by U.S. Bank National Association, including serving as Bond Trustee.~~

We agree to provide in writing the initial reoffering prices and other terms, if any, to the Financial Advisor by the close of the next business day after the award.

Respectfully submitted,

Name: _____

Firm Name:

Title: _____

Address:

Signature: _____

Email: _____

By: Authorized Representative

Phone:

ACCEPTANCE CLAUSE

ACCEPTED...The above and foregoing bid is hereby in all things accepted by the City of West Lake Hills, Texas subject to an in accordance with the Notice of Sale and Bidding Instructions, this __ day of February, 2022.

Linda Anthony, Mayor
City of West Lake Hills, Texas

**CITY OF WEST LAKE HILLS, TEXAS
GENERAL OBLIGATION BONDS,
SERIES 2022**

ISSUE PRICE CERTIFICATE

The undersigned, being a duly authorized representative of the underwriter or the manager of the syndicate of underwriters ("Underwriter") which has purchased the General Obligation Bonds, Series 2022 (the "Bonds"), being issued by the City of West Lake Hills, Texas (the "Issuer"), hereby certifies and represents, based on its records and information, as follows:

(1) On the Sale Date, the Underwriter's reasonably expected initial offering price of each Maturity of the Bonds (the "Expected Offering Price") to as the Public is set forth in the pricing wire or equivalent communication for the Bonds, as attached to this Issue Price Certificate as **Schedule A**. The Expected Offering Prices are the prices for the Bonds used by the Underwriter in formulating its bid to purchase the Bonds.

(2) The Underwriter had an equal opportunity to bid to purchase the Bonds and it was not given the opportunity to review other bids that was not equally given to all other bidders (i.e., no last look).

(3) The bid submitted by the Underwriter constituted a firm bid to purchase the Bonds.

(4) The Underwriter has made a bona fide offering of all the Bonds of each Maturity to the Public at its Expected Offering Price set forth in **Schedule A**.

If less than 3 qualified bids are received from underwriters please attach Schedule B.

(5) On the Sale Date, the first price at which at least 10% of each Maturity of the Bonds, except for Bonds listed on Schedule B (the "Hold-the-Offering-Price Maturities"), was sold to the Public is the respective price listed in Schedule A.

(6) As set forth in the Notice of Sale for the Bonds, the Underwriter has agreed in writing that, (i) for each of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Expected Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Bonds of the Hold-the-Offering-Price Maturities to any person at a price that is higher than the respective Expected Offering Price for that Maturity of the Bonds during the Holding Period.

(7) ***Defined Terms.***

(i) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule B hereto as the "Hold-the-Offering-Price Maturities."

(ii) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Expected Offering Price for such Hold-the-Offering-Price Maturity.

(iii) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(iv) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any entity if an Underwriter and such entity are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(v) *Sale Date* means the first day on which there is a binding contract in writing for the sale of the Bonds. The Sale Date of the Bonds is February 9, 2022.

(vi) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in

the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(8) Please choose the appropriate statement:

☐ Purchaser will not purchase bond insurance for the Bonds.

☐ Purchaser will purchase bond insurance from _____ (the "Insurer") for a fee/premium of \$ _____ (the "Fee"). To the best of the undersigned's knowledge, information and belief, based upon the facts available at this time and current market conditions, the Fee is a reasonable amount payable solely for the transfer of credit risk for the payment of debt service on the Bonds and does not include any amount payable for a cost other than such guarantee, e.g., a credit rating or legal fees. Purchaser represents that the present value of the Fee for each obligation constituting the Bonds to which such Fee is properly allocated and which are insured thereby is less than the present value of the interest reasonably expected to be saved as a result of the insurance on each obligation constituting the Bonds. In determining present value for this purpose, the yield of the Bonds (determined with regard to the payment of the guarantee fee) has been used as the discount rate. The Fee has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Bonds. No portion of the Fee is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such Fee that has not been earned.

The undersigned understands that the foregoing information will be relied upon by Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick, Herrington & Sutcliffe LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Notwithstanding anything set forth herein, the Underwriter is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

[Name of Purchaser]

By: _____

Name: _____

Title: _____

Date: _____

SCHEDULE A TO ISSUE PRICE CERTIFICATE
PRICING WIRE

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)

SOURCES AND USES OF FUNDS

City of West Lake Hills
General Obligation Bonds, Series 2022

Dated Date 03/09/2022
Delivery Date 03/09/2022

Sources:

Bond Proceeds:	
Par Amount	23,405,000.00
Premium	1,841,538.75
	25,246,538.75

Uses:

Project Fund Deposits:	
Project Fund	25,000,000.00
Delivery Date Expenses:	
Cost of Issuance	125,000.00
Underwriter's Discount	117,025.00
	242,025.00
Other Uses of Funds:	
Additional Proceeds	4,513.75
	25,246,538.75

BOND SUMMARY STATISTICSCity of West Lake Hills
General Obligation Bonds, Series 2022

Dated Date	03/09/2022
Delivery Date	03/09/2022
Last Maturity	02/15/2047
Arbitrage Yield	2.344327%
True Interest Cost (TIC)	2.575536%
Net Interest Cost (NIC)	2.677013%
All-In TIC	2.618746%
Average Coupon	3.171129%
Average Life (years)	14.912
Duration of Issue (years)	11.701
Par Amount	23,405,000.00
Bond Proceeds	25,246,538.75
Total Interest	11,067,546.67
Net Interest	9,343,032.92
Total Debt Service	34,472,546.67
Maximum Annual Debt Service	1,381,175.00
Average Annual Debt Service	1,382,588.77
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	5.000000
Total Underwriter's Discount	5.000000
Bid Price	107.368142

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	23,405,000.00	107.868	3.171%	14.912
	23,405,000.00			14.912

	TIC	All-In TIC	Arbitrage Yield
Par Value	23,405,000.00	23,405,000.00	23,405,000.00
+ Accrued Interest			
+ Premium (Discount)	1,841,538.75	1,841,538.75	1,841,538.75
- Underwriter's Discount	-117,025.00	-117,025.00	
- Cost of Issuance Expense		-125,000.00	
- Other Amounts			
Target Value	25,129,513.75	25,004,513.75	25,246,538.75
Target Date	03/09/2022	03/09/2022	03/09/2022
Yield	2.575536%	2.618746%	2.344327%

BOND PRICINGCity of West Lake Hills
General Obligation Bonds, Series 2022

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:									
	02/15/2023	220,000	5.000%	0.750%	103.944				8,676.80
	02/15/2024	590,000	5.000%	1.000%	107.639				45,070.10
	02/15/2025	625,000	5.000%	1.150%	111.072				69,200.00
	02/15/2026	655,000	5.000%	1.300%	114.141				92,623.55
	02/15/2027	690,000	5.000%	1.400%	117.101				117,996.90
	02/15/2028	725,000	5.000%	1.500%	119.797				143,528.25
	02/15/2029	760,000	5.000%	1.590%	122.301				169,487.60
	02/15/2030	795,000	4.000%	1.660%	117.325				137,733.75
	02/15/2031	830,000	4.000%	1.700%	118.986				157,583.80
	02/15/2032	860,000	4.000%	1.850%	117.627 C	2.031%	02/15/2031	100.000	151,592.20
	02/15/2033	890,000	3.000%	2.100%	107.295 C	2.244%	02/15/2031	100.000	64,925.50
	02/15/2034	920,000	3.000%	2.150%	106.874 C	2.337%	02/15/2031	100.000	63,240.80
	02/15/2035	950,000	3.000%	2.200%	106.455 C	2.416%	02/15/2031	100.000	61,322.50
	02/15/2036	975,000	3.000%	2.250%	106.038 C	2.485%	02/15/2031	100.000	58,870.50
	02/15/2037	1,005,000	3.000%	2.300%	105.622 C	2.545%	02/15/2031	100.000	56,501.10
	02/15/2038	1,035,000	3.000%	2.270%	105.871 C	2.549%	02/15/2031	100.000	60,764.85
	02/15/2039	1,070,000	3.000%	2.300%	105.622 C	2.588%	02/15/2031	100.000	60,155.40
	02/15/2040	1,100,000	3.000%	2.330%	105.374 C	2.622%	02/15/2031	100.000	59,114.00
	02/15/2041	1,135,000	3.000%	2.360%	105.126 C	2.654%	02/15/2031	100.000	58,180.10
	02/15/2042	1,170,000	3.000%	2.400%	104.797 C	2.688%	02/15/2031	100.000	56,124.90
	02/15/2043	1,205,000	3.000%	2.500%	103.979 C	2.749%	02/15/2031	100.000	47,946.95
	02/15/2044	1,240,000	3.000%	2.600%	103.169 C	2.805%	02/15/2031	100.000	39,295.60
	02/15/2045	1,280,000	3.000%	2.700%	102.366 C	2.859%	02/15/2031	100.000	30,284.80
	02/15/2046	1,320,000	3.000%	2.800%	101.569 C	2.908%	02/15/2031	100.000	20,710.80
	02/15/2047	1,360,000	3.000%	2.900%	100.780 C	2.955%	02/15/2031	100.000	10,608.00
23,405,000									1,841,538.75

Dated Date 03/09/2022
Delivery Date 03/09/2022
First Coupon 02/15/2023

Par Amount 23,405,000.00
Premium 1,841,538.75

Production 25,246,538.75 107.868142%
Underwriter's Discount -117,025.00 -0.500000%

Purchase Price 25,129,513.75 107.368142%
Accrued Interest

Net Proceeds 25,129,513.75

BOND DEBT SERVICE

City of West Lake Hills
General Obligation Bonds, Series 2022

Dated Date 03/09/2022
Delivery Date 03/09/2022

Period Ending	Principal	Coupon	Interest	Debt Service
08/31/2023	220,000	5.000%	1,158,796.67	1,378,796.67
08/31/2024	590,000	5.000%	786,550.00	1,376,550.00
08/31/2025	625,000	5.000%	756,175.00	1,381,175.00
08/31/2026	655,000	5.000%	724,175.00	1,379,175.00
08/31/2027	690,000	5.000%	690,550.00	1,380,550.00
08/31/2028	725,000	5.000%	655,175.00	1,380,175.00
08/31/2029	760,000	5.000%	618,050.00	1,378,050.00
08/31/2030	795,000	4.000%	583,150.00	1,378,150.00
08/31/2031	830,000	4.000%	550,650.00	1,380,650.00
08/31/2032	860,000	4.000%	516,850.00	1,376,850.00
08/31/2033	890,000	3.000%	486,300.00	1,376,300.00
08/31/2034	920,000	3.000%	459,150.00	1,379,150.00
08/31/2035	950,000	3.000%	431,100.00	1,381,100.00
08/31/2036	975,000	3.000%	402,225.00	1,377,225.00
08/31/2037	1,005,000	3.000%	372,525.00	1,377,525.00
08/31/2038	1,035,000	3.000%	341,925.00	1,376,925.00
08/31/2039	1,070,000	3.000%	310,350.00	1,380,350.00
08/31/2040	1,100,000	3.000%	277,800.00	1,377,800.00
08/31/2041	1,135,000	3.000%	244,275.00	1,379,275.00
08/31/2042	1,170,000	3.000%	209,700.00	1,379,700.00
08/31/2043	1,205,000	3.000%	174,075.00	1,379,075.00
08/31/2044	1,240,000	3.000%	137,400.00	1,377,400.00
08/31/2045	1,280,000	3.000%	99,600.00	1,379,600.00
08/31/2046	1,320,000	3.000%	60,600.00	1,380,600.00
08/31/2047	1,360,000	3.000%	20,400.00	1,380,400.00
	23,405,000		11,067,546.67	34,472,546.67

BOND DEBT SERVICECity of West Lake Hills
General Obligation Bonds, Series 2022Dated Date 03/09/2022
Delivery Date 03/09/2022

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/15/2023	220,000	5.000%	758,146.67	978,146.67	
08/15/2023			400,650.00	400,650.00	
08/31/2023					1,378,796.67
02/15/2024	590,000	5.000%	400,650.00	990,650.00	
08/15/2024			385,900.00	385,900.00	
08/31/2024					1,376,550.00
02/15/2025	625,000	5.000%	385,900.00	1,010,900.00	
08/15/2025			370,275.00	370,275.00	
08/31/2025					1,381,175.00
02/15/2026	655,000	5.000%	370,275.00	1,025,275.00	
08/15/2026			353,900.00	353,900.00	
08/31/2026					1,379,175.00
02/15/2027	690,000	5.000%	353,900.00	1,043,900.00	
08/15/2027			336,650.00	336,650.00	
08/31/2027					1,380,550.00
02/15/2028	725,000	5.000%	336,650.00	1,061,650.00	
08/15/2028			318,525.00	318,525.00	
08/31/2028					1,380,175.00
02/15/2029	760,000	5.000%	318,525.00	1,078,525.00	
08/15/2029			299,525.00	299,525.00	
08/31/2029					1,378,050.00
02/15/2030	795,000	4.000%	299,525.00	1,094,525.00	
08/15/2030			283,625.00	283,625.00	
08/31/2030					1,378,150.00
02/15/2031	830,000	4.000%	283,625.00	1,113,625.00	
08/15/2031			267,025.00	267,025.00	
08/31/2031					1,380,650.00
02/15/2032	860,000	4.000%	267,025.00	1,127,025.00	
08/15/2032			249,825.00	249,825.00	
08/31/2032					1,376,850.00
02/15/2033	890,000	3.000%	249,825.00	1,139,825.00	
08/15/2033			236,475.00	236,475.00	
08/31/2033					1,376,300.00
02/15/2034	920,000	3.000%	236,475.00	1,156,475.00	
08/15/2034			222,675.00	222,675.00	
08/31/2034					1,379,150.00
02/15/2035	950,000	3.000%	222,675.00	1,172,675.00	
08/15/2035			208,425.00	208,425.00	
08/31/2035					1,381,100.00
02/15/2036	975,000	3.000%	208,425.00	1,183,425.00	
08/15/2036			193,800.00	193,800.00	
08/31/2036					1,377,225.00
02/15/2037	1,005,000	3.000%	193,800.00	1,198,800.00	
08/15/2037			178,725.00	178,725.00	
08/31/2037					1,377,525.00
02/15/2038	1,035,000	3.000%	178,725.00	1,213,725.00	
08/15/2038			163,200.00	163,200.00	
08/31/2038					1,376,925.00
02/15/2039	1,070,000	3.000%	163,200.00	1,233,200.00	
08/15/2039			147,150.00	147,150.00	
08/31/2039					1,380,350.00
02/15/2040	1,100,000	3.000%	147,150.00	1,247,150.00	
08/15/2040			130,650.00	130,650.00	
08/31/2040					1,377,800.00
02/15/2041	1,135,000	3.000%	130,650.00	1,265,650.00	
08/15/2041			113,625.00	113,625.00	
08/31/2041					1,379,275.00
02/15/2042	1,170,000	3.000%	113,625.00	1,283,625.00	
08/15/2042			96,075.00	96,075.00	
08/31/2042					1,379,700.00
02/15/2043	1,205,000	3.000%	96,075.00	1,301,075.00	
08/15/2043			78,000.00	78,000.00	
08/31/2043					1,379,075.00
02/15/2044	1,240,000	3.000%	78,000.00	1,318,000.00	
08/15/2044			59,400.00	59,400.00	
08/31/2044					1,377,400.00
02/15/2045	1,280,000	3.000%	59,400.00	1,339,400.00	
08/15/2045			40,200.00	40,200.00	
08/31/2045					1,379,600.00
02/15/2046	1,320,000	3.000%	40,200.00	1,360,200.00	

BOND DEBT SERVICECity of West Lake Hills
General Obligation Bonds, Series 2022

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
08/15/2046			20,400.00	20,400.00	
08/31/2046					1,380,600.00
02/15/2047	1,360,000	3.000%	20,400.00	1,380,400.00	
08/31/2047					1,380,400.00
	23,405,000		11,067,546.67	34,472,546.67	34,472,546.67

FORM 8038 STATISTICS

City of West Lake Hills
General Obligation Bonds, Series 2022

Dated Date 03/09/2022
Delivery Date 03/09/2022

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Bond Component:						
	02/15/2023	220,000.00	5.000%	103.944	228,676.80	220,000.00
	02/15/2024	590,000.00	5.000%	107.639	635,070.10	590,000.00
	02/15/2025	625,000.00	5.000%	111.072	694,200.00	625,000.00
	02/15/2026	655,000.00	5.000%	114.141	747,623.55	655,000.00
	02/15/2027	690,000.00	5.000%	117.101	807,996.90	690,000.00
	02/15/2028	725,000.00	5.000%	119.797	868,528.25	725,000.00
	02/15/2029	760,000.00	5.000%	122.301	929,487.60	760,000.00
	02/15/2030	795,000.00	4.000%	117.325	932,733.75	795,000.00
	02/15/2031	830,000.00	4.000%	118.986	987,583.80	830,000.00
	02/15/2032	860,000.00	4.000%	117.627	1,011,592.20	860,000.00
	02/15/2033	890,000.00	3.000%	107.295	954,925.50	890,000.00
	02/15/2034	920,000.00	3.000%	106.874	983,240.80	920,000.00
	02/15/2035	950,000.00	3.000%	106.455	1,011,322.50	950,000.00
	02/15/2036	975,000.00	3.000%	106.038	1,033,870.50	975,000.00
	02/15/2037	1,005,000.00	3.000%	105.622	1,061,501.10	1,005,000.00
	02/15/2038	1,035,000.00	3.000%	105.871	1,095,764.85	1,035,000.00
	02/15/2039	1,070,000.00	3.000%	105.622	1,130,155.40	1,070,000.00
	02/15/2040	1,100,000.00	3.000%	105.374	1,159,114.00	1,100,000.00
	02/15/2041	1,135,000.00	3.000%	105.126	1,193,180.10	1,135,000.00
	02/15/2042	1,170,000.00	3.000%	104.797	1,226,124.90	1,170,000.00
	02/15/2043	1,205,000.00	3.000%	103.979	1,252,946.95	1,205,000.00
	02/15/2044	1,240,000.00	3.000%	103.169	1,279,295.60	1,240,000.00
	02/15/2045	1,280,000.00	3.000%	102.366	1,310,284.80	1,280,000.00
	02/15/2046	1,320,000.00	3.000%	101.569	1,340,710.80	1,320,000.00
	02/15/2047	1,360,000.00	3.000%	100.780	1,370,608.00	1,360,000.00
		23,405,000.00			25,246,538.75	23,405,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	02/15/2047	3.000%	1,370,608.00	1,360,000.00		
Entire Issue			25,246,538.75	23,405,000.00	14.6078	2.3443%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	242,025.00
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00

BOND MATURITY TABLE

City of West Lake Hills
General Obligation Bonds, Series 2022

Maturity Date	Bond Component
02/15/2023	220,000
02/15/2024	590,000
02/15/2025	625,000
02/15/2026	655,000
02/15/2027	690,000
02/15/2028	725,000
02/15/2029	760,000
02/15/2030	795,000
02/15/2031	830,000
02/15/2032	860,000
02/15/2033	890,000
02/15/2034	920,000
02/15/2035	950,000
02/15/2036	975,000
02/15/2037	1,005,000
02/15/2038	1,035,000
02/15/2039	1,070,000
02/15/2040	1,100,000
02/15/2041	1,135,000
02/15/2042	1,170,000
02/15/2043	1,205,000
02/15/2044	1,240,000
02/15/2045	1,280,000
02/15/2046	1,320,000
02/15/2047	1,360,000
	23,405,000

PROOF OF ARBITRAGE YIELD

City of West Lake Hills
General Obligation Bonds, Series 2022

Date	Debt Service @	Present Value to 03/09/2022 2.3443269702%
02/15/2023	978,146.67	957,098.67
08/15/2023	400,650.00	387,486.74
02/15/2024	990,650.00	947,002.01
08/15/2024	385,900.00	364,623.28
02/15/2025	1,010,900.00	944,097.35
08/15/2025	370,275.00	341,799.90
02/15/2026	1,025,275.00	935,463.56
08/15/2026	353,900.00	319,158.22
02/15/2027	1,043,900.00	930,514.90
08/15/2027	336,650.00	296,607.42
02/15/2028	1,061,650.00	924,535.78
08/15/2028	318,525.00	274,173.10
02/15/2029	1,078,525.00	917,593.87
08/15/2029	299,525.00	251,879.21
02/15/2030	1,094,525.00	909,753.84
08/15/2030	283,625.00	233,013.82
02/15/2031	15,948,625.00	12,950,883.10
08/15/2031	40,200.00	32,265.70
02/15/2032	40,200.00	31,891.88
08/15/2032	40,200.00	31,522.39
02/15/2033	40,200.00	31,157.17
08/15/2033	40,200.00	30,796.19
02/15/2034	40,200.00	30,439.39
08/15/2034	40,200.00	30,086.73
02/15/2035	40,200.00	29,738.15
08/15/2035	40,200.00	29,393.61
02/15/2036	40,200.00	29,053.06
08/15/2036	40,200.00	28,716.45
02/15/2037	40,200.00	28,383.75
08/15/2037	40,200.00	28,054.90
02/15/2038	40,200.00	27,729.86
08/15/2038	40,200.00	27,408.59
02/15/2039	40,200.00	27,091.03
08/15/2039	40,200.00	26,777.16
02/15/2040	40,200.00	26,466.93
08/15/2040	40,200.00	26,160.29
02/15/2041	40,200.00	25,857.20
08/15/2041	40,200.00	25,557.62
02/15/2042	40,200.00	25,261.51
08/15/2042	40,200.00	24,968.84
02/15/2043	40,200.00	24,679.55
08/15/2043	40,200.00	24,393.62
02/15/2044	40,200.00	24,111.00
08/15/2044	40,200.00	23,831.65
02/15/2045	40,200.00	23,555.54
08/15/2045	40,200.00	23,282.63
02/15/2046	1,360,200.00	778,659.87
08/15/2046	20,400.00	11,542.88
02/15/2047	1,380,400.00	772,018.84
	30,908,046.67	25,246,538.75

Proceeds Summary

Delivery date	03/09/2022
Par Value	23,405,000.00
Premium (Discount)	1,841,538.75
Target for yield calculation	25,246,538.75

PROOF OF ARBITRAGE YIELD

City of West Lake Hills
General Obligation Bonds, Series 2022

Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity
BOND	02/15/2032	4.000%	1.850%	02/15/2031	100.000	1.8485486%
BOND	02/15/2033	3.000%	2.100%	02/15/2031	100.000	2.0986528%
BOND	02/15/2034	3.000%	2.150%	02/15/2031	100.000	2.1486211%
BOND	02/15/2035	3.000%	2.200%	02/15/2031	100.000	2.1985749%
BOND	02/15/2036	3.000%	2.250%	02/15/2031	100.000	2.2485130%
BOND	02/15/2037	3.000%	2.300%	02/15/2031	100.000	2.2985546%
BOND	02/15/2038	3.000%	2.270%	02/15/2031	100.000	2.2685749%
BOND	02/15/2039	3.000%	2.300%	02/15/2031	100.000	2.2985546%
BOND	02/15/2040	3.000%	2.330%	02/15/2031	100.000	2.3284940%
BOND	02/15/2041	3.000%	2.360%	02/15/2031	100.000	2.3585137%
BOND	02/15/2042	3.000%	2.400%	02/15/2031	100.000	2.3984630%
BOND	02/15/2043	3.000%	2.500%	02/15/2031	100.000	2.4984124%
BOND	02/15/2044	3.000%	2.600%	02/15/2031	100.000	2.5982712%
BOND	02/15/2045	3.000%	2.700%	02/15/2031	100.000	2.6981532%

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity	Increase to Yield
BOND	02/15/2032	4.000%	1.850%			2.0298071%	0.1812586%
BOND	02/15/2033	3.000%	2.100%			2.2425429%	0.1438902%
BOND	02/15/2034	3.000%	2.150%			2.3353066%	0.1866855%
BOND	02/15/2035	3.000%	2.200%			2.4146417%	0.2160668%
BOND	02/15/2036	3.000%	2.250%			2.4834459%	0.2349329%
BOND	02/15/2037	3.000%	2.300%			2.5439206%	0.2453660%
BOND	02/15/2038	3.000%	2.270%			2.5482077%	0.2796328%
BOND	02/15/2039	3.000%	2.300%			2.5867557%	0.2882011%
BOND	02/15/2040	3.000%	2.330%			2.6213856%	0.2928916%
BOND	02/15/2041	3.000%	2.360%			2.6527875%	0.2942738%
BOND	02/15/2042	3.000%	2.400%			2.6865766%	0.2881136%
BOND	02/15/2043	3.000%	2.500%			2.7477489%	0.2493365%
BOND	02/15/2044	3.000%	2.600%			2.8045550%	0.2062839%
BOND	02/15/2045	3.000%	2.700%			2.8576415%	0.1594882%

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND ORDERING THE ISSUANCE OF CITY OF WEST LAKE HILLS, TEXAS GENERAL OBLIGATION BONDS, SERIES 2022; PRESCRIBING THE TERMS AND FORM THEREOF; MAKING OTHER PROVISIONS REGARDING SUCH BONDS, INCLUDING USE OF THE PROCEEDS THEREOF, AND MATTERS INCIDENT THERETO

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WEST LAKE HILLS, TEXAS:

ARTICLE I

FINDINGS AND DETERMINATIONS

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

(a) The City of West Lake Hills, Texas (the “City”), acting through its City Council, is authorized by the Constitution and laws of the State of Texas, particularly Chapter 1331, Texas Government Code, as amended, to issue bonds to: (i) construct or purchase permanent improvements inside the municipal boundaries, including public buildings, waterworks, or sewers, and (ii) construct or improve the streets and bridges of the municipality;

(b) The issuance of the bonds herein authorized was approved by the voters of the City at an election held for such purpose on November 2, 2021 (the “Election”), which was duly called by the City Council, and which authorized the issuance of: (i) \$13,200,000 in bonds for making permanent public improvements as follows: constructing, acquiring, improving, renovating, expanding and developing a new City Hall and Police Building and related infrastructure (“Proposition A”); and (ii) \$11,800,000 in bonds for making permanent public improvements, to wit: constructing, improving, renovating, extending, expanding and developing streets, roads and related drainage improvements, including traffic signalization, lighting, sidewalks, soundwalls and landscaping, and acquiring right-of-way related thereto, with respect to Camp Craft Road, Laurel Valley Road, Redbud Trail, Westlake Drive, Yaupon Valley Road and Terrace Mountain Drive (“Proposition B”);

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

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

(e) The City has now determined that it is necessary and advisable to authorize, issue and deliver the first and final installment of such authorized bonds in an aggregate principal amount of \$23,825,000.00, plus net premium of \$1,175,000.00, consisting of (i) \$13,200,000.00 of principal and net premium attributable to bonds authorized by Proposition A; and (ii) \$11,800,000.00 of principal and net premium attributable to bonds authorized by Proposition B.

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

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

ARTICLE II

DEFINITIONS AND INTERPRETATIONS

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

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

“Attorney General” shall mean the Attorney General of the State of Texas.

“Bond” or “Bonds” shall mean any or all of the City of West Lake Hills, Texas General Obligation Bonds, Series 2022, authorized by this Ordinance.

“City” shall mean the City of West Lake Hills, Texas and, where appropriate, its City Council.

“City Council” shall mean the governing body of the City.

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

“Comptroller” shall mean the Comptroller of Public Accounts of the State of Texas.

“Construction Fund” shall mean the General Obligation Bonds, Series 2022 Construction Fund established by the City and described in section 5.3 of this Ordinance.

“Debt Service Fund” shall mean the General Obligation Bonds, Series 2022 Debt Service Fund established by the City and described in section 5.2 of this Ordinance.

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

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

“Election” shall mean the election held November 2, 2021 and described in Section 1.1(b) of this Ordinance.

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

“Interest Payment Date,” when used in connection with any Bond, shall mean February 15, 2023, and each August 15 and February 15 thereafter until maturity or earlier redemption of such Bond.

“MSRB” means the Municipal Securities Rulemaking Board.

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

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

“Paying Agent/Registrar” shall mean U.S. Bank Trust Company, National Association, Dallas, Texas, and its successors in that capacity.

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

“Purchaser” means FHN Financial Capital Markets.

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

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

“Registered Owner” shall mean the person or entity in whose name any Bond is registered in the Register.

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

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

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

ARTICLE III

TERMS OF THE BONDS

Section 3.1: Amount, Purpose and Authorization. The Bonds shall be issued in fully registered form, without coupons, under and pursuant to the authority of the Act in the total authorized aggregate principal amount of \$23,825,000.00 for the purpose of providing all or part of the funds for the following purposes: (a) \$12,579,600.00 in principal amount of bonds (which does not include net premium charged to voted authorization in the amount of \$620,400.00) for making permanent public improvements as follows: constructing, acquiring, improving, renovating, expanding and developing a new City Hall and Police Building and related infrastructure, (b) \$11,245,400.00 in principal amount of bonds (which does not include net premium charged to voted authorization in the amount of \$554,600.00) for making permanent public improvements, to wit: constructing, improving, renovating, extending, expanding and developing streets, roads and related drainage improvements, including traffic signalization, lighting, sidewalks, soundwalls and landscaping, and acquiring right-of-way related thereto, with respect to Camp Craft Road, Laurel Valley Road, Redbud Trail, Westlake Drive, Yaupon Valley Road and Terrace Mountain Drive, and (c) paying costs of issuing the Bonds.

Section 3.2: Designation, Date and Interest Payment Dates. The Bonds shall be designated as the “City of West Lake Hills, Texas General Obligation Bonds, Series 2022,” and shall be dated March 9, 2022. The Bonds shall bear interest at the rates set forth in Section 3.3 below, from the later of the date of delivery or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months, payable on February 15, 2023, and each August 15 and February 15 thereafter until maturity or earlier redemption.

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

Section 3.3: Numbers, Denomination, Interest Rates and Maturities. The Bonds shall be initially issued bearing the numbers, in the principal amounts and bearing interest at the rates set forth in the following schedule, and may be transferred and exchanged as set out in this Ordinance. The Bonds shall mature on February 15 in each of the years and in the amounts set out in such schedule. Bonds delivered in transfer of or in exchange for other Bonds shall be numbered in order of their authentication by the Paying Agent/Registrar, shall be in the denomination of \$5,000 or integral multiples thereof and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered.

Bond	Year of	Principal	Interest
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Number	Maturity	Amount	Rate
R-1	2023	\$240,000	5.000%
R-2	2024	605,000	5.000%
R-3	2025	635,000	5.000%
R-4	2026	665,000	5.000%
R-5	2027	700,000	5.000%
R-6	2028	735,000	5.000%
R-7	2029	775,000	5.000%
R-8	2030	815,000	5.000%
R-9	2031	855,000	5.000%
R-10	2032	895,000	4.000%
R-11	2033	935,000	4.000%
R-12	2034	965,000	3.000%
R-13	2035	990,000	2.250%
R-14	2036	1,015,000	2.250%
R-15	2037	1,040,000	2.375%
R-16	2038	1,065,000	2.375%
R-17	2039	1,090,000	2.375%
R-18	2040	1,115,000	2.500%
R-19	2041	1,145,000	2.500%
R-20	2042	1,170,000	2.500%
R-21	2043	1,205,000	3.000%
***	***	***	***
R-22	2047	5,170,000	2.750%

* Indicates term bond

Section 3.4: Redemption Prior to Maturity. (a) The Bonds maturing on and after February 15, 2032 are subject to redemption prior to maturity, at the option of the City, in whole or in part, on February 15, 2031, or any date thereafter, at par plus accrued interest to the date fixed for redemption.

(b) The Bonds maturing in the year(s) 2047 (the “Term Bonds”) are subject to mandatory sinking fund redemption in the following amounts (subject to reduction as hereinafter provided), on the following dates, in each case at a redemption price equal to the principal amount of the Term Bonds or the portions thereof so called for redemption plus accrued interest to the date fixed for redemption:

	<u>Mandatory Redemption Dates</u> <u>(February 15)</u>	<u>Principal</u> <u>Amounts</u>
Bonds Maturing February 15, 2047	2044	\$1,240,000
	2045	1,275,000
	2046	1,310,000
	2047 (maturity)	1,345,000

The particular Term Bonds to be redeemed shall be selected by the Registrar by lot or other customary random selection method, on or before January 1 of each year in which Term Bonds are to be mandatorily redeemed. The principal amount of Term Bonds to be mandatorily redeemed

in each year shall be reduced by the principal amount of such Term Bonds that have been optionally redeemed on or before January 1 of such year and which have not been made the basis for a previous reduction.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

other than an owner shall receive a Bond evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance.

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE IV

FORM OF BONDS

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

ARTICLE V

SECURITY FOR THE BONDS

Section 5.1: Pledge and Levy of Taxes. (a) To provide for the payment of principal of and interest on the Bonds, there is hereby levied, within the limits prescribed by law, for the current year and each succeeding year thereafter, while the Bonds or any part of the principal thereof and the interest thereon remain outstanding and unpaid, an ad valorem tax upon all taxable property within the City sufficient to pay the interest on the Bonds and to create and provide a sinking fund of not less than 2% of the principal amount of the Bonds or not less than the principal payable out of such tax, whichever is greater, with full allowance being made for tax delinquencies and the

costs of tax collection, and such taxes, when collected, shall be applied to the payment of principal of and interest on the Bonds by deposit to the Debt Service Fund and to no other purpose.

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

(c) To the extent necessary, the City hereby appropriates from current funds on hand and legally available therefor, funds sufficient to pay the interest on the Bonds prior to the levy of a tax in respect of the Bonds.

Section 5.2: Debt Service Fund. The General Obligation Bonds, Series 2022 Debt Service Fund (the “Debt Service Fund”) is hereby created as a special fund solely for the benefit of the Bonds. The City shall establish and maintain such fund at an official City depository and shall keep such fund separate and apart from all other funds and accounts of the City. Any amount on deposit in the Debt Service Fund shall be maintained by the City in trust for the Registered Owners of the Bonds. Such amount, plus any other amounts deposited by the City into such fund and any and all investment earnings on amounts on deposit in such fund, shall be used only to pay the principal of, premium, if any, and interest on the Bonds.

Section 5.3: Construction Fund. The General Obligation Bonds, Series 2022 Construction Fund (the “Construction Fund”) is hereby created as a special fund of the City. Money on deposit in the Construction Fund shall be used only for the purposes set forth in Section 3.1 of this Ordinance. Money on deposit in the Construction Fund may, at the option of the City, be invested as permitted by Texas law, provided that all such deposits and investments shall be made in such manner that the money required to be expended from the Construction Fund will be available at the proper time or times.

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

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

ARTICLE VI

CONCERNING THE PAYING AGENT/REGISTRAR

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

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

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

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

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

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

Section 6.6: Successor Paying Agents/Registrars. The City covenants that at all times while any Bonds are Outstanding it will provide a legally qualified bank, trust company, financial institution or other agency to act as Paying Agent/Registrar for the Bonds. The City reserves the right to change the Paying Agent/Registrar for the Bonds on not less than sixty (60) days' written notice to the Paying Agent/Registrar, as long as any such notice is effective not less than 60 days

prior to the next succeeding principal or interest payment date on the Bonds. Promptly upon the appointment of any successor Paying Agent/Registrar, the previous Paying Agent/Registrar shall deliver the Register or a copy thereof to the new Paying Agent/Registrar, and the new Paying Agent/Registrar shall notify each Registered Owner, by United States mail, first class, postage prepaid, of such change and of the address of the new Paying Agent/Registrar. Each Paying Agent/Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Ordinance.

ARTICLE VII

PROVISIONS CONCERNING SALE AND APPLICATION OF PROCEEDS OF BONDS

Section 7.1: Sale of Bonds; Insurance (if any). The Bonds are hereby sold and shall be delivered to the Purchaser at a price of \$25,128,586.27 (which is the par amount of the Bonds plus a net premium on the Bonds of \$1,469,653.55 less an underwriting discount of \$166,067.28), in accordance with the terms of the Bid Form attached hereto as Exhibit C of even date herewith, presented to and hereby approved by the City Council, which price and terms are hereby found and determined to be the most advantageous reasonably obtainable by the City and produced the lowest net effective interest rate. The Mayor and other appropriate officials of the City are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Bonds. A municipal bond insurance policy will not be obtained for the Bonds.

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

Section 7.3: Offering Documents; Ratings. The City hereby approves the form and contents of the Notice of Sale and Preliminary Official Statement and the final Official Statement, dated as of the date hereof, relating to the Bonds, and any addenda, supplement or amendment thereto, and ratifies and approves the distribution of such Notice of Sale and Preliminary Official Statement and Official Statement in the offer and sale of the Bonds and in the reoffering of the Bonds by the Purchaser, with such changes therein or additions thereto as the officials executing same may deem advisable, such determination to be conclusively evidenced by their execution thereof. The Mayor is hereby authorized and directed to execute, and the City Secretary is hereby authorized and directed to attest, the final Official Statement. It is further hereby officially found, determined and declared that the statements and representations contained in the Notice of Sale and Preliminary Official Statement and final Official Statement are true and correct in all material

respects, to the best knowledge and belief of the City Council, and that, as of the date thereof, the Preliminary Official Statement was an official statement of the City with respect to the Bonds that was deemed “final” by an authorized official of the City except for the omission of no more than the information permitted by subsection (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission. Copies of the Preliminary Official Statement and the Official Statement are attached hereto as Exhibit D and Exhibit E, respectively.

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

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

- (1) Accrued interest, if any, shall be deposited into the Debt Service Fund created in Section 5.2 of this Ordinance;
- (2) A portion of the proceeds shall be applied to pay expenses arising in connection with the issuance of the Bonds;
- (3) The remaining proceeds shall be deposited into the Construction Fund created in Section 5.3 of this Ordinance.

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

- (a) Except as permitted by Section 141 of the Code and the regulations and rulings thereunder, the City shall, at all times prior to the last stated maturity of the Bonds,
 - (1) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed directly or indirectly with Gross Proceeds of such series of the Bonds and not use or permit the use of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity other than a state or local government, unless such use is solely as a member of the general public, or

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

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

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

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

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

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

(g) The City represents that not more than fifty percent (50%) of the proceeds of the Bonds will be invested in nonpurpose investments (as defined in

Section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four years or more within the meaning of Section 149(g)(3)(A)(ii) of the Code, and the City reasonably expects that at least eighty-five percent (85%) of the spendable proceeds of the Bonds will be used to carry out the governmental purpose of the Bonds within the three-year period beginning on the date of issue of the Bonds.

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

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

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

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

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

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

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

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

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

ARTICLE VIII

CONTINUING DISCLOSURE UNDERTAKING

Section 8.1: Annual Reports. The City shall provide annually to the MSRB, within six (6) months after the end of each fiscal year and in an electronic format prescribed by the MSRB, financial information and operating data with respect to the City quantitative financial information and operating data with respect to the City of the general type included in the Official Statement in Appendix A under Tables numbered 1 through 6 and 8 through 12 and in Appendix B. Any financial statements so to be provided shall be (a) prepared in accordance with generally accepted accounting principles for governmental units as prescribed by the Government Accounting Standards Board from time to time, as such principles may be changed from time to time to comply with state or federal law or regulation and (b) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available at the time the financial information and operating data must be provided, then the City shall provide unaudited financial statements for the applicable

fiscal year to the MSRB and shall provide to the MSRB audited financial statements, when and if the same become available.

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

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

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

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of 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 City;
- (13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement

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

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

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

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any such financial obligation of the City, any of which reflect financial difficulties.

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

For the purposes of the above described event notices (15) and (16), the term “financial obligation” means a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) a guarantee of (i) or (ii); provided however, that a “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

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

Section 8.3: Identifying Information. All documents provided to the MSRB shall be accompanied by identifying information, as prescribed by the MSRB.

Section 8.4: Limitations, Disclaimers and Amendments. The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the City remains an “obligated person” with respect to the Bonds within the meaning of the Rule.

The provisions of this Article are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, principal statements, and notices which it has

expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

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

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

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

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

ARTICLE IX

MISCELLANEOUS

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

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

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

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

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

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

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

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

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

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

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

[signature page follows]

PASSED AND APPROVED on this February 9, 2022.

CITY OF WEST LAKE HILLS, TEXAS

Mayor

ATTEST

City Secretary

Seal

Exhibit A – Form of Bond

Exhibit B – *Reserved*

Exhibit C – Bid Form

Exhibit D – Notice of Sale and Preliminary Official Statement

Exhibit E – Official Statement

EXHIBIT A

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF TEXAS

CITY OF WEST LAKE HILLS, TEXAS
GENERAL OBLIGATION BONDS, SERIES 2022

NUMBER	DENOMINATION
¹ R-	\$ _____
REGISTERED	REGISTERED

² INTEREST RATE:	DATED DATE:	² MATURITY DATE:	² CUSIP:
	March 9, 2022	February 15, _____	

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

³THE CITY OF WEST LAKE HILLS, TEXAS, a municipal corporation of the State of Texas (the "City"), for value received, hereby promises to pay to the Registered Owner identified above or its registered assigns, on the maturity date specified above (or on earlier redemption as herein provided), upon presentation and surrender of this Bond at the office of U.S. Bank Trust Company, National Association, Dallas, Texas or its successor (the "Paying Agent/Registrar"), the principal amount identified above (or so much thereof as shall not have been paid or deemed to have been paid upon prior redemption) payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due to the United States of America, and to pay interest thereon at the rate shown above, calculated on a basis of a 360-day year composed of twelve 30-day months, from the later of the date of delivery or the most recent interest payment date to which interest has been paid or duly provided for. Interest on this Bond is payable on February 15, 2023, and each August 15 and February 15 thereafter until maturity or earlier redemption of this Bond, by check sent by United States mail,

¹ Initial Bond shall be numbered T-1.

² Omitted from Initial Bond.

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

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

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

THIS BOND IS ONE OF A DULY AUTHORIZED SERIES OF BONDS (the “Bonds”) in the aggregate principal amount of \$23,825,000.00 issued pursuant to an ordinance adopted by the City Council of the City on February 9, 2022 (the “Ordinance”) for the purpose of providing funds for public improvements in the City, including: (a) \$12,579,600.00 in principal amount of bonds for making permanent public improvements as follows: constructing, acquiring, improving, renovating, expanding and developing a new City Hall and Police Building and related infrastructure, (b) \$11,245,400.00 in principal amount of bonds for making permanent public improvements, to wit: constructing, improving, renovating, extending, expanding and developing streets, roads and related drainage improvements, including traffic signalization, lighting, sidewalks, soundwalls and landscaping, and acquiring right-of-way related thereto, with respect to Camp Craft Road, Laurel Valley Road, Redbud Trail, Westlake Drive, Yaupon Valley Road and Terrace Mountain Drive, and (c) paying costs of issuing the Bonds.

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

THE CITY RESERVES THE RIGHT, at its option, to redeem, prior to their maturity, Bonds maturing on and after February 15, 2032, in whole or in part, on February 15, 2031, or any date thereafter, at par plus accrued interest to the date fixed for redemption.

THE BONDS MATURING IN THE YEAR 2047 (the “Term Bonds”) are subject to mandatory sinking fund redemption in the following amounts (subject to reduction as hereinafter provided), on the following dates, in each case at a redemption price equal to the principal amount of the Term Bonds or the portions thereof so called for redemption plus accrued interest to the date fixed for redemption:

	<u>Mandatory Redemption Dates</u> <u>(February 15)</u>	<u>Principal</u> <u>Amounts</u>
Bonds Maturing February 15, 2047	2044	\$1,240,000
	2045	1,275,000
	2046	1,310,000
	2047 (maturity)	1,345,000

The particular Term Bonds to be redeemed shall be selected by the Registrar by lot or other customary random selection method, on or before January 1 of each year in which Term Bonds are to be mandatorily redeemed. The principal amount of Term Bonds to be mandatorily redeemed

⁴ In the Initial Bond, this paragraph shall read:

THIS BOND SHALL NOT BE VALID OR OBLIGATORY for any purpose or be entitled to any benefit under the Ordinance unless this Bond is registered by the Comptroller of Public Accounts of the State of Texas by due execution of the registration certificate endorsed hereon.

in each year shall be reduced by the principal amount of such Term Bonds that have been optionally redeemed on or before January 1 of such year and which have not been made the basis for a previous reduction.

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

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

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

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

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

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

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

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

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

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

(AUTHENTICATION OR
REGISTRATION CERTIFICATE)

CITY OF WEST LAKE HILLS, TEXAS

Mayor

(SEAL)

COUNTERSIGNED:

City Secretary

* * *

FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE

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

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

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

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____.

(SEAL)

Comptroller of Public Accounts
of the State of Texas

* * *

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

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

AUTHENTICATION CERTIFICATE

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

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION
as Paying Agent/Registrar

By _____
Authorized Signature

Date of Authentication: _____

* * *

FORM OF ASSIGNMENT

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

ASSIGNMENT

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

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

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

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

DATED: _____

Signature Guaranteed:

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

Registered Owner

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

* * *

EXHIBIT B

Reserved

EXHIBIT C

BID FORM

See Tab No. []

EXHIBIT D

NOTICE OF SALE AND PRELIMINARY OFFICIAL STATEMENT

See Tab No. []

EXHIBIT E
OFFICIAL STATEMENT

See Tab No. []



Timetable

City of West Lake Hills, Texas

General Obligation Bonds, Series 2022

*Preliminary, subject to change.

Issuer - City of West Lake Hills (WLH)
Bond Counsel - Orrick, Herrington & Sutcliffe LLP (BC)
Financial Advisor - PFM Financial Advisors LLC (PFM)
Purchaser - TBD
Paying Agent - TBD

Date	Action	Responsible Party	
November 2	Bond Election	WLH	
November 11	Veterans Day Holiday - Bond Market Closed		
November 25	Thanksgiving Day Holiday - Bond Market Closed		
December 3	Circulate first draft POS/NOS to working group Request Paying Agent bids	PFM PFM	
December 10	Submit comments to PFM on first draft POS/NOS Receive Paying Agent bids	Working Group PFM	
December 17	Circulate second draft POS/NOS to working group Send POS and plan of finance information to Rating Agency	PFM PFM	
December 24	Christmas Holiday - Bond Market Closed		
December 28	Submit comments to PFM on second draft POS/NOS	Working Group	
December 31	New Year's Holiday - Bond Market Closed		
January 4	Circulate third draft POS/NOS to working group	PFM	
Week of January 10	Virtual call with Rating Agency	WLH, PFM	
January 11	Submit comments to PFM on third draft POS/NOS	Working Group	
January 17	Martin Luther King Jr. Day Holiday - Bond Market Closed		
January 18	Circulate final draft of POS/NOS	PFM	
January 25	Final comments due on final draft of POS/NOS	Working Group	
January 28	Receive bond rating - review and comment on press release for factual accuracy	WLH, PFM	
February 1	Post POS/NOS electronically	PFM	
February 9	Bond pricing via competitive sales / bid opening	Working Group	
February 10	Circulate draft Final Official Statement to working group	PFM	
February 14	Submit final comments on draft Final Official Statement	Working Group	
February 16	Post Final Official Statement electronically	PFM	
February 18	Final Official Statement due to underwriter Circulate draft closing memorandum	PFM PFM	
February 21	Presidents Day Holiday - Bond Market Closed		
February 23	Submit comments on draft closing memorandum	Working Group	
February 28	Circulate final closing memorandum	PFM	
March 8	Pre-Closing call; if necessary	Working Group	
March 9	Bond Closings	Working Group	

NOVEMBER						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

DECEMBER						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

JANUARY						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

FEBRUARY						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

MARCH						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

- City Council presentation
- City Council Approval / Bond Sale
- Bond closing
- FOMC Meeting
- Holiday