

**CITY OF INGLESIDE
REGULAR CITY COUNCIL MEETING
AGENDA
JUNE 10, 2025
6:30 PM**

Notice is hereby given that the Ingleside City Council will hold a Regular City Council Meeting on June 10, 2025, at 6:30 PM. The Meeting will be held in person at City Hall, 2671 San Angelo Street, Ingleside, Texas. Members of the public can view the meeting via live stream at <https://inglesidetx.gov/>.

With respect to any subject matter set forth below, the City Council may take action, unless otherwise expressly indicated with respect to any particular subject matter.

Opening Agenda

1. Call Meeting to Order.

2. Roll Call.

3. Invocation.

4. Pledge of Allegiance.

5. Citizen Comments and Reports.

Persons wishing to address the Council and who have registered using the Citizen Participation Form will have up to three minutes to speak. In accordance with the Open Meetings Act, Council may not discuss or take action on any item that has not been posted on the agenda. While civil public criticism is not prohibited; disorderly conduct or disturbance of the peace as prohibited by law shall be cause for the chair to terminate the offender's time to speak.

6. Staff Comments and Reports.

The Council may discuss any subject which is specifically listed under this item.

a. Council Comments and Reports.

b. Announcements of Community Interest and/or upcoming events.

c. Ingleside Garden Club Recognition for being awarded the following five (5) First Place awards, one (1) Second Place award, and one (1) Certificate of Accomplishment from the Texas Garden Club District VII.

d. Report on General Projects.

Presentations

7. Proclamation to recognize National Pollinator Week June 16-22, 2025 in the City of Ingleside.

Consent Agenda

All consent agenda items listed are considered to be routine by the City Council and will be enacted by one

motion. There will be no separate discussion of the items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

8. Deliberate and take appropriate action on the Regular Meeting Minutes of May 27, 2025.
9. Deliberate and take appropriate action on the second and final reading of an Ordinance providing for the Nonsubstantive Amendments of the City Charter for the City of Ingleside pursuant to Section 11.11 of the Charter and further providing for effective date, reading, severance, and publication.
10. Deliberate and take appropriate action on the second and final reading of an Ordinance to Repeal and Replace the Existing Drought Contingency Plan in Chapter 66, Article II, Division 4 of the Ingleside Code of Ordinances, with an Updated Plan Aligned with the San Patricio Municipal Water District, Including Provisions for Enforcement and Penalties for Noncompliance.

Public Hearing

The City Council shall call a public hearing on each item below in this section. Any person wishing to address the City Council on these items should please come forward when that public hearing is called.

Regular Agenda

11. Deliberate and take appropriate action on the second and final reading of an Ordinance regarding a City of Ingleside rezone of property generally located at Highway 361 and Avenue B, further described in the legal description below, from R-1 - Single Family Residential to I - Industrial:

A combined total of 299.77 acres consisting of an 89.75 Acre Tract of land, as described in file number 728165 (filed Nov. 17, 2022), Deed of Records, San Patricio County, Texas and a 210.02 Acre Tract, being out of a 28.62 acre tract, a 1.61 acre tract, a 9.22 acre tract and a 5.54 acre tract as recorded in Volume 326, Page 475, Deed Records, San Patricio County, Texas; the remainder of a 50.91 acre tract as recorded in Volume 113 Page 182, Deed Records, San Patricio County, Texas; the remainder of a 48.18 acre tract as recorded in Volume 90, Page 553, Deed Records, San Patricio County, Texas; the remainder of a 46.81 acre tract, recorded in Volume 149, Page 502, Deed Records, San Patricio County, Texas; a 4.54 acre tract as recorded in Volume 148, Page 514, Deed Records, San Patricio County, Texas; and an 8.93 acre tract as recorded in Volume 101, Page 391, Deed Records, San Patricio County, Texas and a 2.29 acre tract recorded in Volume 88, Page 15, Deed Records, San Patricio County, Texas.

12. Deliberate and take appropriate action on changing the October 28, 2025, November 11, 2025 City Council Meetings to, October 27, 2025 (due to TML Annual Conference in Fort Worth), and November 10, 2025 (due to Veteran's Day).
13. Deliberate and take appropriate action on authorizing the City Manager to finalize and enter into a contract with the firm AGCM for Project Management Services.
14. Deliberate and take appropriate action on the approval of the Final Change Order for the

Kenny Lane Project which included water, wastewater, drainage, and street reconstruction.

15. Deliberate and take appropriate action on the approval of the final pay application and project closeout on the Kenny Lane Project which included water, wastewater, drainage, and street reconstruction.
16. Deliberate and take appropriate action on an Ordinance Authorizing The Issuance Of “City Of Ingleside, Texas Combination Tax And Limited Pledge Revenue Certificates Of Obligation, Series 2025”; Providing For The Payment Of Said Certificates By The Levy Of An Ad Valorem Tax Upon All Taxable Property Within The City And Further Securing Said Certificates By A Lien On And Pledge Of The Pledged Revenues Of The System; Authorizing The Execution Of Any Necessary Engagement Agreement With The City’s Financial Advisors; And Providing An Effective Date.
17. Deliberate and take appropriate action on a Special Event Permit request for Courtney Shane Ingleside 4th of July Parade on July 4, 2025.

Executive Session

18. Closed Session City Council will meet in Closed Session pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in:
 - A. Pursuant to Section 551.071 (Consultation with Attorney) to confer with the City’s attorney and representatives of San Patricio County Appraisal District regarding pending litigation affecting the City.
19. Open Session City Council will reconvene in Open Session at which time action on the matter(s) discussed in Closed Session may be considered.
 - A. Pursuant to Section 551.071 (Consultation with Attorney) to confer with the City’s attorney and representatives of San Patricio County Appraisal District regarding pending litigation affecting the City.

Closing Agenda

20. Items to consider for placement on future agendas.
21. Adjourn.

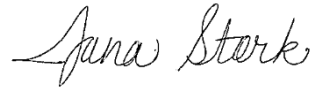
Special Accommodations

This facility is wheelchair accessible and there are special parking spaces near the main entrance. Request for accommodations or special services must be made 48 hours prior to this meeting. Please contact City Secretary’s Office at (361) 776-2517 or Fax (361) 776-1027 or email citycouncilquestions@inglesidetx.gov for further information.

With respect to any subject matter listed on this agenda, the City Council may meet in Closed Executive Session, if and to the extent allowed by Chapter 551 of the Texas Government Code, including, but not limited to, any of the following sections of Chapter 551: Section 551.071 Consultations with Attorney, Section 551.072 Deliberation about Real Property, Section 551.073 Deliberation regarding Prospective Gift, Section 551.074 Personnel Matters, Section 551.087 Deliberation regarding Economic Development Negotiations, and Section 551.089 Deliberation regarding Security Devices Or Security Audits.

Certification

I, Jana Stork, certify that the above notice of this Regular Meeting of the City Council was posted on the City Hall bulletin board at 2671 San Angelo Street, Ingleside, Texas on June 06, 2025 by 4:00 p.m.



Jana Stork, City Secretary

This public notice was removed from the official posting board at the Ingleside City Hall on the following:

Date: _____

Time: _____

By: _____

City Secretary's Office
City of Ingleside, Texas

CITY COUNCIL AGENDA
Regular Meeting: June 10, 2025

AGENDA ITEM: 6.a

Council Comments and Reports.

SUBMITTED BY:

APPROVED FOR AGENDA: Brenton Lewis, City Manager

BACKGROUND:

FISCAL ANALYSIS:

RECOMMENDATION:

ATTACHMENTS:

None

CITY COUNCIL AGENDA

Regular Meeting: June 10, 2025

AGENDA ITEM: 6.b

Announcements of Community Interest and/or upcoming events.

SUBMITTED BY:

APPROVED FOR AGENDA: Brenton Lewis, City Manager

BACKGROUND:

1. Ingleside Public Library Summer Reading Program Dates & Times, June 03, 2025 through July 11, 2025
 2. Summer Movie Series, June 07, July 11, and August 09, 2025
 3. Ingleside Public Library Crochet for Beginners, Monday's beginning June 09, 2025
 4. Ingleside Public Library Tutoring, June 14, 2025
 5. 3rd Annual Nueces Basin Summit, June 16-18, 2025
 6. Ingleside Public Library presents Twisty Art, June 19, 2025
 7. Vendors Market, June 28, 2025
 8. Movie in the Pool, July 11, 2025
 9. Vendors Market, July 19, 2025
 10. Summer Scavenger Hunt, July 26, 2025
 11. Teen Manhunt, July 26, 2025
 12. Smoke Showdown BBQ Cook-Off, August 29 & 30, 2025
-

FISCAL ANALYSIS:

N/A

RECOMMENDATION:

Information purpose only.

ATTACHMENTS:

1. 2025, 06-10 Community Events v4

INGLESIDE PUBLIC LIBRARY

Summer Reading 2025

COLOR OUR WORLD

Starting 6-3-2025

3rd-6th Grade Pre-K - 2nd Grade

Tuesday's

10 a-11 a

Wednesday's

10 a-11 a

INGLESIDE PARKS AND RECREATION PRESENTS:

Summer MOVIE SERIES at the pool

Charles H. Doherty Swimming Pool
2746 Mustang Dr.
Ingleside, TX 78362

SUMMER BASH



JUNE 7



JULY 11

BACK TO SCHOOL BASH



AUGUST 9



FREE CROCHET FOR BEGINNERS

WANT TO LEARN HOW TO CROCHET?

Come to the

Ingleside Public Library

Monday's

11:00 a.m.

Contact the Library at 361-776-5355 for information

DOES YOUR CHILD NEED TUTORING IN: MATH? READING? OR ENGLISH?

If so, come to the Ingleside Public Library

Saturday, June 14th

From 10:00am - 12:00pm

for more information call 361-776-5355

Register Online at: NuecesBasinSummit.org

3rd Annual

NUECES BASIN

Summit



JOIN US!

JUNE 16-18, 2025

Portland Community Center

2000 Bill G. Webb Drive, Portland, TX 78374

INGLESIDE PUBLIC LIBRARY PRESENTS



JOIN US
THURSDAY JUNE 19TH, 2025
1-2p
HUMBLE YOUTH CENTER
2821 Main St, Ingleside, TX 78362



Ingleside Parks and Recreation

Vendors Market

Saturday, June 28th

From 11 AM to 2 PM

N.O. Simmons Park | Basketball Pavillion



MOVIE IN THE POOL

Lilo & Stitch
DOORS OPEN AT 8:30PM
July 11, 2025

City Of Ingleside



CHARLES H. DOHERTY SWIMMING POOL



INGLESIDE PARKS AND RECREATION
VENDORS MARKET

SATURDAY, JULY 19TH | 11A-2P



N.O. SIMMONS PARK
BASKETBALL PAVILLION



Ingleside Parks and Recreation

2025 SUMMER Scavenger Hunt

★ LIVE OAK PARK ★

JULY 26 | SATURDAY
12:00PM - 2:00PM

1874 PORT AVE., INGLESIDE, TX
78362

MORE INFO.

✕ **361-776-3438 EXT. 3106**



INGLESIDE PARKS AND RECREATION

TEEN MANHUNT

**26
JULY**



8:00pm - 10:00pm

Ages 12-15 yrs.

Bring plenty of water

Tennis Shoes & Dark attire to stay hidden

Meet at the picnic table by restroom

1874 PORT AVE., INGLESIDE TX

Ingleside Chamber of Commerce Presents

SMOKE SHOWDOWN

BARBECUE COOK-OFF

AUGUST 29TH & 30TH

1944 PARKVIEW PLACE - LIVE OAK PARK INGLESIDE, TX 78362

GUARANTEED 80%

PAYOUT

CHICKEN RIBS BRISKET PORK

Friday Jackpots

\$25 Cook's Choice - Turn in 8pm

\$25 Margaritas - Turn in 7pm

Saturday Jackpot

\$25 Beans - Turn in 11am

CHICKEN - NOON

RIBS - 1PM

PORK BUTT - 2PM

BRISKET - 3PM

**PART OF THE
PROCEEDS
WILL GO TO OUR
LOCAL FOOD BANK**

TEAM ENTRY FEE

\$250

4 MEATS

COOKS MEETING AT 6PM ON FRIDAY AUGUST 29TH

**SCAN QR CODE TO
REGISTER**



CHAMPIONS
BARBECUE ALLIANCE

FOR MORE INFO

CALL OR TEXT 832-597-5902

INGLESIDE
CHAMBER OF COMMERCE
AND VISITORS CENTER

CITY COUNCIL AGENDA

Regular Meeting: June 10, 2025

AGENDA ITEM: 6.c

Ingleside Garden Club Recognition for being awarded the following five (5) First Place awards, one (1) Second Place award, and one (1) Certificate of Accomplishment from the Texas Garden Club District VII.

SUBMITTED BY: Jana Stork, City Secretary

APPROVED FOR AGENDA: Brenton Lewis, City Manager

BACKGROUND:

The Texas Garden Club, Inc. was established in 1928 to beautify and preserve our environment. The Texas Garden Club assists in planting trees, educating the youth, and continues to communicate with the Texas legislature and National Congress.

The Texas Garden Club District VII awarded the following five (5) First Place awards, one (1) Second Place award, and one (1) Certificate of Accomplishment to the Ingleside Garden Club dated April 3, 2025:

- TGC Community Service - Green Large 1st Place
- CE-5 Beautification Project - Green Large 1st Place
- TGC Member of Honor Award - Green Large 1st Place
- TGC Scrapbooks - Green Large 1st Place
- TGC Wildflower Education Award - Green Large 1st Place
- TGC Nov/Dec Award Community Service - Green Large 2nd Place
- TGC Certificate of Accomplishment - 2024 Increase in Membership

FISCAL ANALYSIS:

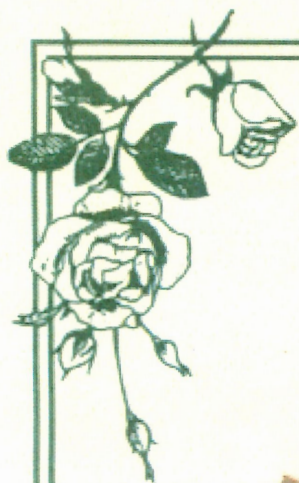
N/A

RECOMMENDATION:

Congratulations to the Ingleside Garden Club for the achievement and dedication to beautifying and preserving the City of Ingleside.

ATTACHMENTS:

1. IGC Awards v2



Texas Garden Clubs, Inc.

Certificate of Award

TGC COMMUNITY SERVICE



Ingleside Garden Club

Green Large 1st Place District VII

on this 3rd day of April, 2025

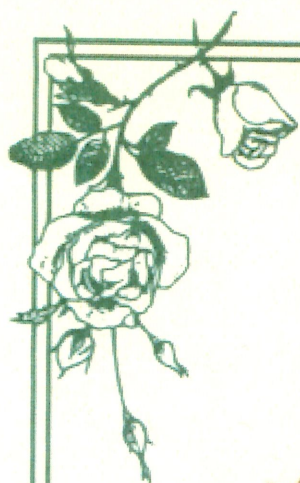
Linda Love

Awards Chairman

Lue & Zaylon

President





Texas Garden Clubs, Inc.

Certificate of Award

CE-5 BEAUTIFICATION PROJECT

Ingleside Garden Club

Green Large 1st Place District VII



on this 3rd day of April 2025

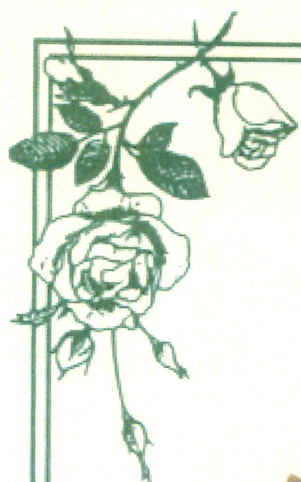
Linda Loe

Awards Chairman

Lee H. Dayla

President





Texas Garden Clubs, Inc.

Certificate of Award

TGC MEMBER OF HONOR AWARD

Ingleside Garden Club

Green Large 1st Place District VII

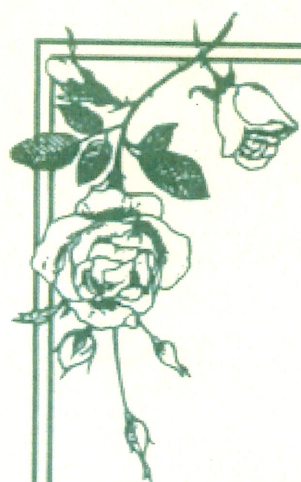


on this 3rd day of April, 2025

Linda Love
Awards Chairman

Lee H Taylor
President





Texas Garden Clubs, Inc.

Certificate of Award

TGC SCRAPBOOKS

Ingleside Garden Club

Green Large 1st Place District VII



on this 3rd day of April, 2025

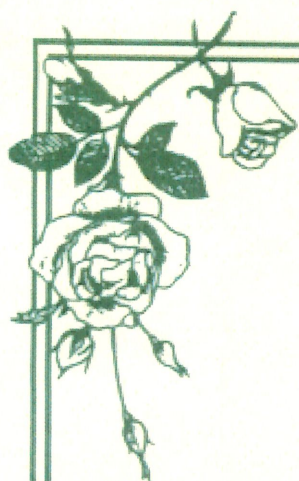
Linda Love

Awards Chairman

Lee H. Dayla

President





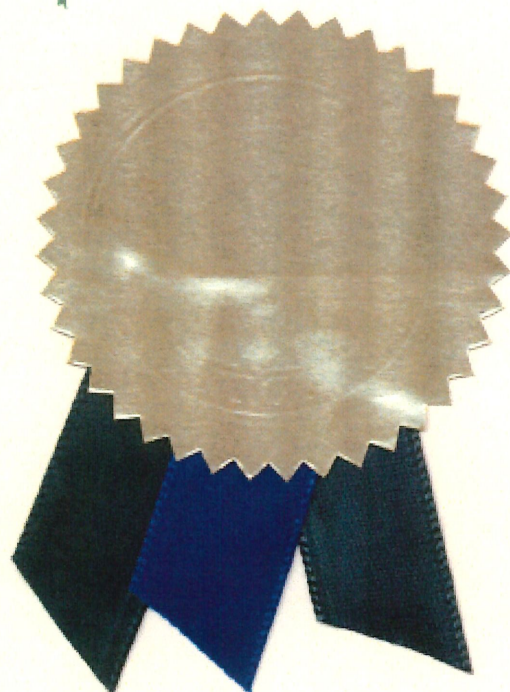
Texas Garden Clubs, Inc.

Certificate of Award

TGC WILDFLOWER EDUCATION AWARD

Ingleside Garden Club

Green Large 1st Place District VII

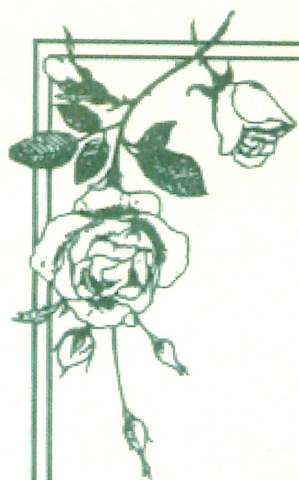


on this 3rd day of April, 2025

Linda Lone
Awards Chairman

Lee H. Zaylon
President





Texas Garden Clubs, Inc.

Certificate of Award

TGC NOV/DEC AWARD (COMMUNITY SERVICE)

Ingleside Garden Club

Green Large 2nd Place District VII



on this 3rd day of April, 2025

Linda Lone

Awards Chairman

Lee H. Taylor

President



CERTIFICATE OF ACCOMPLISHMENT

For an increase in membership for 2024

Presented to

Ingleside Garden Club

On *April 3, 2025*

Shirley L. Clarkson
Membership VP

Lee H. Jayla
President, TGC, Inc

CITY COUNCIL AGENDA

Regular Meeting: June 10, 2025

AGENDA ITEM: 6.d

Report on General Projects.

SUBMITTED BY: Gary Paredez, Director of Infrastructure Services

APPROVED FOR AGENDA: Brenton Lewis, City Manager

BACKGROUND:

The City Council, at the May 27th meeting, requested a report on ongoing open projects. Projects identified in the report include: Kenny Lane Roadway Improvement, Wastewater Treatment Plant (WWTP), Recycling Center Loading Ramp, Faith Park Gazebo, Garden Center Remodel, Faith Park Basketball Court, West Main Street Humble Parking Lot, Gallion Street Rebuild, City Buildings Roof Repairs, Lighting at Live Oak Park, Digital Signs, and Manhole Replacement in front of the Methodist Church.

FISCAL ANALYSIS:

N/A

RECOMMENDATION:

N/A Informational purposes only.

ATTACHMENTS:

1. Suggested list of streets by Street Maintenance Committee
2. 2025 MAY-Project List
3. Recycling Center Loading Ramp
4. Faith Park Gazebo
5. Garden Center Remodel
6. City Hall Roof
7. Humble Roof
8. PD Roof
9. FD Roof
10. Live Oak Park Lighting Hardware
11. Live Oak Park Lighting Poles
12. N.O. Simmons Digital Sign
13. 8th Street Digital Sign
14. 8th Street Digital Sign Base

Suggested list of streets by Street Maintenance Committee

First 5 streets by Garrett Paving:

1. Big Oak Lane (from 1st to 4th St.)

2. 3rd Street (1069 to Ave K)

3. Munson Street (1st St.)

4. Blaschke (replaced with Hargus)

5. Pen Oak

Next 15 to be chosen from:

1. Hackberry

2. Kelly Ln

3. Cardinal

4. Live oak Park Ent

5. Dallas

6. Waco

7. Green Briar

8. 7th (B to 1069)

9. 5th (B to 1069)

10. Lee

11. 4th (A to city Limits)

12. San Angelo (West Main to Waco)

13. Oklahoma

14. Alvin Moore (school to Ave B)

(Alternates- Capeheart, Eastwind, Tiner)

The first 5 streets completed by the County were as follows:

1. Elizabeth
2. Avenue G
3. 2nd St
4. 6th St
5. Pace St

These streets were done by the county with the City providing the materials at an approximate cost of \$200,000.00. The streets being done by Garrett Paving was done at an approximate cost of \$500,000.00. Total maintenance money spent so far is approximately \$700,000.00.

Project Name	Project Status
1. Kenny Lane Roadway Improvement	Completed.
2. Wastewater Treatment Plant	In the contractual phase. 50% complete.
3. Recycle/Bulk Collection Facility	The loading ramp is halfway completed.
4. Faith Park Projects-	
a. Gazebo	About 90% complete.
b. Garden Center	80% complete.
c. Basketball Court (This is an IDC project)	Playgrounds Etc. notified us on May 28 th , 2025, that they were ready to begin work within a couple of weeks. (Awaiting groundbreaking ceremony date from IDC)
5. West Main Street Parking Lot at Humble	Awaiting RFPs.
6. Gallion Steet rebuild.	Awaiting RFPs.
7. Roof Repairs	99% complete.
8. Lighting at Live Oak Park	Material has been delivered, installation to begin soon.
9. Digital signs	N.O. Simmons sign is fully operational; Police Station sign is awaiting electrical connection by contractor.
10. Manhole replacement at HWY 1069 & Church St.	Waiting for Purchase Order to issue to NTP.



Recycling loading ramp



Faith Park Gazebo



Garden Center Remodel



Photo Documentation 10



Photo Documentation 11



Photo Documentation 12

City of Ingleside / BEST Program Final Inspection / City Hall Building



Photo Documentation 34



Photo Documentation 35



Photo Documentation 36

Humble Center Roof



Photo Documentation 49



Photo Documentation 50



Photo Documentation 51

Police Department Roof



Photo Documentation 58
Metal roof panel seams rolled together



Photo Documentation 59



Photo Documentation 60
Local supplier to pick up unused materials

Fire Department Roof



Live Oak Park Lighting Hardware



Live Oak Park Lighting Poles



N.O. Simmons Digital Sign



8th Street Digital Sign



8th Street Digital Sign Base

CITY COUNCIL AGENDA

Regular Meeting: June 10, 2025

AGENDA ITEM: 7

Proclamation to recognize National Pollinator Week June 16-22, 2025 in the City of Ingleside.

SUBMITTED BY: Jana Stork, City Secretary

APPROVED FOR AGENDA: Brenton Lewis, City Manager

BACKGROUND:

The City of Ingleside would like to recognize National Pollinator Week June 16-22, 2025, to raise awareness in support of pollinator health, to celebrate pollinators and what we can do to protect them.

FISCAL ANALYSIS:

N/A

RECOMMENDATION:

Presentation Only.

ATTACHMENTS:

1. 2025, 06-10 National Pollinator Week Proclamation

PROCLAMATION

WHEREAS, pollinator species such as birds and insects are essential partners of farmers and ranchers in producing much of our food supply; and

WHEREAS, pollination plays a vital role in the health of our national forests and grasslands, which provide forage, fish and wildlife, timber, water, mineral resources, and recreational opportunities as well as enhanced economic development opportunities for communities; and

WHEREAS, pollinator species provide significant environmental benefits that are necessary for maintaining healthy, biodiverse ecosystems; and

WHEREAS, the City of Ingleside has managed wildlife habitats and public lands such as the Live Oak Park and is listed on the Texas Parks and Wildlife Department's Great Texas Coastal Birding Trail as Site 55; and

WHEREAS, the City of Ingleside provides habitats for pollinators and to promote wise conservation stewardship, including the protection and maintenance of pollinators and their habitats on working lands and wildlands; and

NOW, THEREFORE, I, Pedro Oscar Adame, Mayor of the City of Ingleside, Texas, by virtue of the authority vested in me, and in honor of National Pollinator Week, do hereby proclaim June 16th-22nd, 2025 as

“NATIONAL POLLINATOR WEEK”

in the City of Ingleside, Texas, and encourage our citizens to join us in recognizing the importance of pollinators and the role they play in providing valuable healthy habitats throughout the City of Ingleside.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Ingleside to be affixed this 10th day of June, 2025.

CITY OF INGLESIDE, TEXAS

Pedro Oscar Adame, Mayor

ATTEST:

Jana Stork, City Secretary

CITY COUNCIL AGENDA
Regular Meeting: June 10, 2025

AGENDA ITEM: 8

Deliberate and take appropriate action on the Regular Meeting Minutes of May 27, 2025.

SUBMITTED BY:

APPROVED FOR AGENDA: Brenton Lewis, City Manager

BACKGROUND:

Please see the accompanying Regular City Council Meeting Minutes of May 27, 2025.

FISCAL ANALYSIS:

N/A

RECOMMENDATION:

Staff recommends Council approve the Minutes, as presented.

ATTACHMENTS:

1. 2025, 05-27 Regular Meeting Minutes_DRAFT

**CITY OF INGLESIDE
REGULAR CITY COUNCIL MEETING
MINUTES
MAY 27, 2025**

Opening Agenda

1. Call regular meeting to order.

The Regular Council Meeting of the City of Ingleside was called to order by Mayor Adame at 6:30 p.m. on May 27, 2025, at City Hall 2671 San Angelo Ave., Ingleside, TX and live video streaming.

2. Roll Call.

With Council Members present a quorum was established.

Council Members Present: Mayor Pro-Tem Long, Linda Timmerman, John Salinas (via Zoom), David Pruitt, James Steward, Julio Salinas, and Mayor Adame

3. Invocation.

Council Member Pruitt led the invocation.

4. Pledge of Allegiance.

Mayor Adame led the Pledge of Allegiance to the U.S. flag.

5. Citizen Comments and Reports.

Scott Kilgore, 2664 San Angelo, addressed the Council about the rezone of property by the High School, industry within Ingleside, and the consideration for the safety of students.

Cindy Wilson, 2635 San Angelo, addressed the Council about the swimming pool, and providing a space for kids and families to hold events instead of them having to go outside of Ingleside.

Monte Shugart, 2396 Kenny Lane, addressed the Council about a water leak taking place at Portside Villas Apartment Complex, provided pictures to Council Members of the leak, was told by property manager that it was a leak on City side, and City informing him that it is private property and they can't fix the leak without permission.

Courtney Shane, 2181 Capeheart St., addressed the Council about doing the Texas Pledge at Council meetings, sending an email to Council Members about doing Fourth of July

events, being able to speak with Congressman Cloud, and about cleaning up the property that is up for rezone.

Martha Habluetzel, 3508 Ave A, addressed the Council about the rezone of property by the High School, opposition of more industry development, requesting an ordinance for a school safety zone, and how the ordinance is doable under safety regulations.

6. Staff Comments and Reports.

a. Council Comments and Reports.

Council Member Pruitt made a comment on the new paint job at the Live Oak Park sign, at the entrance.

Council Member Julio Salinas and Mayor Adame made a comment on the test paving, that was done at Live Oak, and commended the employees on the work.

b. Announcements of Community Interest and/or upcoming events.

No discussion was held on this item.

c. City of Ingleside expenditures paid over \$3,000.00 for the period of April 2025.

No discussion was held on this item.

d. City of Ingleside monthly financial report as of April 2025.

No discussion was held on this item.

e. Quarterly Report on the Ingleside Development Corporation (IDC) Work Plan.

Discussion was held between Council Members, City Manager Lewis, and IDC Board President Wilson about the work plans, sales tax, statistics from a retail coach, businesses to request help for signs if they qualify, putting a hold on starting new projects if current projects aren't completed, and beautifying the City.

Presentations

There were no presentations presented for this meeting.

Consent Agenda

7. **Deliberate and take appropriate action on the Regular Meeting Minutes of May 13, 2025.**
8. **Deliberate and take appropriate action on the second and final reading of an Ordinance appointing a Cort Clerk of the Municipal Court of Record for the City of Ingleside and further providing for the administration of the position, effective date, reading, and severance.**

Proposed Ordinance 2025-15.

Motion: Mayor Pro-Tem Long made a motion to approve the consent agenda, as presented. Council Member Pruitt seconded the motion. Motion carried with all present voting in favor.

Public Hearing

9. **Public hearing regarding a City of Ingleside rezone of property generally located at Highway 361 and Avenue B, further described in the legal description below, from R-1 – Single Family Residential to I – Industrial:**

A combined total of 299.77 acres consisting of an 89.75 Acre Tract of land, as described in file number 728165 (filed Nov. 17, 2022), Deed of Records, San Patricio County, Texas and a 210.02 Acre Tract, being out of a 28.62 acre tract, a 1.61 acre tract, a 9.22 acre tract and a 5.54 acre tract as recorded in Volume 326, Page 475, Deed Records, San Patricio County, Texas; the remainder of a 50.91 acre tract as recorded in Volume 113 Page 182, Deed Records, San Patricio County, Texas; the remainder of a 48.18 acre tract as recorded in Volume 90, Page 553, Deed Records, San Patricio County, Texas; the remainder of a 46.81 acre tract, recorded in Volume 149, Page 502, Deed Records, San Patricio County, Texas; a 4.54 acre tract as recorded in Volume 148, Page 514, Deed Records, San Patricio County, Texas; and an 8.93 acre tract as recorded in Volume 101, Page 391, Deed Records, San Patricio County, Texas and a 2.29 acre tract recorded in Volume 88, Page 15, Deed Records, San Patricio County, Texas.

At 6:57 p.m. Mayor Adame convened the Ingleside City Council into the Public Hearing.

Speaking For: None

Speaking Neutral: Rob Killen 10101 Reunion Place, San Antonio, TX

Speaking Against: None

At 7:01 p.m. Mayor Adame reconvened the Ingleside City Council into the Regular Meeting.

10. Public Hearing on the adoption of an Ordinance to Repeal and Replace the Existing Drought Contingency Plan in Chapter 66, Article II, Division 4 of the Ingleside Code of Ordinances, with an Updated Plan Aligned with the San Patricio Municipal Water District, Including Provisions for Enforcement and Penalties for Noncompliance.

At 7:01 p.m. Mayor Adame convened the Ingleside City Council into the Public Hearing.

Speaking For: None

Speaking Against: None

At 7:02 p.m. Mayor Adame reconvened the Ingleside City Council into the Regular Meeting.

Regular Agenda

11. Deliberate and take appropriate action on the first reading of an Ordinance regarding a City of Ingleside rezone of property generally located at Highway 361 and Avenue B, further described in the legal description below, from R-1 – Single Family Residential to I – Industrial:

A combined total of 299.77 acres consisting of an 89.75 Acre Tract of land, as described in file number 728165 (filed Nov. 17, 2022), Deed of Records, San Patricio County, Texas and a 210.02 Acre Tract, being out of a 28.62 acre tract, a 1.61 acre tract, a 9.22 acre tract and a 5.54 acre tract as recorded in Volume 326, Page 475, Deed Records, San Patricio County, Texas; the remainder of a 50.91 acre tract as recorded in Volume 113 Page 182, Deed Records, San Patricio County, Texas; the remainder of a 48.18 acre tract as recorded in Volume 90, Page 553, Deed Records, San Patricio County, Texas; the remainder of a 46.81 acre tract, recorded in Volume 149, Page 502, Deed Records, San Patricio County, Texas; a 4.54 acre tract as recorded in Volume 148, Page 514, Deed Records, San Patricio County, Texas; and an 8.93 acre tract as recorded in Volume 101, Page 391, Deed Records, San Patricio County, Texas and a 2.29 acre tract recorded in Volume 88, Page 15, Deed Records, San Patricio County, Texas.

Discussion was held between Council Members, City Manager Lewis, Director of Development Services Rodriguez, and Port of Texas Representative Killen about Council directing staff in January 2025 to cleanup the rezoning following the 1998 annexation, strictly rezoning the property, letters being sent out to surrounding residents, the Future Land Use Map, the ongoing cleanup of the property, TCEQ regulations, SH 200 easement, the rezoning should have been done in a timely manner and not years later, and the City not having any financial burdens with the rezone of the property.

Martha Habluetzel, 3508 Ave A, made a citizen comment.

Motion: Mayor Pro-Tem Long made a motion to approve the first reading of an Ordinance regarding a City of Ingleside rezone of property generally located at Highway 361 and Avenue B, further described in the legal description below, from R-1 – Single Family Residential to I – Industrial: A combined total of 299.77 acres consisting of an 89.75 Acre Tract of land, as described in file number 728165 (filed Nov. 17, 2022), Deed of Records, San Patricio County, Texas and a 210.02 Acre Tract, being out of a 28.62 acre tract, a 1.61 acre tract, a 9.22 acre tract and a 5.54 acre tract as recorded in Volume 326, Page 475, Deed Records, San Patricio County, Texas; the remainder of a 50.91 acre tract as recorded in Volume 113 Page 182, Deed Records, San Patricio County, Texas; the remainder of a 48.18 acre tract as recorded in Volume 90, Page 553, Deed Records, San Patricio County, Texas; the remainder of a 46.81 acre tract, recorded in Volume 149, Page 502, Deed Records, San Patricio County, Texas; a 4.54 acre tract as recorded in Volume 148, Page 514, Deed Records, San Patricio County, Texas; and an 8.93 acre tract as recorded in Volume 101, Page 391, Deed Records, San Patricio County, Texas and a 2.29 acre tract recorded in Volume 88, Page 15, Deed Records, San Patricio County, Texas. Council Member John Salinas seconded the motion. Motion carried 4:2:1.

For Motion: Council Member Pruitt, Council Member John Salinas, Council Member Timmerman, and Mayor Pro-Tem Long.

Against Motion: Council Member Julio Salinas and Council Member Steward.

Abstained: Mayor Adame

12. Deliberate and take appropriate action on the first reading of an Ordinance to Repeal and Replace the Existing Drought Contingency Plan in Chapter 66, Article II, Division 4 of the Ingleside Code of Ordinances, with an Updated Plan Aligned with the San Patricio Municipal Water District, Including Provisions for Enforcement and Penalties for Noncompliance.

Discussion was held between Council Members, City Manager Lewis, and Director of Infrastructure Services Paredez about being under contract with San Patricio Municipal Water District, recommendations to make it easier for enforcement, surrounding cities doing the same, the change having nothing to do with current legislation, and no obligation of finances.

Motion: Mayor Adame made a motion to approve the first reading of an Ordinance to Repeal and Replace the Existing Drought Contingency Plan in Chapter 66, Article II, Division 4 of the Ingleside Code of Ordinances, with an Updated Plan Aligned with the San Patricio Municipal Water District, Including Provisions for Enforcement and Penalties for Noncompliance. Council Member Timmerman seconded the motion. Motion carried with all present voting in favor.

13. Deliberate and take appropriate action on amending the City of Ingleside Garden Center Rental Agreement fees.

Discussion was held between Council Members, City Manager Lewis, and Director of Infrastructure Services about the Garden Club not having to pay fees to meet at the Garden Center, the minimum hours to rent, the fee changes for the Resident rate, and the deposit fees.

Motion: Mayor Pro-Tem Long made a motion to approve the amendment of the City of Ingleside Garden Center Rental Agreement fees. Council Member Pruitt seconded the motion. Motion carried with all present voting in favor.

14. Deliberate and take appropriate action on the City Council to authorize the City Manager to negotiate and execute a contract with the firm 6S Engineering Inc. for the Cove Park Improvements project.

Discussion was held between Council Members, City Manager Lewis, Director of Infrastructure Services Paredes, 6S Representative Swaim about finalizing negotiations and going through legal, a mock up of the best use for the facility before going out for bids for engineers, only being in the Planning Phase, including the entire property, the cost covering the planning phase, and negotiate minor changes.

Motion: Council Member Pruitt made a motion to authorize the City Manager to negotiate and execute a contract with the firm 6S Engineering Inc. for the Cove Park Improvements project not to exceed \$82,553. Council Member Steward seconded the motion. Motion carried with all present voting in favor.

15. Deliberate and take appropriate action on the Special Event Permit request for Pan American Civic Association (PACA) El Concerto de El Quete at N.O. Simmons Park on July 5, 2025.

Discussion was held between Council Members, City Manager Lewis, and Director of Infrastructure Services Paredes about the name change of the permit so it does not confuse citizens with the Special Use Permit for developments, free of charge to the public, VIP being a charge, set up like Round Up but without the carnival, and the organization being advised of the noise ordinance.

Motion: Council Member Julio Salinas made a motion to approve the Special Event Permit request for Pan American Civic Association (PACA) El Concerto de El Quete at N.O. Simmons Park on July 5, 2025. Council Member John Salinas seconded the motion. Motion carried with all present voting in favor.

16. Deliberate and take appropriate action on awarding the bid to replace a collapsing manhole at the intersection of HWY 1069 and Church Street.

Discussion was held between Council Members, City Manager Lewis, and Director of Infrastructure Services Paredes about the collapsing manhole, TCEQ regulations being against brick manholes, going out for three quotes and JJ Fox Construction being the lowest, funding coming from the wastewater collection fees, project will begin once notice to proceed is issued, no notification is required, no shutoffs will take place, and the manhole being 12-14 feet deep.

Motion: Mayor Pro-Tem Long made a motion to award the bid to JJ Fox Construction, to replace a collapsing manhole at the intersection of HWY 1069 and Church Street, not to exceed \$65,800. Council Member Pruitt seconded the motion. Motion carried with all present voting in favor.

17. Deliberate and appropriate action on the first reading of an Ordinance providing for the Nonsubstantive Amendments of the City Charter for the City of Ingleside pursuant to Section 11.11 of the Charter and further providing for effective date, reading, severance, and publication.

Discussion was held between Council Members, City Manager Lewis, and City Attorney McCann about the Nonsubstantive Amendments to the Charter, the cleanup of verbiage within the Charter, and these changes not having to go before the citizens for a vote.

Motion: Mayor Adame made a motion to approve the first reading of an Ordinance providing for the Nonsubstantive Amendments of the City Charter for the City of Ingleside pursuant to Section 11.11 of the Charter and further providing for effective date, reading, severance, and publication. Council Member John Salinas seconded the motion. Motion carried with all present voting in favor.

18. Deliberate and take appropriate action on the first and only reading of an Ordinance amending the Fiscal Year 2024-2025 budget for the City of Ingleside, Texas, of reclassification of the Municipal Court Administrator position to Clerk of the Court from the Municipal Court budget in the General Fund.

Proposed Ordinance 2025-16.

Discussion was held between Council Members and City Manager Lewis about the title change to the position only, and no amount of money is changing since it is already in the budget.

Motion: Council Member Julio Salinas made a motion to approve Ordinance 2025-16, an Ordinance amending the Fiscal Year 2024-2025 budget for the City of Ingleside, Texas, of reclassification of the Municipal Court Administrator position to Clerk of the Court from the Municipal Court budget in the General Fund. Council Member Steward seconded the motion. Motion carried with all present voting in favor.

19. Deliberate and take appropriate action to authorize the City Manager to issue Requests for Proposals (RFP) for administrative and plan development services for

the Community Development Block Grant – Mitigation (CDBG-MIT) Local Hazard Mitigation Plans Program (LHMPP) grant program administered by the Texas General Land Office (GLO).

Discussion was held between Council Members and City Manager Lewis about meeting with a grant administrator, and going out for RFP's for a professional grant writer.

Motion: Mayor Adame made a motion to authorize the City Manager to issue Requests for Proposals (RFP) for administrative and plan development services for the Community Development Block Grant – Mitigation (CDBG-MIT) Local Hazard Mitigation Plans Program (LHMPP) grant program administered by the Texas General Land Office (GLO). Council Member Pruitt seconded the motion. Motion carried with all present voting in favor.

20. Deliberate and take appropriate action to authorize the City Manager to issue Requests for Proposals (RFP) for administrative and planning services for GLO CDBG-MIT Resilient Communities Program (and all eligible activities per the application guidance) as administered by the General Land Office.

Discussion was held between Council Members and City Manager Lewis about going out for RFP's to get a professional grant writer, grants having strings attached, and Council not obligated to accept any grants.

Motion: Council Member Pruitt made a motion to authorize the City Manager to issue Requests for Proposals (RFP) for administrative and planning services for GLO CDBG-MIT Resilient Communities Program (and all eligible activities per the application guidance) as administered by the General Land Office. Council Member Steward seconded the motion. Motion carried 5:2.

For Motion: Council Member Timmerman, Council Member Pruitt, Council Member Steward, Council Member Julio Salinas, and Mayor Adame.

Against Motion: Mayor Pro-Tem Long and Council Member John Salinas.

21. Deliberate and take appropriate to authorize the City Manager to issue Requests for Proposals for administrative services (RFP) as a disaster recovery management service provider to complete application and project implementation and requests for qualifications (RFQ) for engineering services for the Federal Emergency Management Agency (FEMA) Public Assistance (PA)/Hazard Mitigation Assistance (HMA) funding administered by the Federal Emergency Management Agency, Texas Division of Emergency Management and/or Texas Water Development Board.

Discussion was held between Council Members and City Manager Lewis about what grants fit the needs of the City.

Motion: Mayor Adame made a motion to authorize the City Manager to issue Requests for Proposals for administrative services (RFP) as a disaster recovery management service provider to complete application and project implementation and requests for qualifications (RFQ) for engineering services for the Federal Emergency Management Agency (FEMA) Public Assistance (PA)/Hazard Mitigation Assistance (HMA) funding administered by the Federal Emergency Management Agency, Texas Division of Emergency Management and/or Texas Water Development Board. Council Member Steward seconded the motion. Motion carried with all present voting in favor.

Executive Session

No Executive Session was held for this meeting.

22. Items to consider for placement on future agendas.

Council Member Julio Salinas requested a general projects update.

23. Adjourn Regular Meeting.

Mayor Adame adjourned the regular meeting of the City of Ingleside at 8:16 p.m.

APPROVED:

Pedro Oscar Adame, Mayor

ATTEST:

Jana Stork, City Secretary

CITY COUNCIL AGENDA

Regular Meeting: June 10, 2025

AGENDA ITEM: 9

Deliberate and take appropriate action on the second and final reading of an Ordinance providing for the Nonsubstantive Amendments of the City Charter for the City of Ingleside pursuant to Section 11.11 of the Charter and further providing for effective date, reading, severance, and publication.

SUBMITTED BY: Michael McCann, City Attorney

APPROVED FOR AGENDA: Brenton Lewis, City Manager

BACKGROUND:

The Ingleside Charter Review Commission met for a six-month period beginning July 2024, and made recommendations to the City Council of the proposed changes to the City Charter in January 2025. The council placed the thirteen recommendations on a Special Election for the May 3, 2025, election.

These items passed at the election. Therefore, the Charter needs to be amended to reflect the changes.

FISCAL ANALYSIS:

N/A

RECOMMENDATION:

Staff recommends Council approve the second and final reading of the Ordinance.

ATTACHMENTS:

1. DOCS1-#351090-v1-Ordinance_adopt_Nonsub_Amend_to_City_Charterv2
2. Ex A_Nonsubstantive Charter Amendments

ORDINANCE NO. 2025-_____

**AN ORDINANCE PROVIDING FOR THE NONSUBSTANTIVE
AMENDMENTS OF THE CITY CHARTER FOR THE CITY OF
INGLESIDE PURSUANT TO SECTION 11.11 OF THE CITY CHARTER
AND FURTHER PROVIDING FOR EFFECTIVE DATE, READING,
SEVERANCE AND PUBLICATION:**

WHEREAS, the City Council of the City of Ingleside (“City Council”) has previously authorized and submitted significant amendments to the Ingleside City Charter for consideration and approval by the voters at the election scheduled for May 2025; and

WHEREAS, the Ingleside Charter Commission has previously recommended certain nonsubstantive amendments to the City Charter, which do not alter the meaning or substance of the Charter and, therefore, are not required to be submitted to the voters for approval; and

WHEREAS, Article XI, Section 11.11 authorizes the City Council, by ordinance, to make nonsubstantive amendments to the City Charter to correct typographical errors, grammatical errors, references to laws which have been changed or which have been changed or which references are, for any reason, incorrect, and to neutralize all gender references; provided, that no such amendment shall change the meaning or substance of the Charter; and

WHEREAS, the City Council find such nonsubstantive changes necessary and should be adopted.

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF INGLESIDE, COUNTY
OF SAN PATRICIO, STATE OF TEXAS:**

Section 1. Amendments Adopted. From and after the effective date, the City Council adopts the nonsubstantive changes to the Ingleside City Charter as reflected in **Exhibit A**, attached hereto and incorporated by reference with strikethrough text indicating deletions and underlined texts indicating additions.

Section 2. Incorporation of Recitals. The City Council finds the recitals in the preamble of this Ordinance are true and correct and incorporates them as findings of fact.

Section 3. Effective Date. As provided by Article III, Section 3.11C of the Charter of the City of Ingleside, this ordinance shall be effective upon adoption and, in addition, if any penalty, fine or forfeiture is imposed by this ordinance, then this ordinance shall be effective only after publication of this ordinance in its entirety or in summary form once in the official newspaper of the City of Ingleside.

Section 4. Reading. As provided by Article III, Section 3.11.B of the Charter of the City of Ingleside, this ordinance, or the caption of it shall be read at two City Council meetings with at

least two weeks elapsing between each reading.

Section 5. Severance. If any part of this ordinance is invalid or void or is declared to be so, then said part shall be severed from the balance of this ordinance and said invalidity shall not affect the balance of this ordinance, the balance of the ordinance to be read as if said invalid or void portion thereof were not included.

Section 6. Publication. As provided by Article III, Section 3.11C, this ordinance shall be published one time in the official newspaper of the City of Ingleside, San Patricio County, Texas, which publication shall contain the caption of this ordinance stating in substance the purposes of same.

PASSED, ORDAINED, APPROVED AND ADOPTED this ____ day of _____ 2025.

CITY OF INGLESIDE, TEXAS

Pedro Oscar Adame, Mayor

ATTEST:

Jana Stork, City Secretary

First Reading: _____

Second Reading: _____

Exhibit A

PART I

CHARTER¹

PREAMBLE

Effective government that protects individual freedom can best be achieved by encouraging and soliciting interest and participation by the citizens, by regulation and control of those functions essential to the general welfare, and by rejecting rules and regulations not consistent with the primary goals of the City. Accordingly, we the people of Ingleside, Texas establish this Charter as the basic law of our City to provide for effective government, with latitude for our elected officials, and with safeguards to ensure the rights and general welfare of the people.

¹Editor's note(s)—Printed herein is Charter of the City of Ingleside, Texas, as adopted by referendum on November 6, 1979, and effective on November 7, 1979. Amendments to the Charter are indicated by parenthetical history notes following amended provisions. The absence of a history note indicates that the provision remains unchanged from the original Charter. Obvious misspellings have been corrected without notation. For stylistic purposes, a uniform system of headings, catchlines and citations to state statutes has been used. Additions made for clarity are indicated by brackets.

ARTICLE I. FORM OF GOVERNMENT AND BOUNDARIES

Section 1.01. Form of government.

The municipal government provided by this Charter shall be of the Council-Manager form. The City Council, consisting of the Mayor and Councilmembers elected by and responsible to the people, shall appoint a City Manager who shall be responsible to the City Council for the proper administration of the affairs of the City.

Section 1.02. Boundaries of the city.

The boundaries of the City of Ingleside, Texas are those heretofore established and now existing or those boundaries as may be changed by ordinances and proceedings of the City enacted in accordance with this Charter [and state law](#).

Section 1.03. City defined.

Use of the word "City" in this Charter shall mean the City of Ingleside, San Patricio County, Texas.

(Ord. No. 785, § 1, Prop. C, 2-13-01)

ARTICLE II. POWERS OF THE CITY

Section 2.01. Powers of the city.

The city shall have all powers and rights of self-government and home rule that exist now or may be granted to municipalities by the constitution and laws of the State of Texas. These powers and rights, whether expressed or implied, shall be exercised, administered and enforced in the interest and welfare of individuals and corporations residing in or owning property within the boundaries of the City as prescribed by this Charter, or in such manner as may be provided by resolution or ordinance of the City Council.

The powers hereby conferred upon the City shall include, but not be restricted to the powers expressly conferred and permitted by State Law all as now or hereafter amended, all of which are adopted hereby, unless restricted elsewhere within this Charter.

As provided for by the Constitution and laws of the State of Texas, the City shall have the power:

- A. To fix its boundaries, to annex adjoining territory ~~with or without the consent of the inhabitants or owners of the territory to be annexed~~, to acquire and own property within or outside its corporate boundaries and to exercise the right of eminent domain for public purpose and when necessary to carry out powers conferred upon it by this Charter.
- B. To cooperate with the government of the United States, or any agency thereof, the government of Texas or any agency thereof, or with the government of any county, city or political subdivision for any lawful purpose for the advancement of the interests, safety, convenience, and welfare of its inhabitants.
- C. To contract and be contracted with, to sue and be sued, to buy, sell, lease, mortgage, hold, manage, and control such property as its interests require.

-
- D. To lay out, open, close, establish, alter, widen, lower, extend, grade, supervise, maintain, and improve streets, alleyways, sidewalks, parks, squares, public places, water mains, waterways, bridges, wharves, docks and regulate the use thereof, and require removal of ~~all~~ obstructions or encroachments ~~of every nature and character~~ upon said public streets, sidewalks or other public property.

(Amd. of 5-4-96)

Section 2.02. Cost of improvements.

The cost of development or improvement of streets or water and sewer lines and other improvements as appropriate may be paid partly by assessments levied as a lien against property abutting thereon and against the owners thereof, and such assessments may be levied in any amount and under any procedure not prohibited by State law.

Section 2.03. Contraction of boundaries.

The city shall have the power and authority to de-annex property under such circumstances and pursuant to such procedures as may be provided by State law or City ordinance.

(Amd. of 5-4-96)

ARTICLE III. CITY COUNCIL

Section 3.01. Selection and term of office.

The legislative and governing body of the City shall be the Council of the City of Ingleside and shall consist of a Mayor and six Councilmembers. The Mayor is a member and part of the City Council and a Councilmember.

Unless required otherwise by the context, a reference to "Councilmember" includes the Mayor.

- A. The Mayor and Councilmembers shall be elected by the qualified voters of the City at large each of whom, unless sooner removed by the provisions of this Charter, shall serve for a two-year term.
- B. Each Councilmember shall occupy a position on the City Council, such positions being numbered 1 through 6, consecutively. All members of the City Council, other than the mayor, shall be elected under the place system. In each odd-numbered year these Councilmembers shall be elected to positions number 1, 3, and 5, and in each even-numbered year, the mayor and three (3) Councilmembers shall be elected, said Councilmembers filling positions 2, 4, and 6. Odd-numbered positions begin and expire in odd-numbered years. Even-numbered positions begin and expire in even-numbered years.
- C. No person shall serve more than three (3) consecutive terms, whether partial or complete terms, whether elected or appointed.

(Amd. of 5-4-96; Ord. No. 981, § II, Prop. 1, 1-13-09)

Section 3.02. Qualification of members.

The Mayor and each Councilmember shall be a resident of the City of Ingleside, a qualified voter of the ~~State of Texas~~ City of Ingleside, and shall have been a resident of the City of Ingleside for at least a year immediately preceding ~~his/her~~their election, and must maintain residency in the City of Ingleside during term of office.

(Ord. No. 785, § 1, Prop. N, 2-13-01; Res. No. 2021-23 , amd. B, elec. of 5-1-21)

Section 3.03. Council to be judge of election and qualifications.

The City Council shall be the judge of the election and qualifications of its own members.

Section 3.04. Remuneration.

Members of the City Council shall be compensated at a rate of fifty ~~(\$50.00)~~ dollars per meeting attended with a maximum payment of one hundred dollars per month. Expenses incurred in the performance of their official City Council duties may be paid upon approval of said expenses by the City Council.

(Ord. No. 786, § II, Prop. 1, 2-13-01; Res. No. 2021-23 , Amd. C, elec. of 5-1-21)

Section 3.05. Mayor and pro-tem.

The Mayor shall be the official head of the City government. ~~He/she~~ The Mayor shall preside at all meetings of the City Council, shall have a vote on all City Council actions, and shall, when authorized by the City Council, sign all official documents such as ordinances, resolutions, conveyances, grant agreements, official plats, contracts, and bonds. ~~He/she~~ The Mayor shall perform such other duties consistent with this Charter or as may be imposed upon ~~them him/her~~ by City Council. ~~He~~ The Mayor shall not have the power of veto.

The Mayor Pro-Tem shall be a Councilmember elected by the City Council at the first regular City Council meeting following each regular City election. The Mayor Pro-Tem shall act as Mayor during the disability or absence of the Mayor or when directed by the City Council if the Mayor refuses to act and in this capacity shall have the rights conferred upon the Mayor.

(Ord. No. 785, § 1, Prop. N, 2-13-01; Ord. No. 786, § II, Prop. 2, 2-13-01)

Section 3.06. Vacancies; forfeiture; filling of vacancies.

- A. *Vacancies:* The office of a Councilmember, shall become vacant upon ~~his/her~~ their death, acceptance of ~~his/her~~ their resignation by City Council and assumption of office by a successor, removal from office in any manner authorized by law, or forfeiture of ~~his/her~~ their office.
- B. *Forfeiture of Office:* A Councilmember or the Mayor shall forfeit ~~his/her~~ their office if ~~he/she~~ they:
1. Fails to possess the qualifications for the office prescribed by this Charter or by law;
 2. Violates any express prohibition of this Charter;
 3. Fails to attend six (6) regular City Council meetings in an election span, twelve (12) months;
 4. Ares convicted of a crime involving moral turpitude.
- C. *Filling of Vacancies:* A vacancy in the City Council shall be filled for the remainder of the unexpired term, if any, at the next regular uniform election date allowed by the Texas Election Code~~following not less than sixty days after the occurrence of the vacancy~~. Until the person elected at the next regular election to serve the remainder of the unexpired term takes office, the City Council by a majority vote of all the remaining members shall appoint a qualified person to fill the vacancy until the person elected to serve the remainder of the unexpired term takes office. If the City Council fails to make such an appointment within thirty (30) days following the occurrence of the vacancy, a special election shall be called to fill the vacancy until the expiration of the regular term, to be held on the earliest available uniform date under the Texas Election Code ~~next following the thirtieth day after the occurrence of the vacancy~~.
- D. Notwithstanding the requirement in Section 3.10 concerning a quorum of the City Council, if, at any time, the membership of the City Council is reduced to less than four (4), the remaining members may by majority action appoint additional qualified persons to raise the membership to four (4). These appointees shall serve until the positions can be filled at the next regular election~~per Section 3.06 C.~~

(Amd. of 5-4-96; Ord. No. 785, § 1, Prop. N, 2-13-01; Ord. No. 786, § II, Prop. 3, 2-13-01; Ord. No. 875, § II, Prop. 1, 2-24-04; Ord. No. 981, § II, Prop. 2, 1-13-09; Res. No. 2021-23 , amd. D, elec. of 5-1-21)

Section 3.07. Powers of the city council.

All powers of the City shall be vested in the City Council, except as otherwise provided by laws or this Charter. The City Council shall provide for the exercise thereof and for the performance of all duties and obligations imposed upon the City by law.

Section 3.08. Prohibitions.

- A. *Holding Other Office:* Except where authorized by law, no Mayor or City Councilmember shall hold any other City office or City employment during ~~his/her~~their term as Mayor or Councilmember, and no former Mayor or Councilmember shall hold any compensated appointive City office or City employment until one year after the expiration of ~~his/her~~their term as Mayor or Councilmember.
- B. *Appointments and Removals:* Neither the City Council nor any of its members shall in any manner dictate the appointment or removal of any City administrative officers or employees whom the City Manager or any of ~~his/her~~their subordinates are empowered to appoint, but the City Council may express its views and fully and freely discuss with the City Manager information pertaining to appointment and removal of such officers and employees.
- C. *Interference with Administration:* Except for the purpose of inquiries and investigations under Section 3.14, the City Council or its members shall deal with City officers and employees who are subject to the direction and supervision of the City Manager solely through the City Manager, and neither the City Council nor its members, including the Mayor, shall give orders to or reprimand any such officer or employee either publicly or privately.

D. Persons who are related to one another within the first degree by consanguinity or affinity under the civil law method of determining degree of kinship may not serve on the Council at the same time.

(Ord. No. 785, § 1, Prop. N, 2-13-01; Ord. No. 981, § II, Prop. 3, 1-13-09)

Section 3.09. Meetings of city council.

The City Council shall hold at least two (2) regular meetings each month other than November and December during which there must be at least one (1) regular meeting per month and as many additional meetings as it deems necessary to transact the business of the City and its citizens. The City Council shall fix, by ordinance, the date, time and place of regular meetings.

All meetings shall be open to the public, except for those purposes where the law specifically authorizes executive sessions.

Special meetings of the City Council shall be held on the call of the Mayor or three (3) City Council members and, whenever practicable, upon no less than ~~twelve (12)~~ seventy-two (72) hours' notice to each member.

(Ord. No. 1069, § II, Prop. 1, 12-11-12; Res. No. 2021-23 , amd. E, elec. of 5-1-21)

Section 3.10. Rules of procedure.

The City Council shall, by ordinance, determine its own rules and order of business and the rules shall provide that citizens of the City shall have a reasonable opportunity to be heard at any meeting with regard to any matter under consideration. All meetings shall be held in compliance with Texas Open Meeting Act. The City Council shall provide for minutes being taken and recorded for all meetings, and such minutes shall be a public record and shall be kept and maintained by the City Secretary. Voting, except on procedural motions, shall be by roll call and shall be recorded in the minutes. Four Councilmembers shall constitute a quorum for the purpose of transactions of business. No action of the City Council, except as provided in Sections 3.06 and 3.12, shall be valid

or binding unless adopted by an affirmative vote of four or more of the members of the City Council present, except where there is a conflict of interest, the reason for which shall be stated concisely in the records.

The agenda for each regular meeting must be posted in accordance with Texas Open Meeting Act. The Mayor will establish the agenda, except that an item requested by two ~~or more~~ Councilmembers shall be included in the agenda.

(Amd. of 5-4-96)

Section 3.11. Passage of ordinances in general.

- A. *Form:* The City Council shall legislate by ordinance only, and the enacting clause of every ordinance shall be, "BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF INGLESIDE, STATE OF TEXAS." Each proposed ordinance shall be introduced in the written or printed form required for adoption. No ordinance shall contain more than one subject, which shall be clearly expressed in its title, but general appropriation ordinances may contain various subjects and accounts for which monies are to be appropriated. After adoption, an ordinance shall not be amended or repealed except by the adoption of another ordinance amending or repealing the original ordinance. Except when an ordinance is repealed in its entirety, the amendatory or repealing ordinance shall set out in full the ordinance sections, or subsections to be amended or repealed, and shall indicate matter to be omitted by striking through it and shall indicate new matter by underscoring.
- B. *Procedure:* Any member of the City Council may offer any ordinance in writing that has been placed on the agenda of a ~~regular~~ City Council meeting. Copies of proposed ordinances, in the form required for adoption, shall be furnished to members of the City Council before first reading. ~~Copies of the proposed ordinances, in the form required for adoption, shall be furnished to members of the City Council before first reading.~~ Copies of the proposed ordinances, in the form required for adoption, shall be available at the City offices and shall be furnished to citizens, upon request to the City Secretary, before first reading, and, if amended, shall be

available and furnished in the amended form for as long as the proposed ordinance is before the City Council.

A proposed ordinance, except an emergency and/or a budget/tax ordinance, shall be read at two (2) City Council meetings, with at least two (2) weeks elapsing between each reading. A proposed ordinance may be amended at any reading, but any ordinance amended in substance shall automatically be placed again on first reading at a subsequent meeting. Amendments involving such items as typographical, grammatical or spelling changes or renumbering of sections shall not be considered substantive. A substantive change is one which changes the general purpose of the ordinance. At any reading of a proposed ordinance persons interested shall have a reasonable opportunity to be heard. Emergency ordinances shall be passed in accordance with Section 3.12 and budget/tax ordinances in accordance with Articles 7 and 8. Only one (1) reading shall be required for emergency and budget/tax ordinances.

- C. *Effective Date:* Every ordinance shall become effective upon adoption, or at any later time specified in the ordinance, except that every ordinance imposing any penalty, fine or forfeiture shall become effective only after having been published in its entirety or in caption form once in the official city newspaper.
- D. *Reading:* The reading aloud of the title and caption of the ordinance shall suffice as a reading, provided ~~printed~~ copies of the ordinance, in the form required for adoption, are in front of all members of City Council and a reasonable number of additional copies are available to citizens present at the meeting. If two (2) City Council members request that the ordinance be read in its entirety, it must be read.

(Amd. of 5-4-96; Ord. No. 786, § II, Prop. 4, 2-13-01; Ord. No. 875, § II, Prop. 4, 2-24-04)

Section 3.12. Emergency ordinances.

The City Council may adopt emergency ordinances only to meet public emergencies affecting life, health, property, or the public peace. In particular such ordinances shall not levy taxes, grant or renew or extend a franchise, or regulate the rate charged by any public utility for its services. Neither shall they authorize the

borrowing of money, except as provided in Article 7. An emergency ordinance shall be introduced in the form and manner generally prescribed for ordinances, except that it shall be plainly designated in the title as an emergency ordinance and shall contain, after the enacting clause, a declaration stating that an emergency exists and describing it in clear and specific terms. An emergency ordinance can be adopted with or without amendment or rejected at the meeting at which it is introduced. The affirmative vote of at least two-thirds (2/3) of the members of the City Council shall be required for adoption. After adoption, the ordinance shall be published as required for other adopted ordinances and shall become effective in the same manner. Every emergency ordinance so adopted, except one authorizing the borrowing of money as described herein, shall automatically stand repealed as of the sixty-first (61st) day following the day on which it became effective, but this shall not prevent reenactment of the ordinance.

Section 3.13. Authentication, recording, codification, printing, distribution.

- A. *Authentication and Recording:* The City Secretary shall authenticate by signature and seal in a properly indexed book kept for the purpose, all ordinances and resolutions adopted by the City Council. All ordinances shall be numbered consecutively in the order in which adopted. This record shall be open for public inspection.
- B. *Codification:* Within one (1) year after the adoption of this Charter and at least every 180 days thereafter, the City Council shall provide for the preparation of a codification of all general ordinances of the City, provided, however, that if a codification of all general ordinances of the City has been completed within one (1) year of adoption of this Charter such prior codification shall apply to this Charter.

Every general ordinance enacted subsequent to such codification shall be enacted as an amendment to the code. For the purposes of this section, general ordinances shall be deemed to be those ordinances of a permanent or continuing nature which affect the residents of the City at large.

The codification shall be adopted by the City Council by ordinance and shall be published promptly together with this Charter and any amendment thereto and with appropriate references to State Statutes and Constitution,

and such codes of technical regulations and other rules and regulations as the City Council may specify. This compilation shall be known and cited officially as the Ingleside City Code and shall be in full force and effect without the necessity of such code or any part thereof being published in any newspaper. The caption, descriptive clause, and other formal parts of the ordinances of the City may be omitted without affecting the validity of such ordinances when they are published as a code. Copies of the code shall be furnished to City Officers, placed in City offices and a public library designated by the City Council for free reference and made available for purchase by the public at a reasonable price fixed by the City Council.

C. *Printing of Ordinances and Resolutions:* The City Council shall cause each ordinance and each amendment to this Charter to be printed promptly following its adoption, and the printed ordinances and Charter amendments shall be distributed free or sold to the public at reasonable prices to be fixed by the City Council. Following publication of the first Ingleside City Code and at all times thereafter, the ordinances and Charter amendments shall be printed in substantially the same style as the code currently in effect and shall be suitable in form for integration therein. A copy of such ordinance and resolution shall be ~~placed~~ kept on file in the office of the City ~~Secretary-offices~~, public library designated by the City Council and on the City website for free reference.

D. The City Council shall appoint a Sunset Committee every eight (8) years to review the Ingleside Code of Ordinances ~~ordinances~~ for continued relevance.

~~A copy of each ordinance and resolution shall be placed in City offices and a public library designated by the City Council for free reference.~~

(Res. No. 2021-23 , Amends. F—H, elec. of 5-1-21)

Section 3.14. Investigations by the city council.

Notwithstanding the provisions of Section 3.08.C of this Charter the City Council may make investigations into the affairs of the City and the conduct of any City department, office or agency.

(Ord. No. 981, § II, Prop. 4, 1-13-09)

Section 3.15. Audits and examination of city books and accounts.

The City Council shall cause an independent annual audit to be made of the books and accounts of each and every department of the City as required by state law. At the close of each fiscal year and at such other times as it may deem necessary, a complete audit shall be made by a certified public accounting firm who shall have no interest, directly or indirectly, in the financial affairs of the city or any of its offices. The firm shall be selected by the City Council. The City Council shall issue a request for proposals no less than every three (3) years. The audit shall include a recapitulation of all audits made during the course of each fiscal year. All audit reports shall be filed with the City Council, shall be available for public inspection, and shall be made a part of the archives of the City. Notification shall be published in the official newspaper that the audit report is available for inspection in the City offices and on the City website.

(Ord. No. 981, § II, Prop. 5, 1-13-09; Res. No. 2021-23 , amd. I, elec. of 5-1-21)

Section 3.16. Bonds for city employees.

The City Council shall require bonds of all municipal officers and employees who receive or pay out any monies of the City. The amount of such bonds shall be determined by the City Council and the cost thereof shall be borne by the City.

ARTICLE IV. ADMINISTRATIVE SERVICES

Section 4.01. City ~~M~~anager.

- A. *Appointment and Qualifications:* ~~Appointment and Qualifications:~~ The City Council shall, by majority vote of the entire City Council, appoint a City Manager who shall be responsible to the City Council for administration of all affairs of the City. The City Manager shall be appointed solely upon the basis of ~~his/her~~ their executive and administrative qualifications and need not, when appointed, be a resident of the City. The City Manager shall have the following minimum qualifications: (~~A1~~) A Bachelor's Degree and at least three (3) years of municipal government managerial experience or (~~B2~~) a minimum of six (6) years of municipal government managerial experience. Within six (6) months after appointment, the City Manager must reside in the City unless specifically excused by the City Council.
- B. *Compensation:* The City Manager shall receive compensation as may be fixed by the City Council according to ~~his/her~~ their qualifications and experience. ~~The City Manager~~He/she shall be bonded at City expense in an amount deemed adequate by the City Council.
- C. *Term and Removal:* The City Manager shall not be appointed for a definite term but shall serve at the pleasure of the City Council. The City Council may remove the City Manager from office by majority vote of the entire City Council.
- D. *Interim City Manager:* In the event the City Manager resigns, is terminated, or is unable to fulfill the duties of City Manager, the City Council may appoint an Interim City Manager until the City Manager is able to fulfill ~~their~~his duties or a new City ~~Manager~~Manager is appointed. No ~~member~~member of the City Council shall serve as Interim City Manager.
- E. *Duties of the City Manager:* The City Manager shall be required to:

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1. Appoint, and when ~~he/she~~ they deems necessary for the welfare of the City, suspend or remove all City employees and appointive administrative officers provided for by or under this Charter, except as otherwise provided by law or personnel rules adopted pursuant to this Charter;
 2. Direct and supervise the administration of all departments, offices, and agencies of the City, except as otherwise provided by this Charter or by law;
 3. Assure that all laws, provisions of this Charter, and acts of the City Council, subject to enforcement by ~~him/her~~ the City Manager or by officers and employees subject to the City Manager's ~~his/her~~ direction or supervision, are faithfully executed;
 4. Attend all City Council meetings and have the right to take part in discussions; however, ~~he/she~~ may not vote;
 5. Prepare and submit to the City Council the annual budget and capital program and administer the budget as adopted by the City Council;
 6. Prepare and submit to the City Council, within ninety (90) days of the end of the fiscal year, an Annual Report on the finances and administrative activities of the City, as of the end of each fiscal year;
 7. Keep the City Council fully advised as to the financial condition and future needs of the City and make such recommendations concerning the affairs of the City as ~~he/she~~ they deems desirable or necessary;
 8. Make reports as the City Council may require concerning the operations of the City Departments, offices, or agencies subject to their ~~his/her~~ direction or supervision;
 9. Prepare and accept items for inclusion on the agenda of all official meetings; and
 10. Perform such other duties as are specified in this Charter or may be required by the City Council and not inconsistent with this Charter or state law.
 11. When the hiring or firing of a Director ~~department head~~ is deemed necessary, the City Manager shall inform the City Council prior to the action to be taken.

12. Sign contracts the Council has approved.

(Amd. of 5-4-96; Ord. No. 785, § 1, Prop. N, 2-13-01; Ord. No. 786, § II, Props. 5, 6, 2-13-01; Ord. No. 875, § II, Props. 2, 3, 2-24-04; Ord. No. 931, § II, Prop. 1, 2-27-07; Ord. No. 981, § II, Prop. 7, 1-13-09; Ord. No. 2017-01 , § II, Props. 2, 4, 1-10-17)

Section 4.02. Municipal Court.

- A. *Establishment:* The City Council shall establish and cause to be maintained a Municipal Court, for the trial of misdemeanor offenses, with all powers and duties as are now or may be prescribed by the laws of the State of Texas.
- B. *Judge of the Court:* The City Council shall appoint a Judge of the Municipal Court, who shall serve a term of two (2) years and may be appointed to additional consecutive terms upon completion of their ~~his/her~~ term of office. The appointment of the Judge may be terminated for just cause by the City Council. The Judge shall receive such compensation as may be determined by the City Council commensurate with the duties performed by the Judge.
- C. *Associate Judge of the Court:* The City Council may appoint an Associate Judge, to assist the Municipal Court, or to serve in the absence or disability of the Municipal Court Judge.
- D. *Clerk of the Court:* The City Manager shall appoint a Clerk and a Relief Clerk of the Municipal Court. The Clerk and the Relief Clerk shall be bonded at City expense, and shall receive such compensation as may be determined by the City Manager.
- E. *Powers of the Clerk:* The Clerk of the Municipal Court shall keep minutes of the proceedings of the court, issue process, and generally perform the duties for the Municipal Court that a County Clerk performs for a County Court.
- F. *Fines and Penalties:* All monies received as court-imposed fines on penalties shall be paid into the General Fund of the City Treasury.

(Ord. No. 785, § 1, Prop. N, 2-13-01; Ord. No. 875, § II, Prop. 8, 2-24-04; Res. No. 2021-23 , Amends. J, K, elec. of 5-1-21)

Section 4.03. City ~~S~~ecretary.

A. *Appointment:* The City Manager shall appoint, as provided in Section 4.01E of this Charter, a City Secretary.

B. *Duties of the City Secretary:* The City Secretary shall be required to:

1. Give notice of, and attend all official public meetings and hearings of the City Council;
2. Keep the minutes of the proceedings of all official public meetings and hearing of the City Council. Be responsible for the electronic taping or recording of the entire proceedings of all the official public meetings and hearings of the City Council. Be responsible for the care, maintenance and filing of such tapes or recordings for a period ~~as required by state law of not less than two years following each meeting or hearing so taped or recorded;~~
3. Act as custodian of all official records of the City Council;
4. Hold and maintain the Seal of the City of Ingleside and affix this Seal to all appropriate documents;
5. Authenticate by signature and Seal, and record in a book kept and indexed for the purpose, all ordinances and resolutions of the City; and
6. Perform such other duties as may be required by the City Manager, this Charter, or other laws of the State of Texas and not inconsistent with other provisions of this Charter.

Section 4.04. City ~~A~~ttorney.

A. *Appointment and Qualifications:* The City Council, in consultation with the City Manager, shall appoint a competent, duly qualified, licensed and practicing attorney in the State of Texas who shall serve as the City Attorney.

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- B. *Removal:* The City Attorney may be removed by a majority vote of the entire City Council.
- C. *Duties:* The City Attorney shall be required to:
1. Serve as the legal advisor to the City Council and City Manager.
 2. Represent the City in litigation and legal proceedings as directed by the City Council and City Manager.
 3. Review and provide opinions as requested by the City Council or City Manager on contracts, legal instruments, and ordinances of the City.
- D. *Limitation:* The City Council shall have the right to retain special counsel at any time that it may deem necessary and appropriate.
- E. ~~{Compensation:}~~ The City Attorney shall receive compensation as may be determined by the City Council.
- F. ~~{Selection of Additional Attorneys:}~~ The City Attorney, with approval of the City Council, may select additional attorneys to act for ~~him/her~~ them and the City in its representation and litigation.
- G. ~~{City Council May Contract With Attorney:}~~ The City Council may contract with an attorney or with a firm of attorneys who shall designate one (1) member of said firm to serve as City Attorney.

(Ord. No. 785, § 1, Prop. N, 2-13-01; Ord. No. 786, § II, Prop. 7, 2-13-01)

Section 4.05. Administrative departments, offices and agencies.

- A. *General Provisions:*
1. The City Council may create or establish departments, offices, or agencies in addition to those provided for by this Charter and may prescribe the functions and duties of such departments, offices and agencies.
 2. The City Council may abolish, redesignate, or combine any of the departments, offices, or agencies it has established.

3. The City Council shall take none of the foregoing actions until the recommendations of the City Manager shall have been heard by the City Council.

B. *Direction and Supervision:* Except as provided in Section 4.02 of this Charter, all departments, offices and agencies of the City shall be under the direction and supervision of the City Manager and shall be administered by officers appointed by and subject to the direction and supervision of the City Manager. The City Manager may, with the consent of the City Council, serve as the head of one or more City departments, offices, or agencies, or appoint one person as the head of two or more of them.

C. *City Assessor-Collector:* The City Manager shall appoint, as ~~proved~~ provided in Section 4.01E of this Charter, a person or entity who shall serve as the Assessor-Collector for the City, and whose functions shall be those usual to the office; provided, however, that the City Council may prescribe such additional functions as may be appropriate for the City.

Section 4.06. Boards, ~~C~~ommissions and ~~C~~ommittees.

The City Council shall create, establish, or appoint, as may be required by law, circumstance, or this Charter, those Boards, Commissions and Committees which are deemed necessary to carry out the functions and obligations of the City. The City Council shall prescribe the purpose, composition, function, duties and accountability of such Board, Commission and Committee where such are not prescribed by law or this Charter.

Members of such Boards, Commissions and Committees unless addressed elsewhere shall be appointed each year. They may be reappointed for additional terms of one year each. All members of all boards and commissions, whether created by state law, Charter, the Council or otherwise, must be residents of the City, unless and except to the extent otherwise required by state law.

(Ord. No. 786, § II, Prop. 8, 2-13-01; Ord. No. 875, § II, Prop. 6, 2-24-04; Ord. No. 981, § II, Prop. 8, 1-13-09; Res. No. 2021-23 , amd. L, elec. of 5-1-21)

Section 4.07. Oath of office.

Every appointive officer of the City, and every member appointed to a Board, Commission, or Committee under the provisions of this Charter, before entering upon the duties of the office, shall take and subscribe to the appropriate oath or affirmation prescribed in Article 11 of this Charter. Each such oath or affirmation shall be filed and kept in the office of the City Secretary.

Section 4.08. Personnel system.

- A. *Merit Principle:* Appointments and promotions of all city employees and appointive administrative officers shall be made solely on the basis of merit and fitness demonstrated by examination or other evidence of competence.
- B. *Personnel Rules:* Personnel rules shall be prepared by the City Manager and presented to the City Council which may by ordinance adopt them with or without amendment. The adopted rules shall govern the equitable administration of the personnel system of the City and shall provide for the following requirements, among others:
1. A pay and benefit plan for all City positions. Social Security benefits may be considered a benefit plan under provisions of this Charter.
 2. A plan for working hours, attendance regulation, and provision for sick and vacation leave.
 3. Procedures for the hearing adjudication of grievances; and
 4. Other practices and procedures necessary to the equitable administration of the personnel system of the city.
- C. *Residency:* Except for the City Manager ~~and the Chief of Police~~, no City employee is required to reside within the City limits. The City Council may prescribe reasonable standards with respect to the time within which

~~City employees~~ Directors and public safety personnel who reside outside the City limits must respond to civil emergencies.

ARTICLE V. ELECTIONS

Section 5.01. City ~~e~~Elections.

- A. *Regular Elections:* The regular City elections will be held annually during the month of May or if there is no uniform election date in the month of May then on the uniform election date nearest to the first Saturday in May in accordance with Texas State ~~e~~Election codelaw. The City Council shall fix the location and times for holding such an election in accordance with state law.
- B. *Special Elections:* The City Council may, by resolution, order a special election for ordinances, bond issues, Charter amendments, filling vacancies in an existing elected office, or any other reason the City Council deems necessary. The City Council will fix the location for holding this type of election and the date shall be at the next uniform election date as is in accordance with Texas State Election Law.
- C. *Publicizing City Elections:* it is the responsibility of the City Council to inform the voters as to the time, location, date, purpose and filing period for the potential candidates, for the upcoming City election, in accordance with Texas State ~~e~~Election codelaw. The provisions for absentee balloting shall also be publicized at this time. Sample ballots shall be posted outside the City offices and shall be published in the official city newspaper not less than ten (10) days prior to the election.
- D. *Conduct and Regulations of City Elections:* All ~~e~~City elections shall be governed by the Constitution of the State of Texas, general laws of the state, this Charter, and ordinances of the City, in the order named. Municipal elections shall be conducted by the election officials appointed and approved by the City Council. Sample ballots identical to the voting format for the specific election shall be posted ~~in~~at the voting place for the benefit of the voters.

E. *Voter Qualification:* All duly qualified electors under the laws of the State of Texas, who are residents of the City, shall be qualified to vote in any City election.

F. *Voter Eligibility List:* A certified list of voter registrants within the City can be requested at the County Voters Registrars/Election Administrative Office.

(Ord. No. 786, § II, Props. 10—12, 2-13-01; Ord. No. 2017-01 , § II, Prop. 5, 1-10-17; Res. No. 2021-23 , Amends. N—P, elec. of 5-1-21)

Section 5.02. Filing for office.

A. *Eligibility to File for Office:* Each candidate for an elective position in the City of Ingleside shall meet the following requirements:

1. The candidate shall be a qualified voter of the City of Ingleside and a resident of Ingleside for a period of at least one year prior to the date of election, and shall retain residency during entire term of office.
2. At the time of filing for office, the candidate shall not be in arrears in the payment of any taxes or other liabilities due the City.
3. No candidate may file for more than one office or position per election.
4. ~~No city employee shall be a candidate for any office while an employee of the City.~~
5. A council person may run for another position on the council only if the council person resigns in writing from the position which is presently held. Said resignation must be filed with the ~~e~~Office of the ~~e~~City ~~s~~Secretary no less than ~~thirty~~ (30) days before the deadline date for City Council candidates to file for office. Such a resignation cannot be withdrawn and cannot be made to be conditional on any event. Said council person shall continue to serve in the position from which ~~he or she~~they resigned until the earlier to occur of the following: when ~~his or her~~their successor takes office; or, if said council person is

elected to a new position, on the day said council person assumes the newly held position to which ~~they were~~ ~~he or she was~~ most recently elected.

6. A council person may run for another elected position of public office (such as school board, county office, state office, or federal office (any elected positions)) only if the council person resigns in writing from the council position which is presently held. Said resignation must be filed with the ~~e~~Office of the ~~e~~City ~~s~~Secretary no less than thirty (30) days before the deadline date for candidates to file for the other public office. Such a resignation cannot be withdrawn and cannot be made to be conditional on any event. Said council person shall continue to serve in the position from which ~~he or she~~ they resigned until the earlier to occur of the following: when ~~his or her~~ their successor takes office; or, if said council person is elected to a new position, on the day said council person assumes the newly held position to which ~~they were~~ ~~he or she was~~ most recently elected.

- B. *Procedure for Filing for Office:* Any qualified person (see Section 5.02A) who desires to become a candidate for election shall file an application with the City Secretary not earlier than sixty (60) days, nor later than the thirty-first (31st) day prior to the election date or within such other time as may be allowed by Texas Election Code. Such an application shall clearly designate the office to which the candidate seeks election, and shall contain a sworn statement by the candidate that ~~they are~~ ~~he or she is~~ fully qualified under the provisions of this Charter to hold the office sought.

(Amd. of 5-4-96; Ord. No. 981, § II, Prop. 9, 1-13-09; Ord. No. 2017-01, § II, Prop. 7, 1-10-17; Res. No. 2021-23, amd. Q, elec. of 5-1-21)

Section 5.03. Official ballots.

- A. *Candidates' Names on Ballots:* The names of all candidates who have filed for office shall be printed on the official ballots without party designation. The order on the ballot of the names of the candidates for each office shall be determined by lot in a drawing to be held under the supervision of the City Secretary.

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- B. *Absentee Balloting:* Absentee Voting shall be governed by the Election Code of the State of Texas.
- C. *Write-in Votes:* ~~There must be space for each office on the ballot for the voter to write in a name for a potential candidate and procedures for w~~Write-in votes shall be governed by the current edition of the Texas Election Code. There can be no write-in votes in any runoff election.
- D. *Ballots for Ordinances, Bond Issues, and Charter Amendments:* An ordinance, bond issue or Charter amendment, to be voted on by registered voters of the City, shall be presented for voting by ballot title. The ballot title of a measure may differ from its legal title and shall be a clear, concise statement, approved by majority of the whole City Council, describing the substance of the measure without argument or prejudice. The wording and order of the ballot shall be in accordance with Texas Election ~~Code~~Law.
- E. *Election Procedures:* Election procedures shall be consistent with the current edition of Texas Election ~~Code~~Laws.

(Ord. No. 785, § 1, Prop. N, 2-13-01; Ord. No. 2017-01 , § II, Prop. 8, 1-10-17)

Section 5.04. Determination of election results.

- A. *Canvassing:* The returns of every municipal election shall be delivered ~~to the Elections Administrator in accordance with Texas Election Code~~from the election judges to the Mayor at City Hall not later than twelve hours after the closing of the polls. ~~One (1) extra copy shall be delivered to the City Secretary at this time.~~ The City Council shall canvass the returns in sufficient time but not later than the time provided for in the current edition of the Texas ~~e~~Election ~~Code~~Laws, to declare the official results of the election at the next City Council meeting after the closing of the polls. The returns of every municipal election shall be recorded in the minutes of the City Council, by totals for each candidate or for and against each issue submitted.
- B. The candidates receiving the greatest number of votes cast for Mayor and for each place shall be declared elected.

(Ord. No. 981, § II, Prop. 10, 1-13-09)

Section 5.05. Taking office.

The City Secretary shall promptly notify all persons elected to office. A candidate who is elected in a regular or special City election shall, after taking the ~~e~~Oath of ~~e~~Office as prescribed in Article II, take office, and enter upon ~~his/her~~their duties at the next City Council meeting after the date of the election.

(Ord. No. 785, § 1, Props. K, N, 2-13-01)

ARTICLE VI. INITIATIVE, REFERENDUM AND RECALL

Section 6.01. General authority.

- A. *Initiative*: The qualified voters of the City shall have power to propose ordinances to the City Council, and if the City Council fails to adopt an ordinance so proposed without any change in substance, to adopt or reject it at a city election, provided that such power shall not extend to the budget or capital program or any ordinance relating to appropriation of money, levy of taxes or salaries of City officers or employees. Such initiative power may be used to enact a new ordinance, or to repeal or to amend section of an existing ordinance.
- B. *Referendum*: The qualified voters of the City shall have power to require reconsideration by the City Council of any adopted ordinance and, if the City Council fails to repeal an ordinance so reconsidered, to approve or reject it at a City election, provided that such power shall not extend to the budget or capital program or any emergency ordinance relating to appropriation of money or levy of taxes.
- C. *Recall*: The qualified voters shall have the power to recall any elected official of the City on grounds of incompetency, noncompliance with this Charter, misconduct or malfeasance in office. Such power shall be exercised by filing with the City Secretary a petition, signed by currently qualified voters of the City equal in number to at least twenty-five percent (25%) of the total number of qualified voters voting at the last regular City election, demanding removal of such elected official. The recall petition must specifically state each ground or grounds upon which such petition for removal is predicated as to give the officer sought to be removed notice of the matters and things with which ~~he/she is~~ they are charged.

The provisions regulating initiation, certification, amendment, withdrawal of initiative and referendum petitions and submission to voters shall apply to recall petitions.

(Ord. No. 785, § 1, Props. D, N, 2-13-01)

Section 6.02. Commencement of proceedings; petitioner's committee; affidavit.

Any five (5) qualified voters may commence initiative or referendum proceedings by filing with the City Secretary an affidavit stating they will constitute the petitioners' committee and be responsible for circulating the petition and filing it in proper form, stating their names and residence addresses and specifying the address to which all notices to the committee are to be sent, and setting out in full the proposed initiative ordinance or citing the ordinance sought to be reconsidered.

Section 6.03. Petitions.

- A. *Number of Signatures:* Initiatives and referendum petitions must be signed by qualified voters of the City equal in number to at least twenty-five percent (25%) of the total number of qualified voters voting at the last regular City election.
- B. *Form and Content:* All papers of a petition shall be uniform in size and style and shall be assembled as one instrument for filing. Each signature shall be executed in ink ~~or indelible pencil~~ and shall be followed by the residential address and voter registration number of the person signing. Petitions shall contain or have attached thereto throughout their circulation the full text to the ordinance proposed or sought to be reconsidered.
- C. *Affidavit of Circulator:* Each paper of a petition shall have attached to it when filed an affidavit executed by the circulation thereof stating that ~~he/she~~they personally circulated the paper, the number of signatures thereon, that all the signatures ~~were affixed in his/her presence~~were personally witnessed, that ~~he/she~~they believed them to be genuine signatures of the persons whose names they purport to be and that each signer had an opportunity before signing to read the full text of the ordinance proposed or sought to be reconsidered.
- D. *Time for Filing Petitions:* Referendum petitions must be filed within thirty (30) days after adoption by the City Council of the ordinance sought to be reconsidered. Initiative petitions must be filed within thirty (30) days

after issuance of the appropriate petition blanks to the petitioners' committee; additional time as specified in Section 6.04 shall be allowed for amending petitions.

(Ord. No. 785, § 1, Prop. N, 2-13-01; Ord. No. 875, § II, Prop. 7, 2-24-04)

Section 6.04. Determination of sufficiency.

- A. *Certificate of City Secretary:* Within ten (10) business days after the petition is filed, the person performing the duties of City Secretary shall complete a certificate as to its sufficiency, specifying, if it is insufficient, the particulars wherein it is defective and shall immediately upon completion of certification send a copy of the certificate to each member of the petitioners' committee by certified mail.
- B. *Sufficient Petition, Final Determination:* If the petition is certified sufficient, the person performing the duties of City Secretary shall present the certificate to the City Council by the next regular City Council meeting and the certificate shall be a final determination as the sufficiency of the petition.
- C. *Insufficient Petition, Final Determination:* If a petition is certified insufficient, and the petitioners' committee does not elect to amend or request City Council review under subsection (D) and (E) of this section within the time required, the City Secretary shall present a certificate to the City Council by the next regular City Council meeting which shall be a final determination of the insufficiency of the petition.
- D. *Insufficient Petition, Appeal:* If a petition has been certified insufficient and the petitioners' committee does not file notice of intention to amend it as in Section 6.04E, the committee may, within two (2) businessworking days after receiving the copy of such certificate, file a request that it be reviewed by the City Council. The City Council shall review the certificate at its next regular meeting following the filing of such request and approve or disapprove it, and the City Council's determination shall then be a final determination.
- E. *Insufficient Petition, Amend:* A petition certified insufficient for lack of required number of valid signatures may be amended once if the petitioners' committee files a notice of intention to amend it with the City

Secretary within two (2) ~~business~~^{working} days after receiving the copy of such certificate. Such supplementary petition shall comply with the requirements of Section 6.03B and 6.03C and shall be filed within ten (10) business days after the petitioner's committee files its notice of intention to amend.

Within five (5) business days after {an} amended petition is filed, the person performing the duties of City Secretary shall complete a certificate as to the sufficiency of the petition as amended and shall within twenty-four (24) hours send a copy of such certificate to each member of the petitioners' committee by certified mail or electronic mail as in the case of an original petition. The final determination as to the sufficiency of an amended petition shall be determined in the same manner as prescribed for original petitions in Sections 6.04B, 6.04C and 6.04D, except that no petition, once amended, may be amended again.

F. *Court Review, New Petition:* A final determination as to the sufficiency of a petition shall be subject to review in a court of competent jurisdiction and higher. A final determination of insufficiency, even if sustained upon court review, shall not prejudice the filing of a new petition for the same purpose.

(Amd. of 5-4-96; Res. No. 2021-23 , Amends. R, S, elec. of 5-1-21)

Section 6.05. Referendum petitions: suspension of effect of ordinance.

When a referendum petition is filed with the City Secretary, the ordinance sought to be reconsidered shall be suspended from taking effect. Such suspension shall terminate when:

1. There is a final determination of insufficiency of the petition, or
2. The petitioners' committee withdraws the petition, or
3. The City Council repeals the ordinance, or
4. Upon the certification of the election results by the election officials.

Section 6.06. Action on petitions.

- A. *Action by City Council:* When an initiative or referendum petition has been finally determined sufficient, the City Council shall promptly consider the proposed initiative ordinance in the manner prescribed for enacting ordinances or reconsider the referred ordinance by voting its repeal. If the Council fails to adopt a proposed initiative ordinance without any change in substance within sixty (60) days or fails to repeal the referred ordinance within thirty (30) days after the date the petition was finally determined sufficient, it shall submit the proposed or referred ordinance to the voters of the City.
- B. *Submission to Voters:* The vote of the City on a proposed or referred ordinance shall be ~~held not less than thirty days and not more than one hundred and twenty days from the date of the final City Council vote thereon. If no regular City election is to be held within the period prescribed in this subsection, the City Council shall provide for a special election; otherwise, the vote shall be held at the same time as such regular election, except that the City Council may in its discretion provide for a special election at an earlier date within the prescribed period at the next uniform election date as prescribed by the Texas Election Code following the dates of the final City Council vote.~~ Copies of the proposed or referred ordinance shall be made available at the polls and shall be published in its entirety or by caption at least once in the official newspaper of the City ~~within fifteen~~ not later than ten (10) days before the date of the election.
- C. *Withdrawal of Petitions:* An initiative or referendum petition may be withdrawn at any time prior to the fifteenth (15th) day preceding the day scheduled for a vote of the City by filing with the City Secretary a request for withdrawal signed by at least four (4) members of the petitioners' committee. Upon the filing of such request, the petition shall have no further force or effect and all proceedings thereon shall be terminated.

Section 6.07. Results of election.

- A. *Initiative:* If a majority of the qualified electors voting on a proposed initiative ordinance vote in its favor, it shall be considered adopted upon certification of the election results and shall be treated in all respects in the same manner as ordinances of the same kind adopted by the City Council. If conflicting ordinances are approved at the same election, the one receiving the greatest number of affirmative votes shall prevail to the extent of such conflict.
- B. *Referendum:* If a majority of the qualified electors voting on a referred ordinance vote against it, it shall be considered repealed upon certification of the election results.

Section 6.08. Limitation of recall.

If a majority of the votes cast at a recall election shall be against removal of the elected official named on the ballot, ~~he/she~~the elected official shall continue in office. If the majority of the votes cast at the election be for the removal of the elected official named on the ballot, the City Council shall immediately declare ~~his/her~~their office vacant and such vacancy shall be filled in accordance with the provisions of this Charter for the filling of vacancies as prescribed in Section 3.06D.

(Ord. No. 785, § 1, Prop. N, 2-13-01)

Section 6.09. Limitation on recall.

No recall petition shall be filed against an elected official within six (6) months after ~~he/she takes~~ they take office, and no elected official shall be subjected to more than one (1) recall election during a term of office.

(Ord. No. 785, § 1, Prop. N, 2-13-01)

Section 6.10. Public hearing.

The elected official whose removal is sought may, within five (5) days after such recall petition has been presented to the City Council, request that a public hearing be held to permit ~~him/her~~the elected official to present facts pertinent to the charges specified in the recall petition. In this event, the City Council shall order such public hearing to be held, not less than five (5) days nor more than fifteen (15) days after receiving such request for a public hearing.

(Ord. No. 785, § 1, Prop. N, 2-13-01)

Section 6.11. Failure of city council to call an election.

In case all of the requirements of this Charter shall have been met and the City Council shall fail or refuse to receive the recall petition, or order such recall election, or discharge other duties imposed upon said City Council by the provisions of this Charter with reference to such recall, then the County Judge of San Patricio County, Texas shall discharge any such duties herein provided to be discharged by the City Secretary or by the City Council. In addition, any qualified voter in the City may seek judicial relief in the District Court of San Patricio County, Texas, to have any of the provisions of this Charter pertaining to recall carried out by the proper official.

ARTICLE VII. MUNICIPAL FINANCE

Section 7.01. Fiscal year.

The fiscal year of the City shall begin on the first day of October and end the last day of September. Such fiscal year shall also constitute the budget and accounting year.

State law reference(s)—Fiscal year, V.T.C.A., Tax Code § 1.05.

Section 7.02. Submission of budget.

On or before the first regular eCity eCouncil meeting of August of each year, the City Manager shall submit to the City Council a proposed budget for the ensuing fiscal year and the budget message. The City Council shall review the proposed budget and make any appropriate changes prior to publishing the final budget.

(Ord. No. 1069, § II, Prop. 3, 12-11-12)

Section 7.03. Budget.

- A. *Budget Message:* A budget message explaining the budget both in fiscal terms and in terms of the work programs shall be submitted with the budget. It shall outline the proposed financial programs of the City for the ensuing fiscal year, the capital program, and capital projects for five fiscal years succeeding the budget year. It shall describe the important features of the budget and indicate any major changes from the current year in financial policies, expenditures, and revenues including the reasons for such changes. It shall also summarize the City's debt position and contain such other material as the City Manager deems desirable.
- B. *Budget Scope:* The budget shall provide a complete financial plan of all City funds and activities and, except as required by law or this Charter, shall be in such form as the City Manager deems desirable or the City

Council may require. The budget shall be so arranged as to show comparative figures for actual and budgeted income and expenditure for the preceding fiscal year; budgeted and estimated income and expenditure for the current fiscal year; actual income and expenditure of the current fiscal year up to the time of preparation of the budget; and estimated income and expenditures for the budgeted year shall not exceed the total of the estimated income and surplus.

C. *Content:* The budget shall contain, in separate sections, the following:

1. A clear general summary of contents;
2. A consolidated statement of ~~receipts~~ revenues and expenditures of all funds, listed and itemized individually;
3. An analysis and itemization of all estimated income of the City from surplus, miscellaneous income and taxes with miscellaneous income subclassified by source;
4. Tax rates and collections for the preceding five years;
5. An itemized statement of expenditures for pending and proposed new capital projects. Included shall be the amounts appropriated from the budget, the amounts to be raised by issuance of bonds, and the amount required for down payment;
6. The amount required for interest and sinking funds, for maturing ~~serial~~ bonds, and for interest on the City's debts;
7. The total amount of the City's outstanding debts, with a schedule of maturity on bond issues in an attachment;
8. A detailed estimate of the operating expenses of each department, office or agency;
9. Statement of estimated ~~net~~ surplus or deficit for the ensuing fiscal year of each utility owned and operated by the City ~~and a proposed method of its disposition~~. A subsidiary budget for each utility shall be included giving details of ~~income~~ revenues and expenditures;

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10. Such other information as is required by City Council or deemed desirable by the City Manager;
 11. A contingency line item of up to ten percent (10%) of the gGeneral fFund revenues may be included;
and
 12. Such dedicated reserves as may be required.

D. Public Notices and Hearings: The City Council-Secretary shall post notices of meetings and hearings in-on the City officeHall bulletin board, City Wwwebsite, and publish in the official newspaper a general summary of the proposed budget and a notice stating:

1. The times and places where copies of the message and budget are available for inspection by the public; and the budget must be posted on the City website.
2. The time and place for a public hearing on the budget.

E. City Council Action:

1. The City Council shall hold two (2) public hearings on the budget as submitted at the time and place so advertised or at another time and place with proper notification. Such hearings shall be held in accordance with the Constitution of the State of Texas, general laws of the State, this charter, and ordinances of the City, in the order named. All interested persons shall be given an opportunity to be heard, either for or against any item of the proposed budget.
2. At the next regular or special called meeting, but not less than seven (7) days after the public hearings the City Council may adopt the budget with or without amendment.
3. The City Council shall adopt the-a balanced budget by ordinance on-after two (2) public hearings.
Adoption of the budget will require an affirmative vote of a majority of the entire City Council.
Adoption of the budget shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated and shall constitute a levy of the property tax therein proposed.

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- F. *Failure to Adopt:* If the City Council fails to adopt for the budget by the twenty-fifth day of September, the amounts appropriated for operation during the current fiscal year shall be deemed adopted for the ensuing fiscal year on a month-to-month basis, with all items in it prorated accordingly, until such time as the City Council adopts a [balanced](#) budget for the ensuing fiscal year. The levy of property tax normally approved as part of the budget adoption will be set ~~such that the tax receipts for the budget year shall equal the tax receipts of the current fiscal year~~ [in accordance with state law](#).

(Amd. of 5-4-96; Ord. No. 786, § II, Prop. 13, 2-13-01; Ord. No. 1069, § II, Props. 4—7, 9, 12-11-12; Res. No. 2021-23 , amd. T, elec. of 5-1-2)

Section 7.04. Amendments after adoption.

- A. *Supplemental Appropriations:* If during the fiscal year the City Manager certifies that there are available for appropriation revenues in excess of those estimated in the budget, the City Council may carry the excess into the next fiscal year or by ordinance may make supplemental appropriations to retire indebtedness or to fund emergency appropriations as described in Section 7.04B.
- B. *Emergency Appropriations:* At any time in any fiscal year, the City Council may, pursuant to this section, make emergency appropriations to meet a pressing need for public expenditure, for other than regular or recurring requirements, affecting life, health, property, or the public peace. Such appropriations may require emergency notes, which may be renewed from time to time, but the emergency notes and renewals of any fiscal year shall be paid not later than the last day of the fiscal year in which the emergency appropriation was made.
- C. *Reduction of Appropriations:* If at any time during the fiscal year it appears probable to the City Manager that the revenues available will be insufficient to meet the amount appropriated, ~~he/she~~ [the City Manager](#) shall report to the City Council without delay, indicating the estimated amount of deficit, any remedial action

taken ~~by them by him/her~~ and ~~their his/her~~ recommendations as to any other steps to be taken. The City Council shall then take such further action that it deems necessary to prevent or minimize any deficit.

- D. *Transfer of Appropriations:* At any time during the fiscal year the City Manager may transfer part or all of any unencumbered appropriation balance among programs within a department, office or agency. The City Council may require their approval of these transfers within departments above a limit established by the City Council. Upon written request by the City Manager, the City Council may by ordinance transfer part or all of any unencumbered appropriation balance from one department, office or agency to another. Any monies borrowed from one department can not pass the term of that City Council.
- E. *Limitations:* No appropriation for debt service may be reduced or transferred, and no appropriation may be reduced below any amount required by law to be appropriated or by more than the amount of the unencumbered balance.
- F. *Effective Date:* The supplemental and emergency appropriations and reduction or transfer of appropriations authorized by this section may be made effective immediately upon adoption of the ordinance.

(Amd. of 5-4-96; Ord. No. 785, § 1, Prop. N, 2-13-01)

Section 7.05. Capital ~~p~~Program.

The City Manager shall submit a five-year capital program as an attachment to the annual budget. The capital program shall include the proposed program by the planning and zoning commission and comments by the City Manager. The program as submitted shall include:

1. A clear general summary of its contents;
2. A list of all capital improvements which are proposed to be undertaken during the five fiscal years succeeding the budget year, with appropriate supporting information as to the necessity for such improvements;

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3. Cost estimates, method of financing and recommended time schedules for each improvement; and
 4. The estimated annual cost of operating and maintaining the facilities to be constructed or acquired.

The above information may be revised and extended each year with regard to capital improvements still pending or in process of construction or acquisition.

Section 7.06. Public records.

Copies of the adopted budget and the capital program ~~as adopted~~ shall be public records and ~~shall~~ be made available to the public upon request and review at the Office of the City Secretary. Copies of the adopted budget and capital program shall be to the public upon request, posted on the City's website and where required by state law.

Section 7.07. Lapse of appropriations.

Every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation shall be deemed abandoned if three (3) years pass without any disbursement from or encumbrance of the appropriation. Any funds not expended, disbursed or encumbered shall be deemed excess funds and shall be appropriated by the City Council.

(Ord. No. 785, § 1, Prop. E, 2-13-01; Ord. No. 2017-01 , § II, Prop. 9, 1-10-17)

Section 7.08. Borrowing.

- A. *The Right to Borrow:* The City shall have the right and power, except as prohibited by law, to borrow money by whatever method it may deem to be in the public interest.

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- B. *General Obligation Bonds:* The City shall have the power to borrow money on the credit of the City and to issue general obligation bonds for permanent public improvements or for any other public purpose not prohibited by law, and to issue refunding bonds to refund outstanding bonds previously issued.
- C. *Revenue Bonds:* The City shall have the power to borrow money for the purpose of constructing, purchasing, improving, extending, or repairing of public utilities, recreational facilities or any other self-liquidating municipal function not prohibited by law, and to issue revenue bonds to evidence the obligation created. Such bonds shall be a charge upon and payable from any or all City properties or interest pledged, or the income from the City properties, or both. The holders of the revenue bonds shall never have the right to demand payment out of monies raised or to be raised by taxation.
- D. *Borrowing in Anticipation of Property Tax:* In any budget year, the City Council may, by resolution, authorize the borrowing of money in anticipation of the collection of the property tax for the same year, whether levied or to be levied. Notes may be issued for periods not exceeding one year and must be retired by the end of the budget year in which issued.

Section 7.09. Purchasing and contracting.

- A. Contracts and purchases are referred to herein as a "contract". A contract is made by the Council if it is approved in advance by the Council, regardless of which city official signs it.
- B. The City shall comply with Chapter 252 Texas Local Government Code, and such other State laws as may govern City contracting and, except in emergency situations which shall be promptly reported to the Council, such contracts must be made by the Council.
- (1) All requests for emergency or routine services not requiring a bid shall be awarded on a round robin basis to all local vendors.
- (2) Vendor list should be reviewed annually by City staff for workmanship and pricing.

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- (3) Any vendor removed from the bid list shall have a right to appeal removal to the City Council at a Regular City Council Meeting within ninety days.

C. As to a contract which is not governed by State law:

- (1) The Council must make the contract, unless it authorizes the City Manager to make it.
- (2) The Council must adopt rules governing Council-made and City Manager-made contracts.
- (3) Council rules must be in compliance with this Charter.
- (4) Such contracts must be in compliance with this Charter and Council rules.
- (5) Council rules must provide procedural relaxation in the event of emergencies similar to the manner in which state law addresses emergencies in situations where contracting is governed by state law.
- (6) Such contracts must be with the vendor who offers the best value to the City, as determined in the reasonable, good faith judgment of the contracting authority, whether Council or City Manager.
- (7) Council rules must establish a monetary limit which City Manager-made contracts may not, except in emergencies, exceed.
- (8) All contracts shall be awarded via sealed bids. All bids shall be opened by Department Head, Director of Finance, and City Secretary if contract is estimated to be under \$25,000.00. Bids shall be opened by City Manager, Director of Finance, and City Secretary if contract is estimated to be \$25,000.00 or more.

(Ord. No. 785, § 1, Props. L, N, 2-13-01; Ord. No. 1069, § II, Prop. 10, 12-11-12; Res. No. 2021-23, Amends. U—X, elec. of 5-1-21)

Section 7.10. Administration of budget.

A. *Payments and Obligations Prohibited:* No payment shall be made or obligation incurred against any allotment or appropriation except in accordance with appropriations duly made and unless the City Manager or his/her designee first certifies that there is a sufficient unencumbered balance in such allotment or

appropriation that sufficient funds are or will be available to cover the claim or meet the obligation when it becomes due and payable. Any authorization of payment or incurring of obligation in violation of the provisions of this Charter shall be void and any payment so made illegal. Such action shall be cause for removal of any officer who knowingly authorized or made such payment or incurred such obligations, and ~~he/she~~ they shall also be liable to the City for any amount so paid. However, this prohibition shall not be construed to prevent the making or authorizing of payments or making of contracts for capital improvements to be financed wholly or partly by the issuance of bonds, time warrants, certificates of indebtedness, certificates of obligations, or grants from other governmental bodies, or to prevent the making of any contract or lease providing for payments beyond the end of the fiscal year, provided that such action is made or approved by ordinance. All disbursements above a limit set by City Council shall require two authorized signatures. The City Council shall designate those authorized to sign the disbursements.

- B. *Financial Reports:* The City Manager shall submit to the City Council each month a report covering the financial condition of the City.
- C. *Annual Audit:* An annual audit shall be performed by a competent certified public accounting firm as provided in Article 3.

(Ord. No. 785, § 1, Prop. N, 2-13-01)

Section 7.11. Depository.

- A. All monies received by any person, department or agency of the City for or in connection with affairs of the City shall be deposited promptly in the City depository or depositories, which shall be designated by the City Council in accordance with such regulations and subject to such requirements as to security for deposits and interest thereon as may be established by ordinance. All checks, vouchers or warrants for the withdrawal of money from the City depositories shall be signed and countersigned by persons designated by the City Council.

B. The City shall officially designate a depository by contract which contract shall be no longer than three (3) years with a maximum of two (2) one-year (1-year) extensions as authorized by Council.

(Ord. No. 1069, § II, Prop. 11, 12-11-12)

ARTICLE VIII. TAX ADMINISTRATION

Sec. 8.01. Power to tax property.

The City Council shall have the power, and is hereby authorized annually, after the budget is adopted, to levy and collect taxes up to the maximum authorized by the Constitution of Texas based on the assessed value of all real and personal property in the City, not exempt by the Constitution and laws of Texas from taxation.

(Amd. of 5-4-96)

Sec. 8.02. Automatic levy.

If for any cause the City Council shall fail or neglect to pass a tax ordinance for any year, levying taxes for that year, shall be set in accordance with the Texas Tax Code. ~~the tax ordinance last passed shall be considered in force and effect as the tax ordinance for the year for which the City Council so failed to pass a tax ordinance, and the failure to pass such ordinance in any year shall not invalidate the collection of the tax for that year.~~

(Amd. of 5-4-96)

~~Sec. 8.03. Due date and penalties.~~

~~The City Council may also prescribe the date when taxes shall become due and prescribe penalties for nonpayment before they become delinquent.~~

(Amd. of 5-4-96)

Sec. 8.0~~3~~4. Other taxes.

The City Council may also levy, assess and collect any other types of taxes as provided by State law, provided that no such tax shall be greater than is authorized by such statute.

(Amd. of 5-4-96)

Sec. 8.0~~4~~5. Taxes, when due and payable.

Taxes shall be due and payable at the time and place provided by State law ~~or in the absence of State law as provided by the City Council.~~

(Amd. of 5-4-96)

Section 8.0~~5~~6. Tax liens and liabilities.

All taxable property located in the City on the first day of January of each year shall stand charged from said date with a special lien in favor of the City for the taxes due thereon. The liens provided therein shall be superior to all other liens except liens for Federal, State and County taxes, regardless of when such other liens were created. All persons purchasing any of said property after the first day of January in any year shall take same subject to the liens herein provided. In addition to the liens herein provided, on the first day of January of any year, the owner of property subject to taxation by the City shall be personally liable for the taxes due thereon for such year. The City shall have power to sue for and recover personal judgment for taxes without foreclosure or to foreclose its lien or liens or to recover both personal judgment and foreclosure. In any such suit where it appears that the description of any property in the assessment rolls is insufficient to identify such property, the City shall have the right to plead a good description of the property to be assessed, to prove the same, and to have its judgment foreclosing the tax lien or for personal judgment against the owners for such taxes.

Section 8.07. Arrears of taxes offset to debt against city.

The City shall be entitled to counterclaim and offset against any debt, claim, demand or account owed by the City to any person, firm or corporation who is in arrears to the City for taxes, in the amount of taxes so in arrears, and no assignment or transfer of such debt, claim, demand or account after the said taxes are due, shall affect the right of the City to so offset the said taxes against the same.

Section 8.08. Tax remission discount and compromise, correction of error.

Except as herein provided, neither the City Council nor any other official of the City shall extend the time for payment of taxes nor remit, discount or compromise any tax legally due the City, nor waive the penalty and interest that may be due thereon to any persons, firms or corporations owing taxes to the City for such year or years; provided, however, that this provision shall not prevent the compromise of any tax suit, or the correction of any errors in assessment, or preparation of tax rolls, or preparation of a tax statement. Such compromise or correction of errors shall first have the approval of the City Council by majority vote of all Councilmembers.

Section 8.09. Other rules and regulations.

Except as otherwise provided by law or this Charter, the City Council shall have the power to provide by ordinance such rules, regulations and mode of procedure to enforce the collection and payment of City taxes as it may deem expedient, and may provide such penalties for the failure to pay such taxes as it may deem expedient.

(Amd. of 5-4-96)

Section 8.10. Right to contract with ~~other governmental entities~~ regard to collection of taxes.

The City Council shall be empowered to contract, by ordinance or resolution, with any other governmental entity, person or private entity with regard to the collection of taxes.

(Amd. of 5-4-96)

ARTICLE IX. PUBLIC UTILITIES AND FRANCHISES

Section 9.01. Powers of the city.

In addition to the City's power granted elsewhere in this Charter, the City shall have power to buy, own, sell, construct, lease, maintain, and operate public service within or outside the City limits.

(Ord. No. 785, § 1, Prop. M, 2-13-01)

Section 9.02. Power to grant franchise.

The City Council shall have the power by ordinance to grant, renew and extend all franchises of a public service operating within the City and, with consent of the franchisee, to amend the same. No franchise shall be granted for a term of more than thirty (30) years from the date of the grant, renewal or extension.

Section 9.03. Ordinance granting franchise.

Any ordinance granting, renewing, extending or amending a franchise shall not take effect until at least twenty-eight days after its final passage. Within seven days following the first reading of the ordinance, the ordinance shall be published in its entirety or in caption form one time in the official cCity newspaper, and the expense of such publication shall be borne by the prospective franchisee. No franchise shall be exclusive.

Section 9.04. Transfer of franchise.

No public service franchise shall be transferable except with the approval of the City Council as expressed by ordinance. The term "Transferable," as used herein, shall not be construed in such a manner as to prevent the franchisee from pledging said franchise assets as security for a valid debt or mortgage.

Section 9.05. Franchise value not to be allowed.

Franchise granted by the City shall be considered to be of no value in considering:

- A. The rates and/or charges for utilities or service within the City; and
- B. The compensation to be paid by the City for public service property which the City may acquire by condemnation or otherwise.

Section 9.06. Right of regulation.

In granting public service franchises or in amending, renewing or extending them the City shall have the following rights:

- A. To repeal the franchise by ordinance for failure of the franchisee to comply with its terms. Included is failure of the franchisee to begin construction or operation within the time prescribed. This power shall be exercised only after the franchisee has been given due written notice and opportunity for hearing, and a reasonable time, not to exceed sixty (60) days from hearing date to correct such failures.
- B. To require such expansion, extension, enlargement and improvements of facilities and services as are necessary to provide adequate service to the public, and maintenance of the facilities and service to the highest reasonable standard of efficiency.
- C. To impose reasonable regulation of service and quality of the product for the safe, efficient and continuous service to the public.
- D. To require the keeping of accounts in such form as will accurately reflect the cost of the property of each franchisee which is used and useful in rendering its service to the public and the expenses, receipts and profits of all kinds of such franchisees. It shall be deemed sufficient compliance with this paragraph if the franchisee keeps its accounts in accordance with the uniform system established by

any federal or state agency for their service. To examine and audit accounts and records and to require annual reports on local operations of the utility.

- E. To require the franchisee to restore at the franchisee's expense, all public or private property to a condition equally as good as or better than before disturbed by construction, repair or removal. The property owner retains the right to seek action by law for damage resulting therefrom.
- F. To require every franchisee to furnish within a reasonable time to the City, without cost to the City, a general map, with updates outlining the location, character, size, length and terminals of all facilities of such franchisee in, over and under ground of property in the City and to provide detailed information on request.
- G. The City shall have the right to set rates of City owned public services.

Section 9.07. Extensions.

All extensions of service within the City limits shall become a part of the aggregate property of the service, and shall be operated as such, and shall be subject to all the obligations and reserved rights contained in this Charter. The extension of the service shall be considered as part of the original grant and shall be terminable at the same time and under the same conditions as the original grant.

Section 9.08. Regulations of rates.

Except as limited by State or Federal law, the City shall have the following rights to fix and regulate the rates and charges of all public utilities and fix the fare of all public transportation of every kind operating within the corporate limits of the City:

- A. The City Council has the power by ordinance to fix and regulate the rates and charges of all public utilities and fix the fares of all public transportation of every kind operating within the corporate limits of the City of Ingleside.

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- B. ~~{The}~~ City Council, upon receiving a request from a public service desiring a change in rates, charges or fares, shall call a meeting for consideration of such change.
- C. The public service shall show the necessity for such change by establishing by clear, competent and convincing evidence:
1. Cost of its investment properly allocable to service in the City;
 2. Amount and character of its expenses and revenues connected with the rendering of such service; and
 3. Any additional evidence required by the City Council.
- D. ~~{The}~~ City Council may, if not satisfied with the sufficiency of the evidence furnished by the public service, select and employ rate consultants, auditors and attorneys to investigate and, if necessary, litigate the requests for changes in rates, charges or fares. The public service shall reimburse the City for its reasonable and necessary expenses so incurred. If the City Council takes no action on the request, the new rates go into effect after thirty-five (35) days.
- If the City Council needs more time to study the request, it must, before the time runs out, notify the company in writing that it needs more time to study the request and will suspend the operation of the schedule for one hundred twenty (120) days.
- E. The public service may, if not satisfied with the rate, charge or fare ordered by City Council, make a motion for rehearing within twenty (20) days of the entry of such order. Such motion will be deemed overruled if not acted upon by City Council within thirty days, provided that City Council may by resolution extend such time for action on the motion to a maximum of sixty (60) days.
- F. No public service may institute legal action contesting such rate, charge or fare by City Council until such public service has exhausted all remedies provided herein.
- G. Public services and utilities subject to ~~the Public Utility Regulatory Act~~Vernon's Ann. Civ. St. art. 1446c shall be regulated by the City Council in the manner and to the extent provided in such State Statute.

(Amd. of 5-4-96)

Section 9.09. Accounts of city-owned public services.

Accounts shall be kept for each public service owned or operated by the City, in such manner as to show the true and complete financial results of each such City ownership and operation. The accounts shall show the actual capital cost to the City of each public service owned, also the cost of all extensions, additions and improvements, and the source of the fund expended for such capital purposes. They shall show as nearly as possible the cost of any service furnished to or rendered to any other City or governmental agency.

ARTICLE X. PLANNING AND ZONING

Section 10.01. Planning and Zoning.

There shall be a Planning and Zoning Commission whose responsibilities are to accomplish the City planning and zoning functions to effect the orderly and desired growth, development and beautification of the City [in accordance with state law and city ordinances](#). The commission shall formulate and recommend to the City Manager a [Comprehensive Master Plan](#) and shall consult with other [City Departments](#) regarding planning. The Commission shall recommend any proposed zoning changes to the City Council and shall act in an advisory capacity to the City Council on all matters affecting the development of the City.

Section 10.02. Organization, selection, and term of office.

The Planning and Zoning Commission shall be composed of seven [\(7\)](#) members appointed by the City Council. Members shall serve for a term of two [\(2\)](#) years with four [\(4\)](#) members being appointed with terms beginning on January 1 of odd-numbered years and three [\(3\)](#) members appointed with terms beginning on January 1 of even-numbered years. Vacancies occurring in the Commission, for whatever reason, shall be filled within sixty [\(60\)](#) days by appointment by the City Council, for the remainder of the unexpired term. Members appointed under this provision of the Charter may be reappointed for a second term. Under no provision shall a person serve over two [\(2\)](#) consecutive terms or a fraction thereof. No member of the Planning and Zoning Commission shall hold another salaried or elected City office. Three [\(3\)](#) successive unexcused absences from the Commission meetings shall terminate membership on the City Planning and Zoning Commission. Members of the [Commission](#) shall serve without compensation but may be reimbursed for necessary expense incurred as a result of their work. The Planning and Zoning Commission shall elect a Chairman and Vice-Chairman from the membership and shall have the power to make rules, regulations and bylaws for its own government, which shall be subject to approval by the City Council.

Section 10.03. Comprehensive ~~M~~aster ~~P~~lan.

The Planning and Zoning Commission shall formulate a Comprehensive Master Plan for the development of the City, containing the Commission's recommendations for growth, development and beautification of the City.

This plan shall be updated on an annual basis and shall contain the planning considerations for a period of ten (10) years. This plan shall be forwarded, at least one hundred and twenty (120) days prior to the beginning of the budget year, to the City Manager who shall submit it to the City Council with ~~his/her~~the City Manager's recommendations thereon. The City Council shall hold a public hearing on the proposed Comprehensive Plan, or modification thereof, and shall thereafter adopt it by resolution with or without amendment.

(Ord. No. 785, § 1, Prop. N, 2-13-01)

Section 10.04. Plats and ~~B~~uilding ~~C~~odes.

The Planning and Zoning Commission shall approve or disapprove plats of proposed subdivisions submitted in accordance with state law and City ordinances as adopted or herein amended. The commission shall recommend to the City Council amendments, extensions or revisions of the Building Code, which shall include the minimum standards of construction for building, plumbing and wiring.

Section 10.05. Board of ~~A~~adjustment.

The City Council shall appoint a Board of Adjustment which shall have the power to hear and determine appeals from the refusal of building permits, appeals resulting from administrative decisions by City Building Inspectors, and to permit exception to or variations from the zoning regulations in classes of cases or situations in accordance with the principles, conditions and procedures specified in the zoning ordinance.

Section 10.06. Organization, selection and term of office.

The Board of Adjustment shall be composed of five (5) members and four (4) alternate members appointed by the City Council. Members and alternate members shall serve for a term of two (2) years with three (3) members and two (2) alternate members having terms beginning in one (1) year and two (2) members and two (2) alternate members having terms beginning in alternate years. All cases heard by the Board of Adjustment will be heard by a minimum of four (4) members and/or alternate members. Vacancies occurring in the Board of Adjustment for whatever reason shall be filled within sixty (60) days by the City Council for the remainder of the unexpired term. No member of the Board of Adjustment shall hold another salaried or elected City office. Three (3) successive unexcused absences from the meetings, after a minimum five (5) days' notice served by mail of the time, place and agenda of such meetings, shall constitute cause for termination of membership on the Board of Adjustment. The members of the board shall serve without compensation, but may be reimbursed for necessary expense incurred as a result of their work. The Board shall elect a Cehairman and ~~W~~Vice-chairman from its membership and shall have the power to make rules, regulations and bylaws for its own government which shall be subject to approval by the City Council.

Members appointed under this provision of the Charter may be reappointed for a second term. Under no provision shall a person serve over two (2) consecutive terms or a fraction thereof.

ARTICLE XI. GENERAL PROVISIONS

Section 11.01. Publicity of records.

All public records of every office, department or agency of the City shall be open to inspection by any citizen at all reasonable times, provided that records closed to the public or disclosure of which is not required by law shall not be considered public records for the purpose of this section. During normal office hours any citizen of the City or any duly authorized representative of the press or other news media shall have the right to examine any such public records belonging to the City and shall have the right to make copies thereof under such reasonable rules and regulations as may be prescribed by the City Council or by this Charter subject to and in accordance with Texas [Public Information](#) ~~Open Records~~ Act.

(Amd. of 5-4-96)

Section 11.02. Personal financial interest.

Conflicts of interest of City Council persons and other officers who are local public officials, as defined by Section 171.001(1), Texas Local Government Code, shall be governed by Chapter 171, Texas Local Government Code. No other officer or employee of the City who has a substantial interest in any business entity or property, as defined by Section 171.002, Texas Local Government Code, shall make or enter into any contract with the City regarding that business entity or property.

(Amd. of 5-4-96)

Section 11.03. Official newspaper.

The City Council [as required by state law](#), shall by resolution designate a public newspaper of general circulation in the City as the official ~~newspaper organ~~ thereof, and to continue as such until another is designated, and shall cause to be published therein all ordinances, notices and other matter required by this Charter, by the ordinances of the City, or by the Constitution and/or laws of the State of Texas.

Section 11.04. Nepotism.

Persons related within the second degree by affinity, or within the third degree by consanguinity to any elected officer of the City, or to the City Manager, shall ~~not~~ be appointed to monetarily compensated offices, positions, or clerkships or other services of the City, only in accordance with Texas Government Code.

(Ord. No. 981, § II, Prop. 11, 1-13-09; Res. No. 2021-23 , amd. Y, elec. of 5-1-21)

Section 11.05. Oath of office.

Every officer of the City, whether elected or appointed, before entering upon the duties of office, in accordance with Texas State Constitution, Article 16, Section 1, shall take and subscribe to the appropriate oath or affirmation to be filed and kept in the office of the City Secretary.

(Amd. of 5-4-96)

Section 11.06. Prohibitions.

- A. No person shall be appointed to or removed from or in any way favored or discriminated against with respect to any City position or appointive City administrative office because of race, sex, national origin, political or religious opinions or affiliations. The City shall adopt and maintain an affirmative action statement at all times.

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- B. No person shall willfully make any false statement, certificate, mark, rating or report in regard to any test, certification or appointment under the personnel provisions of the Charter or the rules and regulations made thereunder, or in any manner commit or attempt to commit any fraud preventing the impartial execution of such provisions, rules and regulations.
- C. No person who seeks appointment or promotion with respect to any City position or appointive City administrative office shall directly or indirectly give, render or pay any money, service or other valuable thing to any person for or in connection with their ~~his/her~~ test, appointment, proposed appointment, promotion or proposed promotion.
- D. No person who holds any compensated appointive City position shall make, solicit or receive any contribution for any candidate for public office in the City or take any part in the management, affairs or political campaign of such candidate, but ~~he/she~~ may exercise their ~~his/her~~ rights as a citizen to express their~~his/her~~ opinions and to cast their~~his~~ vote.
- E. *Penalties:* Any person who violates any of the provisions of Section A, B or D of this Article shall be guilty of a misdemeanor and upon conviction thereof shall pay such penalty as may be provided for by City Ordinance or the Statutes of the State of Texas. State law defines a violation of Section C as a crime and prescribes the criminal penalty for violation. Any person convicted under this section shall be ineligible for a period of five (5) years thereafter to hold any City office or position and, if an officer or employee of the City, shall immediately forfeit their ~~his~~ office or position.

(Amd. of 5-4-96; Ord. No. 785, § 1, Props. F, N, 2-13-01)

Section 11.07. Assignment, execution and garnishment.

The property, real and personal, belonging to the City shall not be liable to be sold or appropriated under any writ or execution or cost bill. The funds belonging to the City, in the hands of any person, firm or corporation, shall not be liable to garnishment, attachment or sequestration; nor shall the City be liable in garnishment on account of

any debt it may owe or funds or property it may have on hand or owing to any person. Neither the City nor any of its officers or agents shall be required to answer any such writ of garnishment on any account

~~whatever~~whatsoever. The City shall not be obligated to recognize any assignment of wages or funds by its employees, agents or contractors.

Section 11.08. Security and bond.

It shall not be necessary in any action, suit or proceeding in which the City is a party, for any bond, including supersedeas bond, undertaking, or security to be demanded or executed by or on behalf of said City in any of the State Courts, but in all such actions, suits, appeals or proceedings of ~~the~~ same shall be conducted in the same manner as if such bond, undertaking or security has been given as required by law.

Section 11.09. Damage suits.

- A. Before the City shall be liable for any claim for damages for the death or personal injuries of any person or for damages to property, the complainant or their ~~his/her~~ authorized representative shall notify the City Secretary. The notification shall be in writing, duly verified, and shall state specifically how, when and where the death, injury, or damage occurred; the amount of loss claimed; and the identity of any witnesses upon whom it is relied to establish the claim. The notification shall be filed within forty-five (45) days of the date of injury or damage or in the case of death, within forty-five (45) days of the date of death. No action at law shall be brought against the City until at least sixty (60) days have elapsed since the date of notification.
- B. The City Council shall have the power to compromise and settle any and all claims and lawsuits of every kind and character in favor of or against the City, including suits by the City to recover delinquent taxes.

(Ord. No. 785, § 1, Prop. N, 2-13-01)

Section 11.10. Severability clause.

If any section or part of section of this Charter shall be held invalid by a court of competent jurisdiction, such holding shall not affect the remainder of this Charter nor the context in which such section or part of section so held invalid may appear, except to the extent that an entire section or part of section may be inseparably connected in meaning and effect with the section or part of section to which such holding shall directly apply.

Section 11.11. Amending the Charter.

Amendments to this Charter may be framed and submitted to the voters of the City in the manner provided by State law. However, the City Council may, by ordinance, make nonsubstantive amendments to the City Charter to correct typographical errors, grammatical errors, references to laws which have been changed ~~or which have been changed~~ or which references are, for any reason, incorrect, and to neutralize all gender references; provided, that no such amendment shall change the meaning or substance of the Charter.

(Amd. of 5-4-96)

Section 11.12. Charter review commission.

The City Council shall appoint at its first regular meeting in July of every fourth (4th) year after approval of this Charter, a Charter Review Commission of five (5) citizens of the City.

A. *Duties of the Commission:*

1. Inquire into the operation of the City Government under the Charter provisions and determine whether any such provisions require revision. To this end public hearings may be held; and the Commission shall have the power to compel the attendance of any officer or employee of the City and require the submission of any of the City records which it may deem necessary to the conduct of such hearing.

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2. Propose any recommendations it may deem desirable to insure compliance with the provisions of the Charter by ~~the several~~ each departments of ~~the~~ City government.
 3. Propose, if it deems desirable, amendments to this Charter to improve the effective application of the Charter to current conditions.
 4. Report its finding and present its proposed amendments, if any, to the City Council.
- B. *Action by the City Council:* The City Council shall receive and have published in the designated official public newspaper of the City any report presented by the Charter Review Commission; shall consider any recommendation made, and if any amendments be presented as part of such report, may order such amendment or amendments to be submitted to the voters of the City in the manner provided by State law.
- C. *Term of Office:* The term of office of such Charter Review Commission shall be six (6) months, and at the completion of such term a report shall be presented to the City Council, and all records of the proceedings of such commission shall be filed with the City Secretary and shall become a public record.

(Amd. of 5-4-96)

ARTICLE XII. TRANSITIONAL PROVISIONS

Section 12.01. Schedule.

- A. This Charter shall take effect on the first day following adoption by the voters of the City of Ingleside and shall be fully operative within one year after such adoption.
- B. It is contemplated that this Charter will be presented to the voters on the ballot of the special election scheduled for Tuesday, November 6, 1979; it is further contemplated that the same ballot will provide for the election, at large, of one candidate to the City Council office created by adoption of this Charter.
- C. The term of the member of the City Council created by adoption of this Charter shall expire at the regular election next following.
- D. The limitations prescribed in Article III, Section 3.01C of this Charter shall apply to all persons elected to office in 1979 and thereafter.
- E. All Boards, Commissions and Committees in existence on the effective date of this Charter, and not in conflict with the provisions thereof, may continue in existence. Any Board, Commission or Committee in existence on the effective date of this Charter which is in conflict with the provisions thereof is abolished, with such abolition to take effect on the 120th day after the effective date of the Charter.

(Ord. No. 785, § 1, Prop. H, 2-13-01)

Section 12.02. Appointive officers and employees.

- A. Nothing in this Charter, except as may be specifically provided otherwise, shall affect or impair the rights or privileges of persons who are appointive officers or employees of the City at the same time of its adoption.

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- B. An employee holding a City position at the time this Charter becomes fully operative, who was serving in that same or a comparable position at the time of its adoption, shall not be subject to competitive tests as a condition of continuance in that same position but in all other respects shall be subject to the personnel system provided for in Article IV.

(Ord. No. 785, § 1, Prop. I, 2-13-01)

Section 12.03. Effect of the Charter on existing law.

- A. All codes, ordinances, resolutions, rules and regulations in force in the City on the effective date of this Charter, and not in conflict with the provisions thereof, shall remain in force until altered, amended or repealed by the City Council. Emergency ordinances enacted before the adoption of this Charter shall not be affected by the provisions of Article III, Section 3.12, of this Charter. Any code, ordinance, resolution, rule or regulation which conflicts with the provisions of this Charter is repealed to the extent that it is inconsistent or will interfere with the effective operation of this Charter or ordinances enacted pursuant thereto.
- B. All taxes, assessments, liens, encumbrances and demands, of or against the City, fixed or established before the effective date of this Charter, or for the fixing or establishing of which proceedings had begun prior to such date, shall be valid when properly fixed or established under the law in force at the time of the beginning of such proceedings or under the law after adoption of this Charter.

(Ord. No. 785, § 1, Prop. J, 2-13-01)

Section 12.04. Pending matters.

All rights, claims, actions, orders, contracts, franchises and legal or administrative proceedings in existence or pending on the effective date of this Charter shall continue until consummation. All new or renewal rights, claims, actions, orders, contracts, franchises and legal or administrative proceedings initiated after the effective date of this Charter shall conform to the requirements and provisions thereof.

(Supp. No. 21)

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Section 12.05. Submission of the Charter to the voters.

The Charter Commission in preparing this Charter concludes that it is impracticable to segregate each subject so as to permit a vote of "yes" or "no" on the same, for the reason that the Charter is so constructed that in order to enable it to work and function it is necessary that it should be adopted in its entirety. For these reasons, the Charter Commission directs that the said Charter be voted upon as a whole and that it shall be submitted to the qualified voters of the City of Ingleside at the special City election to be held on November 6, 1979. Not less than thirty days prior to that election, the City Council shall cause the City Secretary to mail a copy of this Charter to each qualified voter of the City of Ingleside as appears from the latest certified list of registered voters. If a majority of the qualified voters voting in that election shall vote in favor of the adoption of this Charter, it shall become the Charter of the City of Ingleside, and after the returns have been canvassed, the same shall be declared adopted and the City Secretary shall file an official copy of the Charter with the records of the City. The Secretary shall furnish the Mayor a copy of said Charter, which copy of the Charter so adopted, authenticated and certified by his/her signature and Seal of the City, shall be forwarded by the Mayor to the Secretary of State of the State of Texas and shall show the approval of such Charter by majority vote of the qualified voters voting at that election.

(Ord. No. 785, § 1, Prop. N, 2-13-01)

Section 12.06. Public act.

This act shall be deemed a public act and judicial notice shall be taken thereof in all courts.

CITY COUNCIL AGENDA

Regular Meeting: June 10, 2025

AGENDA ITEM: 10

Deliberate and take appropriate action on the second and final reading of an Ordinance to Repeal and Replace the Existing Drought Contingency Plan in Chapter 66, Article II, Division 4 of the Ingleside Code of Ordinances, with an Updated Plan Aligned with the San Patricio Municipal Water District, Including Provisions for Enforcement and Penalties for Noncompliance.

SUBMITTED BY: Gary Paredez, Director of Infrastructure Services

APPROVED FOR AGENDA: Brenton Lewis, City Manager

BACKGROUND:

According to TCEQ rules, a drought contingency plan must be adopted by a water purveyor to establish guidelines to be followed in the event of a drought. This plan must be revised every 5 years as per TCEQ. San Patricio Municipal Water District, which supplies all the water that is distributed by the City of Ingleside, adopted the Amended Drought Contingency Plan on April 8th, 2025. The City of Ingleside needs to adopt the same plan as a road map for dealing with drought.

FISCAL ANALYSIS:

N/A.

RECOMMENDATION:

The staff recommends approving the ordinance to adopt the Amended Drought Contingency Plan dated April 8th, 2025 on second and final reading.

ATTACHMENTS:

1. SPMWD Amended DCP for Board Meeting 040825 (004)
2. Drought Cont Plan Table of Contents
3. Appendix to SPMWD Amended DCP
4. DOCS1-#351447-v1-5_20_25_Revised_Drought_Contingency_Plan v2
5. DOCS1-#351452-v1-Revised_Ordinance_-_Drought_Contingency_Plan v4

Amended Drought Contingency Plan

San Patricio Municipal Water District

Adopted April 8, 2025

1. Introduction

This document is the Amended Drought Contingency Plan (DCP) for the San Patricio Municipal Water District (District) and its customers. The purpose of this DCP is to:

- (1) Conserve the available water supply by reducing the District's water demand as much as possible during a drought in order to protect the integrity of water supply facilities (with particular regard for domestic water use, sanitation and fire protection);
- (2) Minimize the adverse impacts of water supply shortages or other water supply emergency conditions;
- (3) Serve as a framework to identify and manage a drought or a state of water emergency; and
- (4) Preserve and protect public health, welfare, and safety.

This DCP was created so that the District can reduce demand when supplies are low so customers have sufficient water during drought conditions. This DCP explains the triggers initiated by a drought and the steps to take during each stage of a drought. The District has a raw water contract and a treated water contract to purchase water from the City of Corpus Christi (City).

Choke Canyon Reservoir and Lake Corpus Christi are the region's longest established and largest water supplies. These two water supplies are referred to as the Western Reservoir system. Both reservoirs are monitored daily and operated per the 2001 Texas Commission on Environmental Quality (TCEQ) Agreed Order. The 2001 Agreed Order mandates that the combined reservoir storage level be used to implement drought stages. For these reasons, the region uses the combined capacity of Choke Canyon Reservoir and Lake Corpus Christi as the triggering criteria for the drought stages outlined in this DCP.

Additionally, the region utilizes water from two eastern supplies that include Lake Texana and the Colorado River. The City purchases water from Lake Texana through a water supply contract and does not own the water rights. While the City owns water rights on the Colorado River, these rights are considered junior, which means curtailment may occur by water right holders with senior rights.

The DCP is different from the Water Conservation Plan (WCP) because a DCP is a responsive plan that addresses drought conditions or water emergencies and defines actions that will be taken when certain criteria are met. Typically, these criteria consist of three or more "stages" in response to water supply storage levels (e.g., when reservoir storage levels drop below 40%, Stage 1 is initiated), or a water emergency.

A WCP is a proactive plan for addressing overall goals and actions that will help a utility implement year-round sustainable and efficient water conservation programs. The DCP follows the TCEQ

guidelines and has been prepared in accordance with Texas Administrative Code Title 30 Chapter 288 Subchapter B Rule §288.20 for Municipal Uses by Public Water Suppliers. Since the District serves wholesale water customers, a Drought Contingency Plan for Wholesale Water Suppliers has also been included in Section 16 in accordance with Texas Administrative Code Title 30 Chapter 288 Subchapter B Rule §288.22.

This DCP also follows guidelines of the U.S. Bureau of Reclamation Water SMART Drought Response Program Framework and has been designed to include the six elements of a Drought Contingency Plan: (1) Drought monitoring; (2) Vulnerability assessment; (3) Mitigation actions; (4) Response actions; (5) Operational and administrative framework; and (6) Plan update process. The District is eligible for certain drought funding opportunities by following the guidelines set by the Bureau of Reclamation. The Water SMART Program works cooperatively with states, tribes, and local entities to pursue a sustainable water supply for the nation, including water efficiency projects located in urban areas and watersheds, through administering grants, conducting scientific studies, and providing technical assistance and scientific expertise. In addition, the adoption of a DCP is a requirement for eligibility to receive financial assistance from the Texas Water Development Board State Water Implementation Fund for Texas (SWIFT) program.

2. Declaration of Policy and Reason

The District hereby adopts the following regulations and restrictions on the delivery and consumptions of water in order to

- conserve the available water supply
- protect the integrity of water supply facilities with particular regard for domestic water use
- sanitation
- fire protection
- to protect and preserve public health, welfare, and safety
- minimize the adverse impacts of water-supply shortages or other water-supply emergency conditions

The District hereby adopts the following regulations and restrictions on the delivery and consumptions of water.

Water uses regulated or prohibited under this DCP are considered to be non-essential, and continuation of such uses during times of water shortage or other emergency water-supply conditions are deemed to constitute a waste of water, which subjects the offender(s) to penalties as defined in Section 13 of this DCP.

Since the District first started supplying its customers with water in the 1950's, the region has experienced several periods of drought. Over the years, new water supplies have been added and conservation measures have been strengthened to ensure water security for residents and businesses of the region. However, with the variability of weather patterns in South Texas and a continually growing population, it is critical that the District plans for future drought conditions.

Currently, the region's water supply system is comprised of three reservoirs and one run-of-the-river right: Lake Corpus Christi, Choke Canyon Reservoir, Lake Texana and the Colorado River. However, the criteria to trigger drought stages are based on the combined capacity of Lake Corpus Christi and Choke Canyon Reservoir.

Due to the frequency of drought in South Texas, this DCP was developed and it adopts measures that will dramatically cut water consumption in order to conserve water supplies.

3. Public Education

A public hearing to receive comments on the DCP was held at the District offices on April 8, 2025 prior to adoption of this DCP.

The District will work with its customers to inform them about the DCP, including information about the conditions under which each stage of the DCP is to be initiated or terminated, and the drought measures to be implemented in each stage. This information will be provided by utility bill inserts, email notices to customers, and notice on the District's website (www.sanpatwater.com)

Notification to the public about when drought stages go into effect or when restrictions are lifted is explained in more detail in Section 9.

4. Coordination with Regional Water Planning Groups

The service area of the District is located within the Coastal Bend Regional Water Planning Area (Region N) and the District has provided a copy of this DCP to Region N in care of the Nueces River Authority.

The District shall review and update, as appropriate, the DCP at least every five years based on new or updated information, such as the adoption or revision of the regional water plan.

5. Authorization

The General Manager, or designee, is hereby authorized and directed to implement the applicable provisions of the DCP upon determination that such implementation is necessary to protect public health, safety, and welfare. The General Manager, or designee, shall have the authority to initiate or terminate drought or other water supply emergency stages or restriction(s) as described in this DCP. The General Manager, or designee, shall notify the members of the Board of Directors before implementing any measures.

6. Application

The provisions of this DCP shall apply to all persons, customers, and property utilizing water provided by the District. The terms "person" and "customer" as used in the DCP include individuals, corporations, partnerships, associations, and all other legal entities.

7. Definitions

For the purposes of this DCP, the following definitions shall apply:

Aerobic irrigation system: an irrigation system that utilizes a home or business's treated wastewater from its aerobic septic system.

Aesthetic water use: water use for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.

Commercial account: water used in the operations of commercial, non-profit establishments and governmental entities such as retail establishments, hotels and motels, restaurants, and office buildings.

Conservation: those practices, techniques, and technologies that reduce the consumption of water, reduce loss or waste of water, improve the efficiency in the use of water, or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Contract (end-user) water customers: a private entity that has a contract with the District to receive raw or treated water supplies for its sole use (i.e. does not resell to other users).

Customer: any person, company, or organization using water supplied by the District and paying a retail water bill.

Domestic water use: water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry, or institution.

Drip irrigation: a method of watering plants using a network of tubes, pipes, valves, and emitters that slowly drips water to the roots of plants to minimize evaporation. Soaker hoses are not a substitute for a proper drip irrigation system.

Large volume account/Industrial user: utility accounts of entities who use more than 10,000,000 gallons of water a month for processes designed to convert materials of lower value into forms having greater usability and use.

Irrigation account/meter: a meter connected solely to an irrigation system. This type of meter does not incur wastewater fees on water used through this meter.

Landscape irrigation use: water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, rights-of-way, athletic fields, and medians.

Non-essential water use: water uses that are not essential or not required for the protection of public, health, safety, and welfare, including:

- Irrigation of landscape areas, including parks, athletic fields, and golf courses, except as otherwise provided under this DCP
- Use of water to wash any motor vehicle, motorbike, boat, trailer, or other vehicle
- Use of water to wash down any impervious cover including sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas
- Use of water to wash down buildings or structures for purposes other than immediate fire protection or health reasons
- Flushing gutters or permitting water to run or accumulate in any gutter or street
- Use of water to fill, refill, or add to any indoor or outdoor swimming pools or jacuzzi-type pools;
- Use of water in an aesthetic feature, including fountain or pond except where necessary to support aquatic life
- Failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak
- Use of water from hydrants for construction purposes or any other purposes other than firefighting or flushing needed to maintain chlorination levels and protect public health

Non-exempt large volume accounts: a large volume account that is not paying the non-mandatory Drought Surcharge Exemption Fee pursuant to Article XII of chapter 55-159.1 of the City of Corpus Christi Code of Ordinances.

Pool cover: a material designated to cover the surface area of a swimming pool when it is not in use. Pool covers can come in different types including manual, semi-automatic, automatic, and can be made from different materials such as mesh, solid vinyl, solar blankets, or pool floaties. Pool covers do not include tree canopies, pergolas, gazebos, or similar structures.

Reservoir capacity: the combined reservoir storage levels of Choke Canyon Reservoir and Lake Corpus Christi, as measured in percentage of the full combined volume.

Surcharge: temporary rate to manage demand in times of drought.

Water well: any facility, device, or method used to withdraw groundwater from a groundwater reservoir.

Wholesale customer: A public or private utility that purchases water from the District through a written contract that authorizes the resale of water to third parties or classifies the utility as a wholesale customer.

8. Criteria for Initiation and Termination of Drought Stages

The General Manager, or designee, shall monitor water supply and/or demand conditions on a weekly basis and shall determine when conditions warrant initiation or termination of each stage of the DCP, that is, when the specified “triggers” are reached. However, the General Manager, or designee, in the exercise of the General Manager’s discretion, may initiate or terminate any stage

when the General Manager deems necessary at any time. This section explains the triggers of each stage. Best management practices and water use restrictions for each drought stage are described in Section 10.

The combined reservoir storage level of Choke Canyon Reservoir and Lake Corpus Christi is the triggering criterion that is monitored for determining drought stages, based on the TCEQ 2001 Agreed Order (amended April 17, 2001) relating to inflows into Nueces Bay and Estuary. The full Agreed Order is in the Appendix.

8.1. Water Shortage Watch

Trigger for initiation – Customers shall be requested to voluntarily conserve water and adhere to prescribed conditions on specific water uses when the combined storage levels of Choke Canyon Reservoir and Lake Corpus Christi fall below 50%.

Trigger for termination – The watch may be terminated when the combined storage levels of Choke Canyon Reservoir and Lake Corpus Christi increase above 50% for 15 consecutive calendar days.

8.2. Stage 1 – Mild Water Shortage

Trigger for initiation – Stage 1 begins when the combined reservoir storage level declines below 40%. Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses described in Section 10.

Trigger for termination – Stage 1 may be terminated when the combined storage levels increase above 50% .

8.3. Stage 2 – Moderate Water Shortage

Trigger for initiation – Stage 2 begins when the combined storage level declines below 30%. Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses described in section 10.

Trigger for termination – Stage 2 may be terminated when the combined storage levels increase above 40%. Upon termination of Stage 2, Stage 1 becomes operative.

8.4. Stage 3 – Critical Water Shortage

Trigger for initiation – Stage 3 begins when the combined storage level declines below 20%. Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses described in section 10.

Trigger for termination – Stage 3 may be terminated when the combined storage levels increase above 30%. Upon termination of Stage 3, Stage 2 becomes operative.

8.5. Water Emergency

Level 1 Water Emergency

Trigger for initiation – A Level 1 Water Emergency begins when the General Manager, or designee, determines that the District is within 180 days of its total water supply not meeting its water demands. The 180-day trigger is in accordance with Texas Administrative Code Title 30 Rule §290.41(b)(1) for Water Resources. The General Manager or designee can modify the timing of triggering a Level 1 Water Emergency if the regional demands can be fully met with alternative water sources other than the combined reservoir storage. Other sources may include water from the Mary Rhodes Pipeline or future water supplies such as the Inner Harbor Seawater Desalination Treatment Facility.

Trigger for termination - The Level 1 Water Emergency may be terminated when the General Manager, or designee, determines that the District's total water supply can meet the total regional demands for more than 180 days.

Level 2 Water Emergency

Trigger for initiation – A Level 2 Water Emergency begins when the General Manager, or designee determines that a water supply emergency exists, which causes the demand to exceed the supply, subsequently leading to imminent failure to maintain pressure that meets TCEQ minimum standards, including but not limited to;

- a) Major catastrophic infrastructure failure including but not limited to; failure of a dam or spillway structure, failure of a major water line such as the MRP or other large diameter water lines, and/or failure of the District's water treatment facilities; or
- b) Water production or distribution system limitations; or
- c) Natural or man-made contamination of the water supply source.

Trigger for termination – The Water Emergency may be terminated when the General Manager, or designee, deems appropriate.

9. Drought Stage Notification

The General Manager, or designee, shall monitor water supply and/or demand conditions on a weekly basis and, in accordance with the triggering criteria set forth in Section 8 of this Chapter, shall determine that a mild, moderate, critical, or a water emergency exists and shall implement the following notification procedures.

Notification to the Public:

The General Manager, or designee, shall notify the public for every change in drought stage status by any or all of the following:

- District's website (www.sanpatwater.com)
- Notice on the monthly utility billing
- Public Service Announcements
- Signs posted in public places

Additional Notification:

The General Manager, or designee shall, at a minimum, notify directly, or cause to be notified directly, the following individuals and entities for every change in drought stage status:

- Board of Directors
- County Judge and Commissioner(s)
- Major water users (such as municipalities and industries)
- Texas Commission on Environmental Quality (TCEQ) – note: TCEQ executive director MUST be informed within five (5) business days of mandatory water use restrictions being imposed

10. Drought Stages, Best Management Practices per Stage

A summary of water use reduction targets for each drought stage is presented in the following table. Further discussion on best management practices and implementation practices associated with each stage of drought is included below. During Stages 1, 2, and 3, requests for exemptions may be presented to the General Manager or designee.

Drought Stage Response	CCR/LCC Combined Reservoir Storage Level	Target Demand Reduction Levels
Water Shortage Watch	<50%	5%
Stage 1 - Mild Water Shortage	<40%	5%
Stage 2 - Moderate Water Shortage	<30%	10%
Stage 3 - Critical Water Shortage	<20%	15%
Water Emergency Level 1 Level 2	Not Applicable	25% 50%

10.1. Water Shortage Watch

Target: Achieve a voluntary 5% reduction in daily water with the water use conditions below.

Best Management Practices for Supply Management:

The District will enact voluntary measures to reduce or discontinue the flushing of water mains if practicable and utilize reclaimed water for non-potable uses to the greatest extent possible. The District will prioritize sources of supply not impacted by drought conditions, when available, including interruptible supplies from Lake Texana during times when Lake Texana water level is at or above 43 feet mean sea level in accordance with Lavaca-Navidad River Authority (LNRA) contract. The District will actively promote educational messages in the media about how to reduce water use through conservation practices, and rules of the drought stages.

Water Use Conditions for Reducing Demand

- a) Water customers are requested to voluntarily limit the irrigation of landscaped areas to **once per week**.
- b) Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.
- c) All operations of the District shall adhere to water use restrictions prescribed for Stage 1.
- d) Water smart techniques will be promoted by District departments.

10.2. Stage 1 Response – Mild Water Shortage

Target: During Stage 1, achieve a 5% reduction in daily water demand with the water use restrictions below.

Best Management Practices for Supply Management:

Under Stage 1, the District will:

- Use more repair crews if necessary to allow for a quicker response time for water-line leak repair; and
- District crews begin monitoring customers' compliance with Stage 1 restrictions during the course of their daily rounds.
- In addition to the restrictions outlined below, District departments will make every effort to conserve water, including no new landscaping installation and no filling of ponds.
- Increase targeted outreach to high-consumption industrial and commercial customers to urge water use reductions.
- Increase public education and outreach regarding water use reduction by using the following practices:

- Use an aerator and/or a water flow-reducer attachment on your tap to reduce your water usage.
- When brushing your teeth, turn the water off while you are brushing. Use short bursts of water for cleaning your brush.
- When washing or shaving, partially fill the sink and use that water rather than running the tap continuously.
- Use either low-flow shower heads or adjustable flow-reducer devices on your shower heads.
- Take shorter showers.
- You can reduce water usage by 40% to 50% by installing low-flush toilets.
- When hand-washing dishes, never run water continuously.
- If you have a dishwasher appliance, use it only to wash full loads, and use the shortest cycle possible.
- Wash only full loads in your washing machine and use the shortest cycle possible.
- Repair leaks quickly.
- Clean outdoor surfaces with a broom, not a hose. Water during the cool part of the day, in the morning or evening.
- Do not over water in anticipation of a shortage. Soil cannot store extra water.

Water Use Restrictions for Demand Reduction

Under threat of penalty for violation, the following water use restrictions shall apply to all persons during Stage 1:

- a) Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems shall be limited to once per week. The watering schedule will be determined by the General Manager or designee. Customers will be made aware of their designated watering day in accordance with Section 9. However, irrigation of landscaped areas is permitted on any day if it is by means of a hand-held hose (with positive shutoff nozzle), a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system with a positive shutoff device.
 - 1) Exceptions for this restriction may be permitted, upon review and approval by the General Manager or designee, for the following uses: new plantings (for up to 60 days), vegetable gardens, athletic playing fields, and botanical gardens. In addition, this restriction does not apply to customers irrigating with well water or an aerobic septic system. Customers irrigating with well water or an aerobic septic system must apply for an exemption from the District to be prominently posted on the premises within two (2) feet of the street number located on the premises.
- b) No watering or irrigating of landscaped areas by hose-end sprinkler or automatic irrigation systems will be allowed between the hours of 10:00 a.m. and 6:00 p.m. to prevent evaporative loss.
- c) Use of water from hydrants shall be limited to firefighting, related activities, or other activities necessary to maintain public health, safety, and welfare, except that use of water from designated fire hydrants for construction purposes may be allowed under special exemption from the District.

- d) Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days. However, if the golf course utilizes non-potable or a water source other than that provided through the District infrastructure, the facility shall not be subject to these regulations.
- e) The use of water to maintain the integrity of building foundations is limited to designated watering days.

10.3. Stage 2 Response – Moderate Water Shortage

Target: During Stage 2, achieve a 10% reduction in total daily water demand with the water use restrictions below.

Best Management Practices for Supply Management:

In addition to the best management practices for supply management listed under Stage 1, the District will also do the following during Stage 2:

- Eliminate the flushing of water mains unless required for decontamination and/or public safety; and
- Review customers' water usage for compliance based on the previous month's water use and notify violators verbally or in writing as the situation dictates.
- Increase public education and outreach regarding water use reduction by using the following practices:
 - Use an aerator and/or a water flow-reducer attachment on your tap to reduce your water usage.
 - When brushing your teeth, turn the water off while you are brushing. Use short bursts of water to clean your brush.
 - When washing or shaving, partially fill the sink and use that water rather than running the tap continuously.
 - Use either low-flow shower heads or adjustable flow-reducer devices on your shower heads.
 - You can reduce water usage by 40% to 50% by installing low-flush toilets.
 - When hand-washing dishes, never run water continuously.
 - If you have a dishwasher appliance, use it only to wash full loads.
 - Wash only full loads in your washing machine and use the shortest cycle possible.
 - Fix leaks quickly.
 - Clean outdoor surfaces with a broom, not a hose
 - Do not overwater in anticipation of a shortage. Soil cannot store extra water

Water Use Restrictions for Demand Reduction:

All requirements of Stage 1 shall remain in effect during Stage 2 except as modified below:

- a) Irrigation of landscaped areas with hose-end sprinklers and automatic irrigation systems shall be limited to **once every other week**. The watering schedule will

be determined by the General Manager or designee. Customers will be made aware of their designated watering day. However, irrigation of landscaped areas is permitted on any day if it is by means of a hand-held hose (with positive shutoff nozzle), a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system with a positive shutoff device.

- a. Exceptions for this restriction may be permitted, upon review and approval by the General Manager or designee, for the following uses: new plantings (for up to 60 days), vegetable gardens, athletic playing fields, and botanical gardens. In addition, this restriction does not apply to customers irrigating with well water or an aerobic septic system. Customers irrigating with well water or an aerobic septic system shall still apply for a permit from the District to be prominently posted on the premises within two (2) feet of the street number located on the premises.
- b) The watering of golf course fairways with potable water is prohibited. The watering of greens and tees are limited to once every other week unless the golf course utilizes non-potable or a water source other than that provided through the District infrastructure or done by means of hand-held hoses, or hand-held buckets.
- c) A person or entity who owns, leases or manages an outdoor swimming pool (including publicly-owned pools) shall begin preparation for Stage 3 requirement to have approximately 100 percent of the pool surface area covered when not in use.
- d) Hotels, motels, and other lodgings must offer and clearly notify guests of a "linen/towel change on request only" program.
- e) Use of water to wash a motor vehicle, not occurring on the premises of a commercial car wash, is allowed on the designated Stage 2 watering day.

Optional Measures:

During Stage 2, the following measures are optional water use restrictions that may be implemented by the General Manager, or designee, with Board approval, as conditions warrant:

- a) The following surcharge will be added to a customer's water bill:
 - i. For all irrigation accounts, a surcharge of \$1.00 per 1,000 gallons will be added to the customers' bill.
 - ii. For residential accounts, a surcharge of \$1.00 per 1,000 gallons over 7,000 gallons will be added to the customers' bill.
 - iii. For commercial accounts, a surcharge of \$1.00 per 1,000 gallons over 55,000 gallons will be added to the customers' bill.
 - iv. For non-exempt large volume accounts a surcharge of \$3.00 per 1,000 gallons for volumes exceeding the last 12-month average usage by 25% for the 12-month billing prior to the implementation of Stage 2 will be added to the customers' bill.

- v. For wholesale customers, a surcharge of \$1.00 per 1,000 gallons for volumes exceeding the last 12-month average usage by 25% for the 12-month billing prior to the implementation of Stage 2 will be added to the customers' bill, except as otherwise provided by contract.

10.4. Stage 3 Response – Critical Water Shortage

Target: During Stage 3, achieve a 15% or greater reduction in daily water with the water use restrictions below.

Best Management Practices for Supply Management:

In addition to the best management practices for supply management listed under Stage 2, the District will also do the following during Stage 3:

- Upon written notice, disconnect the water meters of willful violators if absolutely necessary to prevent the deliberate wasting of water.
- Increase public education and outreach regarding water use reduction by using the following practices:
 - Use an aerator and/or a water flow-reducer attachment on your tap to reduce your water usage.
 - When brushing your teeth, turn the water off while you are brushing. Use short bursts of water for cleaning your brush.
 - When washing or shaving, partially fill the sink and use that water rather than running the tap continuously.
 - Use either low-flow shower heads or adjustable flow-reducer devices on your shower heads.
 - You can reduce water usage by 40% to 50% by installing low-flush toilets.
 - When hand-washing dishes, never run water continuously.
 - If you have a dishwasher appliance, use it only to wash full loads.
 - Wash only full loads in your washing machine and use the shortest cycle possible.
 - Repair leaks quickly.
 - Clean outdoor surfaces with a broom, not a hose.Do not overwater in anticipation of a shortage. Soil cannot store extra water.

Water Use Restrictions for Demand Reduction:

All requirements of Stage 1 and 2 shall remain in effect during Stage 3 except as modified below:

- Irrigation of turf grass by any means shall be **prohibited at all times**.
- Drip irrigation for foundations and landscaped beds is allowed **every other week** on the designated watering schedule. The watering schedule will be determined by the General Manager or designee. Customers will be made aware of their designated watering day.

- Watering of trees, vegetable beds, shrubs, and potted plants is permitted on any day if it is by means of a handheld hose (with a positive shutoff nozzle), a faucet-filled bucket, or a watering can of five (5) gallons or less.
- Exceptions for Stage 3 restrictions may be permitted up to 30 days, upon review and approval by the General Manager or designee, for new plantings. In addition, this restriction does not apply to customers irrigating with well water or an aerobic septic system. Customers irrigating with well water or an aerobic septic system shall still apply for an exemption from the District. An exception certificate should be prominently posted on the premises within two (2) feet of the street number located on the premises.
- Use of water to wash a motor vehicle, not occurring on the premises of a commercial car wash station, is allowed by hand, with a five (5) gallon bucket or less on the designated watering day.
- The filling, draining and refilling of an existing swimming pool, Jacuzzi and hot tubs is prohibited except to maintain structural integrity.
- A person or entity who owns, leases, or manages an outdoor swimming pool (including publicly-owned pools) shall have approximately 100% of the pool surface area covered when not in use. A request for an exemption or variance from this provision for pools that have a water-saving feature may be submitted.
- Operators of water parks must seek approval from the District prior to the filling, refilling, or adding water to water parks.
- All fountains shall only operate to circulate water in order to maintain equipment.
- Hotels, motels, and other lodgings must offer and clearly notify guests of a "linen/towel change on request only" program.

Optional Measures:

During Stage 3, the following measures are optional water use restrictions that may be implemented by the General Manager, or designee, with Board approval, as conditions warrant:

- b) The following surcharge will be added to a customer's water bill:
- For all irrigation accounts, a surcharge of \$2.00 per 1,000 gallons will be added to the customers' bill.
 - For residential accounts, a surcharge of \$2.00 per 1,000 gallons over 7,000 gallons will be added to the customers' bill.
 - For commercial accounts, a surcharge of \$2.00 per 1,000 gallons over 55,000 gallons will be added to the customers' bill.
 - For non-exempt large volume accounts a surcharge of \$12.00 per 1,000 gallons for volumes exceeding the last 12-month average usage by 25% for the 12-month billing prior to the implementation of Stage 2 will be added to the customers' bill.
 - For wholesale customers, a surcharge of \$2.00 per 1,000 gallons for volumes exceeding the last 12-month average usage by 25% for the 12-month billing

prior to the implementation of Stage 2 will be added to the customers' bill, except as otherwise provided by contract.

10.5. Water Emergency

Level 1 Water Emergency

In the event that the triggering criteria specified in Section 8.2 – Level 1 Water Emergency of the DCP is met, the General Manager, or designee is hereby authorized to implement pro-rata curtailment of water supplies to all customers in accordance with Texas Water Code §11.039. The initiation of pro-rata curtailment preparations shall begin during Stage 3.

Target: During a Level 1 Water Emergency, pro-rata curtailment will be required and may start at 5% or greater reduction of total water demand, depending on the forecasted water supply conditions. Surcharges and allocations are enforceable during a Water Emergency, as described in Section 11.

Best Management Practices for Supply Management:

In addition to the best management practices for supply management listed under Stage 3, the District will also do the following:

- Implement a planned public campaign to inform all customers of the water emergency and to mandate the immediate curtailment of water.
- Contact wholesale water customers to discuss water supply and/or demand conditions and inform them about the initiation of mandatory measures to curtail their water consumption as necessary.
- Contact large-volume/industrial users to discuss water supply and/or demand conditions and inform them about the initiation of mandatory measures to curtail their water consumption as necessary.

Water Use Restrictions for Demand Reduction:

During a Level 1 Water Emergency, all requirements of Stage 1, 2, and 3 shall remain in effect except as modified below:

- a) Irrigation of all landscaped areas is absolutely prohibited.
- b) Use of water to wash any motor vehicle, motorbike, boat, trailer, or other vehicle is absolutely prohibited.
- c) Associated uses of water not related to business processes which are discretionary, such as equipment washing, shall be deferred until the water emergency has been terminated.

Level 2 Water Emergency

Target: During a Level 2 Water Emergency, achieve the necessary reduction in daily water demand to meet minimum system pressure requirements with the below water use restrictions. In addition, during a Level 2 Water Emergency all requirements from a Level 1 Water Emergency may be authorized under this section. Surcharges and curtailments are enforceable during a Water Emergency, as described in Section 11.

During a water emergency such as a catastrophic failure of infrastructure or cross-connection contamination, the District shall implement all necessary measures to protect public health and safety.

For a water emergency associated with contamination of Nueces Basin stored supplies, the District, under the General Manager or designee's direction, will cease pumping from the Nueces River and will contact the City of Corpus Christi to identify additional, temporary water that may be available from Lake Texana on a short-term basis to meet essential water needs. For a water emergency associated with contamination of Lake Texana supplies, the District, under the General Manager's, or designee's direction, will cease pumping from the Mary Rhodes Pipeline.

Best Management Practices for Supply Management:

In addition to the best management practices for supply management listed under Stage 3, the District will also do the following:

- Implement a public campaign to inform all customers of the water emergency and to mandate the immediate curtailment of water.
- Contact wholesale water customers to discuss water supply and/or demand conditions and inform them about the initiation of mandatory measures to curtail their water consumption as necessary.
- Contact large-volume/industrial users to discuss water supply and/or demand conditions and inform them about the initiation of mandatory measures to curtail their water consumption as necessary.

Water Use Restrictions for Demand Reduction:

During a water emergency, all requirements of Stage 1, 2, and 3 shall remain in effect except as modified below:

- a) Irrigation of all landscaped areas is absolutely prohibited.
- b) Use of water to wash any motor vehicle, motorbike, boat, trailer, or other vehicle is absolutely prohibited.
- c) Associated uses of water not related to business process which are discretionary, such as equipment washing, shall be deferred until the water emergency has been terminated.

Optional Measures:

During a Level 1 or Level 2 Water Emergency, the following measure is an optional water use restriction that may be implemented by the General Manager, or designee, with Board approval, as conditions warrant:

- a) No application for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be approved, and time limits for approval of such applications are hereby suspended for such time as this drought stage shall be in effect.
- b) The following surcharge will be added to a customer's water bill:
 - i. For all irrigation accounts, a surcharge of \$4.00 per 1,000 gallons will be added to the customers' bill.
 - ii. For residential accounts, a surcharge of \$4.00 per 1,000 gallons over 7,000 gallons will be added to the customers' bill.
 - iii. For commercial accounts, a surcharge of \$4.00 per 1,000 gallons over 55,000 gallons will be added to the customers' bill.
 - iv. For non-exempt large volume accounts a surcharge of \$12.00 per 1,000 gallons for volumes exceeding the last 12-month average usage by 25% for the 12-month billing prior to the implementation of Stage 2 will be added to the customers' bill.
 - v. For wholesale customers, a surcharge of \$4.00 per 1,000 gallons for volumes exceeding the last 12-month average usage by 25% for the 12-month billing prior to the implementation of Stage 2 will be added to the customers' bill, except as otherwise provided by contract.

11. Surcharges for Drought Stages 2, 3, Water Emergency and Service Measures

(a) General

1. The surcharges established herein are solely intended to regulate and deter the use of water during a period of serious drought in order to achieve necessary water conservation. The Board of Directors expressly finds that the drought poses a serious and immediate threat to the public and economic health and general welfare of this community, and that the surcharges and other measures adopted herein are essential to protect said public health and welfare.
2. This section, and the surcharges and measures adopted herein, are an exercise of the District's powers under Chapters 49 and 51 of the Texas Water Code, and the surcharges and connection fees are conservation rates intended to meet fixed costs as a result of lost revenue.
3. With Board approval, the General Manager, or designee, is authorized to determine trigger points or allocations and surcharges during Stages 2, 3, and a Water Emergency.

4. A customer may appeal a drought surcharge established under this Section to the General Manager or designee on grounds of unnecessary hardship, through the process outlined in Section 12.

Drought surcharge funds will first be reported to the Board and used as directed by the Board.

12. Requests for Exemptions and Variances

- (a) The General Manager, or designee may, in writing, grant a temporary variance to any of the provisions for water users found in this DCP upon determination that failure to grant such variance would cause an emergency condition adversely affecting the public health, sanitation, or fire protection for the public or person requesting such a variance.
- (b) A person requesting an exemption or variance from the provisions of this DCP shall file a request on the District-provided application for an exemption/variance with the District within 5 days after a particular drought response stage has been invoked. All request forms shall be reviewed by the General Manager, or designee, and shall include the following:
 1. Name and address of the water user(s).
 2. Purpose of water use.
 3. Specific provision(s) of the DCP from which the water user is requesting relief.
 4. Detailed statement as to how the specific provision of the DCP adversely affects the water user or what damage or harm will occur to the water user or others if water user complies with this DCP.
 5. Description of the exemption requested.
 6. Period of time for which the exemption is sought.
 7. Alternative water use restrictions or other measures the water user is taking or proposes to take to meet the intent of this DCP and the compliance date.
 8. Other pertinent information; or as required on exemption application.
- (c) No exemption nor variance shall be retroactive or otherwise justify any violation of this DCP occurring prior to the issuance of the exemption/variance.
- (d) The General Manager or designee shall consider requests of water users for special consideration to be given as to their respective particular circumstances and is hereby authorized to, in special cases, grant such variance from the terms of this DCP if such compliance would cause an emergency condition adversely affecting the public health, sanitation, or fire protection for the public or person requesting such a variance as will not be contrary to the public interest, where, owing to special conditions, a literal

enforcement of the provisions of this DCP will result in unnecessary hardship, and so that the spirit of this DCP shall be observed and substantial justice done.

- (e) Should an exemption for special exception be granted, it shall be in effect from the time of granting through the termination of the then current stage, unless revoked by the General Manager or designee for noncompliance; provided, that the exemption is prominently posted on the premises within two (2) feet of the street number located on the premises.
- (f) A person denied request for permit or exception from these rules may appeal the decision to the General Manager by submitting a written request for appeal to the General Manager within five business days from issuance of denial. The decision of the General Manager shall be final.
- (g) Violations of any permit conditions may be enforced under Section 13.

12.1. Non-mandatory Drought Surcharge Exemption Fee.

San Patricio Municipal Water District as a wholesale customer of the City of Corpus Christi provides the following section for administrative purposes. District responsibilities may be substituted for City requirements where appropriate. The District will act as a conduit to collect exemption fees and transmit to the City of Corpus Christi. *Article XII of Chapter 55 of the Corpus Christi Code of Ordinances Section 55-159.1 reads as follows:*

“(a) Establishment of non-mandatory “Drought Surcharge Exemption Fee” effective October 1, 2018.

Large-volume industrial customers¹ may voluntarily pay a non-mandatory and non-refundable “Drought Surcharge Exemption fee” or “Fee” of \$0.31 per 1,000 gallons of water per month to be exempt from the applicable allocation surcharges of City Code Section 55-154 during the month of billing. The City (District) will begin to charge the Fee as of October 1, 2018 to all large-volume industrial customers. The Fee will be charged with the large-volume industrial customer’s regular monthly water bill which is due as stated on the bill. By payment of the Fee, the large-volume industrial customer has determined that the Fee is fair, just, and reasonable.

(b) Notice of Opt-out.

A large-volume industrial customer may opt out of the Drought Surcharge Exemption fee (or “Fee”) by providing written notice to the City Manager (General Manager). A

¹ For purposes of this Section 55-159.1 the term “large-volume industrial customer” shall mean a utility customer who uses water in minimum quantity of 100,000 gallons a day (See *definitions*) in processes designed to convert materials of a lower order of value into forms having greater usability and commercial value, including the development of power by means other than hydroelectric, but does not include agricultural use.

large-volume industrial customer is deemed to have opted out of the Fee as of the date payment of the Fee remains delinquent after notice and opportunity to cure. A large-volume industrial customer who has opted out of said Fee is subject to aforementioned allocation surcharges of City Code Section 55-154 in addition to compliance with all applicable City ordinances.

(c) Request to opt back into the Drought Surcharge Exemption fee or “Fee”.

There is no right nor entitlement to opt back into the Fee. The City Manager (General Manager) or designee retains sole discretion to determine whether granting large-volume industrial customer’s request to opt back into the Fee is in the best interest of the city (District). At a minimum, the large-volume industrial customer will be required to comply with the following mandatory conditions.

- 1. The large-volume industrial customer must submit a written request to the City Manager (General Manager) to request to opt back into the Drought Surcharge Exemption fee subject to City Manager (General Manager) review.*
- 2. Upon receipt of invoice, the large-volume industrial customer must timely pay the Drought Surcharge Exemption fees calculated on said customer’s actual water usage from date of City’s (District’s) receipt of written request back to said customer’s date of opt out, up to a maximum of 10 years.*
- 3. The large-volume industrial customer remains subject to compliance with the aforementioned allocation surcharge provisions of the City Code as may be amended and all other applicable ordinances, rules and regulations of the City for the mandatory reinstatement period of 24 months.
The mandatory reinstatement period begins upon date of notice from the City to said customer and continues for 24 consecutive calendar months. During the reinstatement period, the large-volume industrial customer will timely pay a non-refundable reinstatement fee of \$0.31 per 1,000 gallons of water upon receipt of invoice. By payment of said reinstatement fee, the large-volume industrial customer has determined that the fee is fair, just, and reasonable.*
- 4. Despite compliance with these conditions, the large-volume industrial customer will not be allowed to opt back into the Fee when the combined storage level of the Choke Canyon Reservoir and Lake Corpus Christi declines below 40%.*

(d) Dedicated use of the Drought Surcharge Exemption fees.

- 1. The Fee shall be dedicated by the City for development of a drought-resistant water supply and shall not be used for operation and maintenance costs of any water supply, treatment facility or distribution system.*
- 2. The Fee paid to the City will be reserved in a separate account (“Account”) and used only for capital costs to develop and/or acquire an additional drought-resistant water supply including but not limited to, payment of debt for an allowable capital project.*
- 3. The City Manager may execute documents necessary for the establishment of a dedicated fund.*

(e) Review and adjustment of the Drought surcharge exemption fee.

The Fee shall be reviewed and adjusted by City Council action no more frequently than every 5 years. Any subsequent Fee increase is limited to increases based upon changes to the following Consumer Price Index: CPI-All Urban Consumers (Current Series) for Water and sewer and trash collection services in U.S. City average, all urban consumers.

(f) Participation by wholesale water suppliers.

A wholesale water supplier with a water supply contract with the City may choose to establish an identical voluntary Drought Surcharge Exemption Fee and standard agreement for its large-volume industrial customers with said Fee and agreement to be equivalent to the ordinance and standard agreement adopted by the City of Corpus Christi. Upon adoption of said identical voluntary Drought Surcharge Exemption Fee and standard agreement for its large-volume industrial customers, the wholesale water supplier shall assess and collect the Fees from its large-volume industrial customers and then remit said Fees to the City. In addition, the wholesale water supplier shall notify the City Manager or designee of the volume of water used by its large-volume industrial customers each month.

(g) The City Manager may execute letters of commitment and standard agreements regarding payment and use of Drought Surcharge Exemption Fee with terms consistent with this Section 55-159.1 (each, an "Agreement"). The Agreement may be terminated by the City upon five years' notice to terminate the Agreement.

A copy of the standard agreement is attached as an Exhibit to the Ordinance which is enacted in this Section 55-159.1. The City Manager is authorized to adjust the terms of the standard agreement as long as said adjustments are consistent with the terms of this Section 55-159.1 and said adjustment is made available to all large-volume industrial customers participating in the Drought Surcharge Exemption Fee.

(h) The Drought Surcharge Exemption Fee established by this Section 55-159.1 continues to be billed and paid except during periods when the balance in the Account exceeds \$150,000,000, to be adjusted annually for inflation by the following Consumer Price Index: CPI-All Urban Consumers (Current Series) for Water and sewer and trash collection services in U.S. City average, all urban consumers. While balance exceeds \$150,000,000 the City will cease billing and collection of the Fee, and the large-volume industrial customer remains exempt from the allocation surcharges.

(i) The City may repeal this Section 55-159.1 upon at least five years' notice to the then participating large-volume industrial customers and participating wholesale water suppliers.

(j) Upon City's repeal of this Section 55-159.1 or City's termination of the Agreement, any unencumbered balance remaining in the Account will be returned to the then-participating large-volume industrial customers and then-participating wholesale water suppliers on a pro-rata basis.

(k) The large-volume industrial customer paying the Drought Surcharge Exemption Fee established by this Section 159.1 is exempt from City curtailment of water during

Reservoir System Stages 1, 2, and 3, except when such curtailment is required by Texas Water Code Section 11.039 or required by other applicable state laws and state regulations.”

13. Enforcement

Any person who violates this DCP shall be subject to the following additional surcharges and conditions of service:

Following the first documented violation in a calendar year, the violator shall be given a notice specifying the type of violation and the date and time it was observed; and surcharges and restrictions on service that may result from additional violations; however, in the case of significant violations, as determined by the General Manager or designee, no such notice shall be given, and the violator will be sent the notice described below and assessed the surcharges described below. In those cases, the first documented violation shall be treated as a second documented violation.

Following the second documented violation in a calendar year, the violator shall be sent by certified mail or documented door tag hanger a notice of violation and shall be assessed a surcharge of \$500.00. This amount increases to an amount up to \$2,000 if operating under Stage 3 or the Water Emergency Stage of the DCP.

Following the third documented violation in a calendar year, the violator shall be sent by certified mail or documented door tag hanger a notice of violation and shall be assessed a surcharge of \$750.00. This amount increases to an amount up to \$10,000 if operating under Stage 3 or the Water Emergency Stage of the DCP.

Following the fourth documented violation in a calendar year, the District shall, upon due notice to the customer, discontinue water service to the premises where such violations occur. Services discontinued under such circumstances shall be restored only upon payment of a reconnection charge, as established in the District's Rate Order, as amended from time to time, and any outstanding charges including late payment fees or penalties. In addition, suitable assurance must be given to the District so that the same action shall not be repeated while the DCP is in effect.

Compliance with this DCP may also be sought through injunctive relief in district court.

Each day that one or more of the provisions in this DCP is violated shall constitute a separate violation. Any person, including one classified as a water customer of the District in apparent control of the property where a violation occurs or originates, shall be presumed to be the violator. Any such person, however, shall have the right to show that he did not commit the violation.

14. Variances

A temporary variance for existing water uses otherwise prohibited under this DCP may be obtained through the process outlined in Section 12.

15. Severability

It is hereby declared to be the intention of the District that the sections, paragraphs, sentences, clauses, and phrases of this DCP are severable and, if any phrase, clause, sentence, paragraph, or section of this DCP shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such declaration shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this DCP, since the same would not have been enacted by the District without the incorporation into this DCP of any such unconstitutional phrase, clause, sentence, paragraph, or section.

16. Wholesale Drought Contingency Plan

16.1 Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and/or to protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and fire protection, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions, the San Patricio Municipal water District (District) adopts the following Wholesale Drought Contingency Plan (Plan).

16.2 Public and Wholesale Customer Involvement

A public hearing to receive comments on the Plan was held at the District offices on April 8, 2025 prior to adoption of this Plan.

16.3 Wholesale Water Customer Education

The District will periodically provide wholesale customers with information about the Plan, including information about conditions under which each stage of the Plan is to be initiated or terminated and drought measures to be implemented in each stage.

This information will be distributed by providing a copy of the Plan to each wholesale water customer.

16.4 Coordination with Regional Water Planning Groups

The water service area of the District and its wholesale water customers is located within the Coastal Bend Planning Region (Region N) and the District has provided a copy of the Plan to Region N. The District shall review and update, as appropriate, the drought contingency plan at least every five years based on new or updated information, such as the adoption or revision of the regional water plan.

16.5 Authorization

The General Manager of the District, or designee, is hereby authorized and directed to implement the applicable provisions of this Plan upon determination that such

implementation is necessary to protect public health, safety, and welfare. Wholesale customers are subject to the Plan under their contracts with the District. The General Manager, or designee, shall have the authority to initiate or terminate drought or other water supply emergency measures as described in this Plan. The General Manager, or designee, shall notify the TCEQ within five (5) business days of any mandatory water use restrictions being enacted.

16.6 Application

The provisions of this Plan shall apply to all customers utilizing water provided by the District on a wholesale basis. The terms “person” and “customer” as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities. Every wholesale water contract entered into, renewed or modified after official adoption of this Plan shall include language relating to the San Patricio Municipal Water District Water Conservation Plan and Drought Contingency Plan, that Plan (similarly adopted under the City of Corpus Christi Ordinance Number 55-151) shall impose similar restrictions, surcharges or rationing measures on their customers.

To the extent of its legal authority, the District shall require its wholesale customers to implement outdoor watering restrictions similar to those of the District for each drought stage. The District requires that any contract for the resale of water furnished to wholesale water contractors shall contain a similar condition.

16.7 Triggering Criteria for Initiation and Termination of Drought Stages

The General Manager, or designee, shall monitor water supply and/or demand conditions on a weekly basis and shall determine when conditions warrant initiation or termination of each stage of the Plan. Customer notification of the initiation or termination of drought stages will be made by email, mail, or telephone. The news media will also be informed by the District.

The triggering criterion to be monitored for determining drought stages is the combined reservoir storage levels of Choke Canyon Reservoir and Lake Corpus Christi. The combined storage levels selected are based on the TCEQ 2001 Agreed Order on Freshwater Inflows to the Nueces Bay and Estuary (amended April 17, 2001). See Appendix. The triggering criteria in this section are minimum standards for initiation and maximum standards for termination, and the General Manager, or designee, can initiate or terminate each stage when conditions warrant.

(a) Water Shortage Watch

Trigger for initiation – The District will recognize that a mild water shortage condition exists when the combined storage levels of Choke Canyon Reservoir and Lake Corpus Christi have fallen below 50%.

Trigger for termination – The Water Shortage Watch may be terminated when the combined storage level of Choke Canyon Reservoir and Lake Corpus Christi increases above 50% for 15 consecutive calendar days.

(b) Stage 1 – Mild Water Shortage

Trigger for initiation – The District will recognize that a mild water shortage watch exists when the combined storage levels of Choke Canyon and Lake Corpus Christi decline below 40%.

Trigger for termination – Stage 1 of the Plan may be rescinded when the combined storage level increases above 50%. The District will notify its wholesale customers and the media of the termination of Stage 1 in the same manner as the notification of initiation of Stage 1.

(c) Stage 2 – Moderate Water Shortage

Trigger for initiation – The District will recognize that a moderate water shortage condition exists when the combined storage levels decline below 30%.

Trigger for termination – Stage 2 of the Plan may be rescinded when the combined storage level increases above 40%. Upon termination of Stage 2, Stage 1 becomes operative. The District will notify its wholesale customers and the media of the termination of Stage 2.

(d) Stage 3 – Critical Water Shortage

Trigger for initiation – The District will recognize that a critical water shortage condition exists when the combined storage levels decline below 20%.

Trigger for termination – Stage 3 of the Plan may be rescinded when the combined storage level increases above 30%. Upon termination of Stage 3, Stage 2 becomes operative. The District will notify its wholesale customers and the media of the termination of Stage 3.

(e) Water Emergency

Level 1 Water Emergency

Trigger for initiation – A Level 1 Water Emergency begins when the General Manager, or designee, determines that the District is within 180 days of its total water supply not meeting its water demands. The 180-day trigger is in accordance with Texas Administrative Code Title 30 Rule §290.41(b)(1) for Water Resources. The General Manager or designee can modify the timing of triggering a Level 1 Water Emergency if the regional demands can be fully met with alternative water sources other than the combined reservoir storage. Other sources may include water from the Mary Rhodes Pipeline or future water supplies such as the Inner Harbor Seawater Desalination Treatment Facility.

Trigger for termination - The Level 1 Water Emergency may be terminated when the General Manager, or designee, determines that the District's total water supply can meet the total regional demands for more than 180 days.

Level 2 Water Emergency

Trigger for initiation – A Level 2 Water Emergency begins when the General Manager, or designee determines that a water supply emergency exists, which causes the demand to exceed the supply, subsequently leading to imminent failure to maintain pressure that meets TCEQ minimum standards, including but not limited to;

- a) Major catastrophic infrastructure failure including but not limited to; failure of a dam or spillway structure, failure of a major water line such as the MRP or other large diameter water lines, and/or failure of the District's water treatment facilities or other critical re-pump stations; or
- b) Water production or distribution system limitations; or
- c) Natural or man-made contamination of the water supply source.

Trigger for termination – The Water Emergency may be terminated when the General Manager, or designee, deems appropriate.

16.8 Drought Stages. The General Manager, or designee, shall monitor water supply and/or demand conditions and, in accordance with the triggering criteria set forth in Section 16.7, shall determine that a mild, moderate, critical, or a water emergency exists and shall implement best management practices accordingly.

For water contracts between the District and wholesale customers with specific reductions based on stage, wholesale water customers are to implement measures to achieve water use reduction targets specified in the contract. For other contracts, required adoption of a Drought Contingency Plan should strive to achieve the water use reduction targets for each drought stage presented in the following table. Further discussion on best management practices and implementation practices associated with each stage is described below.

Drought Stage Response	CCR/LCC Combined Reservoir Storage Level	Target Demand Reduction Levels
Water Shortage Watch	<50%	5%
Stage 1- Mild Water Shortage	<40%	5%
Stage 2- Moderate Water Shortage	<30%	10%
Stage 3- Critical Water Shortage	<20%	15%
Water Emergency Level 1 Level 2	Not Applicable	25% 50%

Water Shortage Watch

Target: Achieve a voluntary 5% reduction in daily water demand for each wholesale customer utilizing District's water supply system.

Best Management Practices for Supply Management:

- The District will encourage each wholesale water customer to utilize alternative water sources *voluntarily* such as interconnections with another water system, temporary use of a water supply other than from the District's system, or use of reclaimed water for non-potable purposes, etc.

Water Use Restrictions for Reducing Demand:

- The General Manager, or designee, will contact wholesale water customers to discuss water supply and/or demand and will request that wholesale water customers initiate voluntary measures to reduce water use.
- The General manager, or designee, will provide a regular report to the news media with information regarding current water supply and/or demand, projected water supply and demand if drought conditions persist, and consumer information on water conservation measures and practices.

Stage 1 – Mild Water Shortage

Target: Achieve a 5% reduction in daily water demand for each wholesale customer utilizing the District's water supply system.

Best Management Practices for Supply Management:

- The District will encourage each wholesale water customer to use reclaimed water for non-potable purposes.

Water Use Measures for Reducing Demand:

- The General Manager, or designee, will initiate contact with wholesale water customers to discuss water supply and/or demand and the possibility of pro rata curtailment of water diversions and/or deliveries.
- The General Manager, or designee, will request wholesale water customers to initiate mandatory measures to reduce non-essential water use (e.g. implement Stage 1 of the customer's drought contingency plan).
- The General Manager, or designee, will provide a regular report to the news media with information regarding current water supply and/or demand, projected water supply and demand if drought conditions persist, and consumer information on water conservation measures and practices.

Other Actions to be Taken:

- The District will notify, in writing, operators of recreational facilities to consider issuance of signs near boat ramps and in public parks notifying the public that the Reservoir System is operating at less than 40 % of its conservation pool volume, and that Stage 1 has been declared. The District will recommend that operators post information to the public regarding Stage 1 of the Drought Contingency Plan and possible boating safety hazards due to decreasing Reservoir levels.

Stage 2 – Moderate Water Shortage

Target: Achieve a 10% reduction in daily water demand for each wholesale customer utilizing the District's water supply system.

Best Management Practices for Supply Management:

- The District will encourage each wholesale water customer to utilize alternative water sources such as interconnections with another water system, temporary use of a water supply other than from the District's system, use of reclaimed water for non-potable purposes, etc.

Water Use Measures for Reducing Demand:

- The General Manager, or designee, will contact wholesale water customers to discuss water supply and/or demand and will request that wholesale water customers initiate additional mandatory measures to reduce non-essential water use (e.g. implement Stage 2 of the customer's drought contingency plan).
- The General Manager, or designee, will initiate preparations for the implementation of pro rata curtailment of water diversions and/or deliveries in accordance with Texas Water Code §11.039 by preparing a monthly water usage allocation baseline for each wholesale customer according to procedures specified in 16.9 of the Plan.
- The General Manager, or designee, will provide a regular report to the news media with information regarding current water supply and/or demand, projected water supply and demand if drought conditions persist, and consumer information on water conservation measures and practices.

Other Actions to be Taken:

- The District will notify, in writing, operators of recreational facilities to consider issuance of signs near boat ramps and in public parks notifying the public that the Reservoir System is operating at less than 30 % of its conservation pool volume, and that Stage 2 has been declared. The District will recommend that operators post information to the public regarding Stage 2 of the Drought Contingency Plan and possible boating safety hazards due to decreasing reservoir levels.

Stage 3 – Critical Water Shortage

Target: Achieve a 15% reduction in daily water demand for each wholesale customer utilizing the District's water supply system.

Best Management Practices for Supply Management:

- The District will encourage each wholesale water customer to utilize alternative water sources such as interconnections with another water system, temporary use of a water supply other than from the District's system, use of reclaimed water for non-potable purposes, etc.

Water Use Restrictions for Reducing Demand:

- The General Manager, or designee, will contact wholesale water customers to discuss water supply and/or demand and will request that wholesale water customers initiate additional mandatory measures to reduce non-essential water use (e.g. implement Stage 3 of the customer's drought contingency plan).
- The General Manager or designee, will initiate pro rata curtailment of water diversions and/or deliveries for each wholesale customer according to the procedures specified in Section 16.9 of the Plan in accordance with Texas Water Code §11.039.
- The General Manager, or designee, will provide a regular report to the news media with information regarding current water supply and/or demand, projected water supply and demand if drought conditions persist, and consumer information on water conservation measures and practices.

Other Actions to be Taken:

- The District will notify, in writing, operators of recreational facilities to consider issuance of signs near boat ramps and in public parks notifying the public that the Reservoir System is operating at less than 20 % of its conservation pool volume and that Stage 3 has been declared. The District will recommend that operators post information to the public regarding Stage 3 of the Drought Contingency Plan and possible boating safety hazards due to decreasing Reservoir levels.

Water Emergency

Whenever a Level 1 or Level 2 Water Emergency exists as defined in Section 16.7 of the Plan, the General Manager, or designee, shall:

- Assess the severity of the problem and identify the actions needed and the time required to solve the problem.
- Contact the utility director or other responsible official of each wholesale water customer by telephone, email, or in person to provide information on severity of water supply and/or demand conditions and request that the wholesale water customer initiate

mandatory measures to reduce water consumption as appropriate (e.g., notification of the public to reduce water use until service is restored).

- If appropriate, notify city, county, and/or state emergency response officials for assistance.
- Undertake necessary actions, including repairs and/or clean-up as needed.
- Prepare a post-event assessment report on the incident and critique of emergency response procedures and actions.

16.9 Pro Rata Water Allocation

In the event that the triggering criteria specified in Section 16.7 of the Plan, the General Manager, or designee, is hereby authorized to implement allocation of water supplies on a pro rata basis to wholesale customers in accordance with Texas Water Code §11.039. The initiation of pro rata allocation preparations shall begin during Stage 2. A provision will be included in every wholesale water contract entered into or renewed after adoption of the Plan, including contract extensions, that in case of a shortage of water resulting from drought, the water to be distributed shall be divided in accordance with Texas Water Code §11.039.

- 1) A wholesale water customer's monthly allocation shall be a percentage of the customer's water usage baseline. The percentage will be set by resolution of the Board of Directors based on the City of Corpus Christi's allocation to the District and the General Manager's assessment of the severity of the water shortage and the need to curtail water diversions and deliveries may be adjusted periodically by resolution of the Board of Directors as conditions warrant. Once pro rata allocation is in effect, water diversions by or deliveries to each wholesale water customer shall be limited to the allocation established for each month.
- 2) A monthly water usage allocation shall be established by the General Manager, or designee, for each wholesale water customer. The wholesale water customer's water usage baseline will be computed on the average water usage by month for the previous five-year period. If the wholesale water customer's billing history is less than five (5) years, the monthly average for the period for which there is a record shall be used for any monthly period for which no billing history exists.
- 3) The General Manager shall provide notice, by certified mail, to each wholesale water customer informing them of their monthly water usage allocations and shall notify the news media and the Executive Director of the Texas Commission on Environmental Quality upon initiation of pro rata water allocation.
- 4) Upon request of the wholesale water customer or at the initiative of the General Manager, the allocation may be reduced or increased if:
 - a. The designated period does not accurately reflect the wholesale water customer's normal water usage;
 - b. The customer agrees to transfer part of its allocation to another wholesale water customer; or

- c. Other objective evidence demonstrates that the designated allocation is inaccurate under present conditions. A customer may appeal an allocation established under this section to the Board of Directors.

16.10 Pro Rata Surcharges and Enforcement

During any period when pro rata allocation of available water supplies is in effect, wholesale customers shall pay the following surcharges on excess water diversions:

- 2.0 times the normal water rate per unit in excess of the monthly allocation up through 5 % above the monthly allocation.
- 2.5 times the normal water rate in excess of the monthly allocation from 5 % through 10 % above the monthly allocation.
- 3.0 times the normal water rate in excess of the monthly allocation from 10 % through 15 % above the monthly allocation.
- 3.5 times the normal water rate more than 15 % above the monthly allocation.

16.11 Request for Exemptions and Variances

The General Manager, or designee, may, in writing, grant a temporary variance to the pro rata water allocation policies provided by this Plan. If it is determined that failure to grant such variance would cause an emergency condition adversely affecting the public health, welfare, or safety and if one or more of the following conditions are met:

- (1) Compliance with this Plan cannot be technically accomplished during the duration of this water supply shortage or other condition for which the Plan is in effect.
- (2) Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Plan shall file a petition for variance with the General Manager within 5 days after a pro rata allocation has been invoked. All petitions for variances shall be reviewed by the General Manager, or designee, and shall include the following:

- (1) Name and address of the petitioner(s).
- (2) Detailed statement with supporting data and information as to how the pro rata allocation of water under the policies and procedures established in the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan.
- (3) Description of the relief requested.
- (4) Period of time for which the variance is sought.
- (5) Alternative measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
- (6) Other pertinent information.

Variances granted by the District shall be subject to the following conditions, unless waived or modified by the District.

- (1) Variances granted shall include a timetable for compliance with allocation requirements.
- (2) Variances granted shall expire when the Plan is no longer in effect, unless the petitioner has failed to meet specified requirements.

No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

Wholesale Water Supply customers that have industrial customer(s) that use in excess of 100,000 gallons per day may offer a non-mandatory Drought Surcharge Exemption Fee in accordance with Article XII of Chapter 55 of the Corpus Christi Code of Ordinances Section 55-159.1. Such Wholesale Water Supply customers will be required to collect and transmit the Exemption Fee to the District and accordingly pass those funds along to the City of Corpus Christi. Participating Wholesale Water Supply customers' industries will be afforded the same drought exemptions as those afforded by the District and the city of Corpus Christi large volume industrial users.

16.12 Severability

It is hereby declared to be the intention of the District that the sections, paragraphs, sentences, clauses, and phrases of this Plan are severable and, if any phrase, clause, sentence, paragraph, or section of this Plan shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such declaration shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Plan, since the same would not have been enacted by the District without the incorporation into this Plan of any such unconstitutional phrase, clause, sentence, paragraph, or section.

16.13 Reservoir System Operating Plan

Because all the wholesale customers rely on the reservoir systems for their supplies, they are subject to the Reservoir Operating Plan. A copy of this is included in the Appendix to this DCP.

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Appendices

**TCEQ 2001 Agreed Order on Freshwater Inflows to the Nueces Bay and Estuary
Reservoir Operating Plan**

APPENDIX TO SAN PATRICIO MUNICIPAL WATER DISTRICT AMENDED DROUGHT CONTINGENCY PLAN

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION



AN AGREED ORDER

Amending the operational procedures and continuing an Advisory Council pertaining to Special Condition 5.B., Certificate of Adjudication No. 21-3214; Docket No. 2001-0230-WR

On April 4, 2001, came to be considered before the Texas Natural Resource Conservation Commission ("Commission") the Motion by the City of Corpus Christi and Nueces River Authority for the adoption of an amendment to the Agreed Order issued April 28, 1995, establishing operating procedures pertaining to Special Condition 5.B., Certificate of Adjudication No. 21-3214, held by the City of Corpus Christi, the Nueces River Authority, and the City of Three Rivers" (the two cities and river authority shall be referred to herein as "Certificate Holders"). The Certificate Holders and the Executive Director of the Texas Natural Resource Conservation Commission have agreed to the provisions of this Agreed Order.

The City of Corpus Christi (managing entity) requests that Section 2 of this Agreed Order be amended to add further detail to the provisions regarding the use of water for bays and estuaries and to make changes in the required passage of inflows for the bays and estuaries automatic at 40 percent and 30 percent of total reservoir system capacity upon institution of mandatory outdoor watering restrictions. Additionally, Certificate Holders request the most recent bathymetric surveys be used for determining reservoir system storage capacity. The Certificate Holders request details be added regarding provisions for two projects to enhance/augment the amount of freshwater going into the receiving estuary and timelines for those projects.

After considering the proposals and the presentations of the parties, the Commission finds that it has authority to establish operational procedures under Special Condition 5.B. of Certificate of Adjudication No. 21-3214, and that operational procedures previously established should be amended. The Commission finds that, because of the need to continue to monitor the ecological environment and health of related living marine resources of the estuaries to assess the effectiveness of freshwater inflows provided by requirements contained in this Agreed Order relating to releases and spills from Choke Canyon Reservoir and Lake Corpus Christi (collectively referred to as the Reservoir System), as well as return flows, and to evaluate potential impacts which may occur to the reservoirs as well as to the availability of water to meet the needs of the Certificate Holders and their customers which may result from those operational procedures, the existing advisory council should be maintained to consider such additional information and related issues and to formulate recommendations for the Commission's review.

The Commission additionally finds that based on the preliminary application of the Texas Water Development Board's Mathematical Programming Optimization Model, (GRG-2), 138,000 acre-feet of fresh water is necessary to achieve maximum harvest in the Nueces Estuary; and, therefore, when water is impounded in the Lake Corpus Christi-Choke Canyon Reservoir System to the extent greater than 70 percent of the system's storage capacity, the delivery of 138,000

acre-feet of water to Nueces Bay and/or the Nueces Delta, by a combination of releases and spills, together with diversions and return flows noted below, should be accomplished; and that during periods when the reservoir system contains less than 70 percent storage capacity, reductions in releases and spills, along with diversions and return flows, are appropriate in that a satisfactory level of marine harvest will be sustained and the ecological health of the receiving estuaries will be maintained.

The Commission finds that return flows, other than to Nueces Bay and/or the Nueces Delta, that are delivered to Corpus Christi Bay and other receiving estuaries are currently in the assumed amount of 54,000 acre-feet per annum (per calendar year), and that they shall be credited at this amount until such time as it is shown that actual return flows to Corpus Christi Bay and other receiving estuaries exceed 54,000 acre-feet per annum.

The Commission finds that by contractual relationships, the City of Corpus Christi is the managing entity for operating the Reservoir System.

The Commission finds that the Motion by the City of Corpus Christi and Nueces River Authority to Amend this Agreed Order is reasonable and should be granted. Benefits of the proposed diversion project and operating changes will include increased water supply, increased reservoir storage levels, increased positive flow events for Rincon Bayou and the upper Nueces Delta, increased sources of nitrogen for the upper delta, and lower salinity levels in the upper delta.

When the Commission uses the word "release" in this Order, release means spills, inflow passage, intentional releases, and return flows; provided, however, under this Order no release from storage is required to meet conditions of this Order.

By consenting to the issuance of this Agreed Order, no party admits or denies any claim, nor waives with respect to any subsequent proceeding any interpretation or argument which may be contrary to the provisions of this Agreed Order.

NOW, THEREFORE, BE IT ORDERED BY THE TEXAS NATURAL RESOURCE CONSERVATION COMMISSION THAT:

1. a. The City of Corpus Christi, as operator of the Choke Canyon/Lake Corpus Christi reservoirs (the "Reservoir System"), shall provide not less than 151,000 acre-feet of water per annum (per calendar year) for the estuaries by a combination of releases and spills from the Reservoir System at Lake Corpus Christi Dam and return flows to Nueces and Corpus Christi Bays and other receiving estuaries (including such credits as may be appropriate for diversion of river flows and/or return flows to the Nueces Delta and/or Nueces Bay), as computed and to the extent provided for herein.
- b. When water impounded in the Reservoir System is greater than or equal to 70 percent of storage capacity, a target amount of 138,000 acre-feet is to be delivered to Nueces Bay and/or the Nueces Delta by a combination of releases and spills from

the Reservoir System as well as diversions and return flows. In accordance with the monthly schedule and except as provided otherwise in this Agreed Order, target inflows to Nueces Bay and/or the Nueces Delta shall be in the acre-foot amounts as follow:

January	2,500	July	6,500
February	2,500	August	6,500
March	3,500	September	28,500
April	3,500	October	20,000
May	25,500	November	9,000
June	25,500	December	4,500

It is expressly provided, however, that releases from Reservoir System storage shall not be required to satisfy the above targeted inflow amounts, as calculated in Subparagraph d.

- c. When water impounded in the Reservoir System is less than 70 percent but greater than or equal to 40 percent of storage capacity, a targeted amount of 97,000 acre-feet is to be delivered to Nueces Bay and/or the Nueces Delta by a combination of releases and spills from the Reservoir System as well as diversions and return flows. In accordance with the monthly schedule and except as provided otherwise in this Agreed Order, target inflows to Nueces Bay and/or the Nueces Delta shall be in the acre-foot amounts as follows:

January	2,500	July	4,500
February	2,500	August	5,000
March	3,500	September	11,500
April	3,500	October	9,000
May	23,500	November	4,000
June	23,000	December	4,500

It is expressly provided, however, that releases from Reservoir System storage shall not be required to satisfy the above targeted inflow amounts as calculated in Subparagraph d.

- d. The amounts of water required in subparagraphs 1.b. and 1.c. will consist of return flows, and intentional diversions, as well as spills and releases from the Reservoir System as defined in this subparagraph. For purposes of compliance with monthly targeted amounts prescribed above, the spills and releases described in this paragraph shall be measured at the U.S. Geological Survey stream monitoring station on the Nueces River at Calallen, Texas (USGS Station No. 08211500). Any inflows, including measured wastewater effluent and rainfall runoff meeting lawful discharge standards which are intentionally diverted to the upper Nueces Delta region, shall be credited toward the total inflow amount delivered to Nueces Bay and/or the Nueces

Delta. Inflow passage from the Reservoir System for the purpose of compliance with the monthly targeted amounts prescribed in subparagraphs 1.b. and 1.c. shall in no case exceed the estimated inflow to Lake Corpus Christi as if there were no impoundment of inflows at Choke Canyon Reservoir. The estimated inflow to Lake Corpus Christi as if there were no impoundment of inflows at Choke Canyon Reservoir shall be computed as the sum of the flows measured at the U.S. Geological Survey (USGS) STREAMFLOW GAGING STATIONS ON THE Nueces River near Three Rivers (USGS No. 08210000), Frio River at Tilden, Texas (USGS No. 08206600), and San Miguel Creek near Tilden, Texas (USGS No. 08206700) less computed releases and spills from Choke Canyon Reservoir.

- e. The passage of inflow necessary to meet the monthly targeted allocations may be distributed over the calendar month in a manner to be determined by the City. Relief from the above requirements shall be available under subparagraphs (1) or (2) below and Section 2.(b) and 3.(c) at the option of the City of Corpus Christi. However, passage of inflow may only be reduced under one of those subparagraphs below, for any given month.
 - (1) Inflows to Nueces Bay and/or the Nueces Delta in excess of the required monthly targeted amount may be credited for up to fifty (50) percent of the targeted requirement for the following month, based on the amount received.
 - (2) When the mean salinity in Upper Nueces Bay (Lat. 27°51'02", Long. 97°28'52") for a 10-day period, ending at any time during the calendar month for which the reduction of the passage of inflow is sought, is below the SUB*, pass through of inflow from the reservoir system for that same calendar month may be reduced as follows:
 - (a) For any month other than May, June, September and October, if 5 parts per thousand (ppt) below the SUB for the month, a reduction of 25% of the current month's targeted Nueces Bay inflow;
 - (b) If 10 ppt below the SUB for the month, a reduction of 50 % of the current month's targeted Nueces Bay inflow except that credit under this provision is limited to 25 % during the months of May, June, September and October;

* "SUB" means "salinity upper bounds" as set forth more specifically in Section 3.b.

- (c) If 15 ppt below the SUB for that month, a reduction of 75% of the current month's targeted Nueces Bay inflow.

- f. The City of Corpus Christi shall submit monthly reports to the Commission containing daily inflow amounts provided to the Nueces Estuary in accordance with this Agreed Order through releases, spills, return flows and other freshwater inflows.
- 2.
- a. Certificate holders are to provide in any future contracts or any amendments, modifications or changes to existing contracts the condition that all wholesale customers and any subsequent wholesale customers shall develop and have in effect a water conservation and drought management plan consistent with Commission rule. The City of Corpus Christi shall solicit from its customers and report to the Commission annually the result of conservation under the City's plan, the customers' plans, and the feasibility of implementing conservation plans and programs for all users of water from the reservoir system. This report shall be submitted with the Certificate Holder's annual water use report as provided by 31 T.A.C. §295.202.
 - b. The Certificate Holders may reduce targeted Nueces Bay inflows during times of prolonged drought in accordance with this subparagraph 2.
 - (1) When the combined storage in the Choke Canyon/Lake Corpus Christi reservoir system (Reservoir System Storage) falls below 50% of the total system storage capacity, the City of Corpus Christi shall issue public notice advising and informing the water users of the region of voluntary conservation measures that are requested immediately and required drought management measures to be taken should the Reservoir System Storage fall to under 40% and/or 30% of total system storage capacity. To the extent of its legal authority, the City of Corpus Christi shall require its wholesale customers to issue public notice advising and informing the water users of the region of voluntary conservation measures that are requested immediately and required drought management measures to be taken should the Reservoir System Storage fall to under 40% and/or 30% of total system storage capacity.
 - (2) In any month when Reservoir System Storage is less than 40%, but equal to or greater than 30% of total system storage capacity, the City of Corpus Christi shall implement time of day outdoor watering restrictions and shall reduce targeted inflows to Nueces Bay to 1,200 acre-feet per month (1,200 acre-feet per month represents the quantity of water that is the median inflow into Lake Corpus Christi during the drought of record). Time of day outdoor watering restrictions prohibit lawn watering between the hours of 10:00 o'clock a.m. and 6:00 o'clock p.m. and are subject to additional conditions as described in the City of Corpus Christi's approved "Water Conservation and Drought Contingency Plan ("Plan")." To the extent of its legal authority, the City of Corpus Christi shall require its wholesale customers to implement time of day outdoor watering restrictions similar to those of the City.

- (3) In any month when Reservoir System Storage is less than 30% of total system storage capacity, the City of Corpus Christi shall implement a lawn watering schedule in addition to time of day outdoor watering restrictions (see subparagraph 2.b.(2)) and shall suspend the passage of inflow from the Reservoir System for targeted inflows to Nueces Bay. However, return flows directed into Nueces Bay and/or the Nueces Delta shall continue. The lawn watering schedule shall allow customers to water lawns no oftener than every five days, subject to the time of day restrictions described in subparagraph 2.b.(2) and any additional conditions as described in the City's Plan.
 - (4) Certificate Holders' may implement whole or partial suspension of the passage of inflow through the reservoir as described above when the City implements, and requires its customers to implement, water conservation and drought management measures at diminished Reservoir System levels, as set forth in subparagraphs b.(2) and b.(3).
- c. For purposes of this Agreed Order, Reservoir System storage capacity shall be determined by the most recently completed bathymetric survey of each reservoir. As of 2001, completed bathymetric surveys of each reservoir reports conservation storage capacities of 695,271 acre-feet (below 220.5 feet mean sea level) for Choke Canyon Reservoir (Volumetric Survey of Choke Canyon Reservoir, TWDB September 23, 1993) and 241,241 acre-feet (below 94 feet mean sea level) for Lake Corpus Christi (Regional Water Supply Planning Study-Phase I Nueces River Basin, HDR, December, 1990).
 - d. Percentage of the Reservoir System capacity shall be determined on a daily basis and shall govern, in part, the inflow to be passed through the reservoir during the remaining days of the month.
 - e. Within the first ten days of each month, the City of Corpus Christi shall submit to the Commission a monthly report containing the daily capacity of the Reservoir System in percentages and mean sea levels as recorded for the previous month as well as reservoir surface areas and estimated inflows to Lake Corpus Christi assuming no impoundment of inflows at Choke Canyon Reservoir. The report shall indicate which gages or measuring devices were used to determine Reservoir System capacity and estimate inflows to Lake Corpus Christi.
 - f. Concurrent with implementing subparagraphs 2.b.(1) through 2.b.(3), the City shall proceed to:
 - 1. Acquire land rights to properties necessary to re-open the Nueces River Overflow Channel and make the Nueces River Overflow Channel and Rincon Bayou Overflow Channel permanent features of the Rincon Bayou Diversion;

2. Construct and operate a conveyance facility to deliver up to 3,000 acre-feet per month of required Reservoir System "pass-throughs" directly from the Calallen Pool into the Upper Rincon Bayou by use of one or two of the five authorized points of diversion under Certificate of Adjudication No. 2464, being the existing San Patricio Municipal Water District point of diversion and/or a point on the North bank of the Calallen Pool located at Latitude 27.8823°N, Longitude 97.6254°W, also bearing S 27° 24' W, 4,739 feet from the southwest corner of the J.H.W. Ottman Survey, Abstract No. 212, San Patricio County, Texas, where the water will be pumped at the maximum rate of 45,000 gpm; and
 3. Implement an on-going monitoring and assessment program designed to facilitate an "adaptive management" program for freshwater inflows into the Nueces Estuary.
 4. Construction necessary to implement subparagraph 2.f.1. shall be accomplished by December 31, 2001 and work necessary to accomplish subparagraph 2.f.2. shall be accomplished by December 31, 2002.
 5. In the event the City fails to timely complete the work set forth in subparagraphs 2.f.1. and 2.f.2., this amendment shall automatically terminate and the provisions of the Agreed Order of April 28, 1995 shall be reinstated and become operative despite this amendment, unless the Executive Director grants a modification after considering the recommendations of the Nueces Estuary Advisory Council.
- g. The Executive Director is delegated authority to make modifications to subparagraph 2.f., after considering the recommendations of the Nueces Estuary Advisory Council. However, changes may be made through this process only with the City's consent if the changes result in increased costs to the City.
- If the Executive Director makes modifications to subparagraph 2.f. as authorized in this paragraph, any affected person may file with the chief clerk a motion for reconsideration of the Executive Director's action no later than 23 days after the date the Executive Director mails notice of the modification to the City. This motion shall be considered under the provisions of 30 Texas Administrative Code § 50.39(d) and (e).
- h. The City shall obtain all necessary permits from the Commission before beginning these projects. The deadlines set out above include time necessary to apply for, process and, if necessary, complete hearings on these permits.
3. a. The City of Corpus Christi, with the assistance and/or participation of federal, state and local entities, shall maintain a monitoring program to assess the effect of this

operating plan on Nueces Bay. The cornerstone of this program is the development of a salinity monitoring program. The program shall include at least two monitoring stations, one in upper Nueces Bay (Lat. 27°51'02", Long. 97°28'52") and one in mid Nueces Bay (Lat. 27°51'25", Long. 97°25'28") with the capability of providing continuous salinity and/or conductivity data, temperature, pH, and dissolved oxygen levels. Additional stations may be established at the recommendation of the Advisory Council (continued by paragraph 4 of this Agreed Order) to assess inflow effects throughout the estuarine system, but the City shall not be obligated to establish such additional stations except to the extent authorized by its City Council.

- b. The City of Corpus Christi or its designated representatives shall monitor salinity levels in Upper and Mid-Nueces Bay. The lower (SLB) and upper (SUB) salinity bounds (in parts per thousand-ppt) developed for application of the Texas Estuarine Mathematical Programming Model and considered appropriate for use herein, are as follows:

	SLB	SUB		SLB	SUB
January	5	30	July	2	25
February	5	30	August	2	25
March	5	30	September	5	20
April	5	30	October	5	30
May	1	20	November	5	30
June	1	20	December	5	30

- c. When the average salinity for the third week (the third week includes the seven days from the 15th through 21st) of any month is at or below the subsequent month's established SLB for upper Nueces Bay (Lat. 27°51'02", Long. 97°28'52"), no releases from the Reservoir System to satisfy targeted Nueces Bay inflow mounts shall be required for that subsequent month.
- d. All data collected as a result of the monitoring program required by paragraph 3 of this Agreed Order shall be submitted monthly to the Commission within the first ten days of the immediately following month. The Nueces Estuary Advisory Council shall study the feasibility of developing a method of granting credits for inflows which exceed the required amounts to replace the credits that are set out in subparagraph 1.e.(1) and make recommendations to the Commission for possible implementation. That method shall have as its goal the maintenance of the proper ecological environment and health of related living marine resources and the provision of maximum reasonable credits towards monthly inflow requirements.
4. a. To assist the Commission in monitoring implementation of this Order and making recommendations to the Commission relating to any changes to this Agreed Order and the establishment of future operating procedures, the Nueces Estuary Advisory

Council shall be continued. Its members shall include, but are not limited to a qualified representative chosen by each of the following entities or groups: the Executive Director of the Texas Natural Resource Conservation Commission, whose representative shall serve as chair; the Texas Water Development Board; the Texas Parks and Wildlife Department; the Texas Department of Health; the General Land Office; the holders of Certificate of Adjudication No. 21-3214 (the Cities of Corpus Christi and Three Rivers and the Nueces River Authority; the University of Texas Marine Science Institute; Texas A&M University - Corpus Christi; Save Lake Corpus Christi; Corpus Christi Chamber of Commerce; the City of Mathis; Coastal Bend Bays and Estuaries Program, Inc.; a commercial bay fishing group; a conservation group (e.g. the Sierra Club and the Coastal Bend Bays Foundation); wholesale water suppliers who are customers of the Certificate Holders (e.g., the South Texas Water Authority and the San Patricio Municipal Water District); the Port of Corpus Christi Authority; and a representative of industry. The representatives should have experience and knowledge relating to current or future water use and management or environmental and economic needs of the Coastal Bend area.

- b. No modification shall be made to this Order without the unanimous consent of the Certificate Holders, except to the extent provided by law.
- c. Matters to be studied by the Nueces Estuary Advisory Council and upon which the Executive Director shall certify recommendations to the Commission shall include, but are not limited to:
 - (1) the effectiveness of the inflow requirements contained in this Agreed Order on Nueces Estuary and any recommended changes;
 - (2) the effect of the releases from the Reservoir System upon the aquatic and wildlife habitat and other beneficial and recreational uses of Choke Canyon Reservoir and Lake Corpus Christi;
 - (3) the development and implementation of a short and long-term regional water management plan for the Coastal Bend Area;
 - (4) the salinity level to be applied in Paragraphs 1.e. and 3.c., at which targeted inflows in the subsequent month may be suspended;
 - (5) the feasibility of discharges at locations where the increased biological productivity justifies an inflow credit computed by multiplying the amount of discharge by a number greater than one; and development of a methodology for granting credits for inflows which exceed the required amount to replace the credits that are set out in subparagraph 1.e. That methodology shall have as its goal the maintenance of the proper ecological

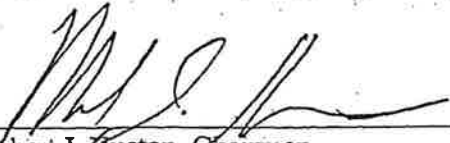
environment and health of related living marine resources and the provision of maximum reasonable credits towards monthly inflow requirements; and,

(6) any other matter pertinent to the conditions contained in this Agreed Order.

5. This Agreed Order shall remain in effect until amended or superseded by the Commission.

Issued date: APR 05 2001

TEXAS NATURAL RESOURCE
CONSERVATION COMMISSION


Robert J. Houston, Chairman

DIVISION 4. - WATER CONSERVATION—DROUGHT CONTINGENCY PLAN

Sec. 66-66. Introduction.

This Division is the Drought Contingency Plan (hereinafter referred to as “DCP”) for the City of Ingleside (hereinafter referred to as “City”) and its customers. The purpose of this DCP is to:

- (1) Conserve the available water supply by reducing the City’s water demand as much as possible during a drought in order to protect the integrity of water supply facilities (with particular regard for domestic water use, sanitation and fire protection);
- (2) Minimize the adverse impacts of water supply shortages or other water supply emergency conditions;
- (3) Serve as a framework to identify and manage a drought or a state of water emergency; and
- (4) Preserve and protect public health, welfare, and safety.

This DCP was created so that the City can reduce demand when supplies are low so customers have sufficient water during drought conditions. This DCP explains the triggers initiated by a drought and the steps to take during each stage of a drought.

The DCP is different from the Water Conservation Plan (WCP) because a DCP is a responsive plan that addresses drought conditions or water emergencies and defines actions that will be taken when certain criteria are met. Typically, these criteria consist of three or more “stages” in response to water supply storage levels (e.g., when reservoir storage levels drop below 40%, Stage 1 is initiated), or a water emergency.

A WCP is a proactive plan for addressing overall goals and actions that will help a utility implement year-round sustainable and efficient water conservation programs.

The DCP follows the TCEQ guidelines and has been prepared in accordance with Texas Administrative Code Title 30 Chapter 288 Subchapter B Rule §288.20 for Municipal Uses by Public Water Suppliers.

Sec. 66-67. Declaration of Policy and Reason.

The City hereby adopts the following regulations and restrictions on the delivery and consumptions of water in order to:

- (1) conserve the available water supply;
- (2) protect the integrity of water supply facilities with particular regard for domestic water use;
- (3) ensure sanitation;
- (4) ensure fire protection;
- (5) protect and preserve public health, welfare, and safety; and
- (6) minimize the adverse impacts of water-supply shortages or other water-supply emergency conditions.

The City hereby adopts the following regulations and restrictions on the delivery and consumptions of water.

Water uses regulated or prohibited under this DCP are considered to be non-essential, and continuation of such uses during times of water shortage or other emergency water-supply conditions are deemed to constitute a waste of water, which subjects the offender(s) to penalties as defined in Section 66-78 of this Division.

Since the City first started supplying its customers with water, the region has experienced several periods of drought. Over the years, new water supplies have been added and conservation measures have been strengthened to ensure water security for residents and businesses served by the City. However, with the variability of weather patterns in South Texas and a continually growing population, it is critical that the City plans for future drought conditions.

Currently, the region's water supply system is comprised of three reservoirs and one run-of-the-river right: Lake Corpus Christi, Choke Canyon Reservoir, Lake Texana and the Colorado River. However, the criteria to trigger drought stages are based on the combined capacity of Lake Corpus Christi and Choke Canyon Reservoir.

Due to the frequency of drought in South Texas, this DCP was developed and it adopts measures that will dramatically cut water consumption in order to conserve water supplies.

Sec. 66-68. Public Education.

On May 27, 2025, the City Council held a public hearing and meeting during which this DCP was presented for review and adoption. The item was included on the official meeting agenda, and members of the public were provided with the opportunity to comment at the public hearing and on any agenda item, including the DCP.

The City will work with its customers to inform them about the DCP, including information about the conditions under which each stage of the DCP is to be initiated or terminated, and the drought measures to be implemented in each stage. This information will be provided by utility bill inserts, email notices to customers, and notice on the City's website (www.inglesidetx.gov).

Notification to the public about when drought stages go into effect or when restrictions are lifted is explained in more detail in Section 66-74.

Sec. 66-69. Coordination with Regional Water Planning Groups.

The service area of the City is located within the Coastal Bend Regional Water Planning Area (Region N) and the City has provided a copy of this DCP to Region N in care of the Nueces River Authority.

The San Patricio Municipal Water District shall review and, if necessary, update the Drought Contingency Plan (DCP) at least once every five years, taking into account new or updated

information, such as revisions to the regional water plan. Following this, the City shall also review the DCP every five years and implement updates as deemed appropriate.

Sec. 66-70. Authorization.

The City Manager, or designee, is hereby authorized and directed to implement the applicable provisions of the DCP upon determination that such implementation is necessary to protect public health, safety, and welfare. The City Manager, or designee, shall have the authority to initiate or terminate drought or other water supply emergency stages or restriction(s) as described in this DCP. The City Manager, or designee, shall notify the members of the City Council before implementing any measures.

Sec. 66-71. Application.

The provisions of this DCP shall apply to all persons, customers, and property utilizing water provided by the City. The terms “person” and “customer” as used in the DCP include individuals, corporations, partnerships, associations, and all other legal entities.

Sec. 66-72. Definitions.

For the purposes of this DCP, the following definitions shall apply:

Aerobic irrigation system: an irrigation system that utilizes a home or business’s treated wastewater from its aerobic septic system.

Aesthetic water use: water use for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.

Commercial account: water used in the operations of commercial, non-profit establishments and governmental entities such as retail establishments, hotels and motels, restaurants, and office buildings.

Conservation: those practices, techniques, and technologies that reduce the consumption of water, reduce loss or waste of water, improve the efficiency in the use of water, or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Contract (end-user) water customers: a private entity that has a contract with the City to receive raw or treated water supplies for its sole use (i.e. does not resell to other users).

Customer: any person, company, or organization using water supplied by the City and paying a retail water bill.

Domestic water use: water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry, or institution.

Drip irrigation: a method of watering plants using a network of tubes, pipes, valves, and emitters that slowly drips water to the roots of plants to minimize evaporation. Soaker hoses are not a substitute for a proper drip irrigation system.

Large volume account/Industrial user: utility accounts of entities who use more than 10,000,000 gallons of water a month for processes designed to convert materials of lower value into forms having greater usability and use.

Irrigation account/meter: a meter connected solely to an irrigation system. This type of meter does not incur wastewater fees on water used through this meter.

Landscape irrigation use: water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, rights-of-way, athletic fields, and medians.

Non-essential water use: water uses that are not essential or not required for the protection of public, health, safety, and welfare, including:

- (1) Irrigation of landscape areas, including parks, athletic fields, and golf courses, except as otherwise provided under this DCP;
- (2) Use of water to wash any motor vehicle, motorbike, boat, trailer, or other vehicle;
- (3) Use of water to wash down any impervious cover including sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (4) Use of water to wash down buildings or structures for purposes other than immediate fire protection or health reasons;
- (5) Flushing gutters or permitting water to run or accumulate in any gutter or street;
- (6) Use of water to fill, refill, or add to any indoor or outdoor swimming pools or jacuzzi-type pools;
- (7) Use of water in an aesthetic feature, including fountain or pond except where necessary to support aquatic life;
- (8) Failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak; and
- (9) Use of water from hydrants for construction purposes or any other purposes other than firefighting or flushing needed to maintain chlorination levels and protect public health.

Pool cover: a material designated to cover the surface area of a swimming pool when it is not in use. Pool covers can come in different types including manual, semi-automatic, automatic, and can be made from different materials such as mesh, solid vinyl, solar blankets, or pool floaties. Pool covers do not include tree canopies, pergolas, gazebos, or similar structures.

Reservoir capacity: the combined reservoir storage levels of Choke Canyon Reservoir and Lake Corpus Christi, as measured in percentage of the full combined volume.

Surcharge: temporary rate to manage demand in times of drought.

Water well: any facility, device, or method used to withdraw groundwater from a groundwater reservoir.

Sec. 66-73. Criteria for Initiation and Termination of Drought Stages.

The City Manager, or designee, shall monitor the San Patricio Municipal Water District's actions, water supply and/or demand conditions on a weekly basis and shall determine when conditions warrant initiation or termination of each stage of the DCP, that is, when the specified “triggers” are reached. However, the City Manager, or designee, in the exercise of the City Manager’s discretion, may initiate or terminate any stage when the City Manager deems necessary at any time. This section explains the triggers of each stage. Best management practices and water use restrictions for each drought stage are described in Section 66-75.

The combined reservoir storage level of Choke Canyon Reservoir and Lake Corpus Christi is the triggering criterion that is monitored for determining drought stages, based on the TCEQ 2001 Agreed Order (amended April 17, 2001) relating to inflows into Nueces Bay and Estuary.

(a) Water Shortage Watch

Trigger for initiation – Customers shall be requested to voluntarily conserve water and adhere to prescribed conditions on specific water uses when the combined storage levels of Choke Canyon Reservoir and Lake Corpus Christi fall below 50%.

Trigger for termination – The watch may be terminated when the combined storage levels of Choke Canyon Reservoir and Lake Corpus Christi increase above 50% for 15 consecutive calendar days.

(b) Stage 1 – Mild Water Shortage

Trigger for initiation – Stage 1 begins when the combined reservoir storage level declines below 40%. Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses described in Section 66-75.

Trigger for termination – Stage 1 may be terminated when the combined storage levels increase above 50%.

(c) Stage 2 – Moderate Water Shortage

Trigger for initiation – Stage 2 begins when the combined storage level declines below 30%. Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses described in Section 66-75.

Trigger for termination – Stage 2 may be terminated when the combined storage levels increase above 40%. Upon termination of Stage 2, Stage 1 becomes operative.

(d) Stage 3 – Critical Water Shortage

Trigger for initiation – Stage 3 begins when the combined storage level declines below 20%. Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses described in Section 66-75.

Trigger for termination – Stage 3 may be terminated when the combined storage levels increase above 30%. Upon termination of Stage 3, Stage 2 becomes operative.

(e) Water Emergency

1) Level 1 Water Emergency

Trigger for initiation – A Level 1 Water Emergency begins when the City Manager, or designee, determines that the City is within 180 days of its total water supply not meeting its water demands. The 180-day trigger is in accordance with Texas Administrative Code Title 30 Rule §290.41(b)(1) for Water Resources. The City Manager or designee can modify the timing of triggering a Level 1 Water Emergency if the regional demands can be fully met with alternative water sources other than the combined reservoir storage. Other sources may include water from the Mary Rhodes Pipeline or future water supplies such as the Inner Harbor Seawater Desalination Treatment Facility.

Trigger for termination - The Level 1 Water Emergency may be terminated when the City Manager, or designee, determines that the City's total water supply can meet the total regional demands for more than 180 days.

2) Level 2 Water Emergency

Trigger for initiation – A Level 2 Water Emergency begins when the City Manager, or designee determines that a water supply emergency exists, which causes the demand to exceed the supply, subsequently leading to imminent failure to maintain pressure that meets TCEQ minimum standards, including but not limited to;

- (1) Major catastrophic infrastructure failure including but not limited to; failure of a dam or spillway structure, failure of a major water line such as the MRP or other large diameter water lines, and/or failure of the City's water treatment facilities;
or
- (2) Water production or distribution system limitations; or
- (3) Natural or man-made contamination of the water supply source.

Trigger for termination – The Water Emergency may be terminated when the City Manager, or designee, deems appropriate.

Sec. 66-74. Drought Stage Notification.

The City Manager, or designee, shall monitor the San Patricio Municipal Water District's actions and water supply and/or demand conditions on a weekly basis and, in accordance with the triggering criteria set forth in Section 66-73 of this Division, shall determine that a mild, moderate, critical, or a water emergency exists and shall implement the following notification procedures.

Notification to the Public:

The City Manager, or designee, shall notify the public for every change in drought stage status by any or all of the following:

- (1) City's website (www.inglesidetx.gov)
- (2) Publication in local newspaper
- (3) Notice on the monthly utility billing
- (4) Public Service Announcements
- (5) Signs posted in public places

Additional Notification:

The City Manager, or designee shall, at a minimum, notify directly, or cause to be notified directly, the following individuals and entities for every change in drought stage status:

- (1) Mayor and City Council
- (2) Major water users (such as industries)
- (3) Texas Commission on Environmental Quality (TCEQ) – note: TCEQ executive director MUST be informed within five (5) business days of mandatory water use restrictions being imposed

Sec. 66-75. Drought Stages, Best Management Practices per Stage.

A summary of water use reduction targets for each drought stage is presented in the following table. Further discussion on best management practices and implementation practices associated with each stage of drought is included below. During Stages 1, 2, and 3, requests for exemptions may be presented to the City Manager or designee.

Drought Stage Response	CCR/LCC Combined Reservoir Storage Level	Target Demand Reduction Levels
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Water Shortage Watch	<50%	5%
Stage 1 - Mild Water Shortage	<40%	5%
Stage 2 - Moderate Water Shortage	<30%	10%
Stage 3 - Critical Water Shortage	<20%	15%
Water Emergency Level 1 Level 2	Not Applicable	25% 50%

(a) Water Shortage Watch

Target: Achieve a voluntary 5% reduction in daily water with the water use conditions below.

Best Management Practices for Supply Management:

The City will enact voluntary measures to reduce or discontinue the flushing of water mains if practicable and utilize reclaimed water for non-potable uses to the greatest extent possible. The City will prioritize sources of supply not impacted by drought conditions, when available, including interruptible supplies from Lake Texana during times when Lake Texana water level is at or above 43 feet mean sea level in accordance with Lavaca-Navidad River Authority (LNRA) contract. The City will actively promote educational messages in the media about how to reduce water use through conservation practices, and rules of the drought stages.

Water Use Conditions for Reducing Demand

- 1) Water customers are requested to voluntarily limit the irrigation of landscaped areas to **once per week**.
- 2) Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.
- 3) All operations of the City shall adhere to water use restrictions prescribed for Stage 1.
- 4) Water smart techniques will be promoted by City departments.

(b) Stage 1 Response – Mild Water Shortage

Target: During Stage 1, achieve a 5% reduction in daily water demand with the water use restrictions below.

Best Management Practices for Supply Management:

Under Stage 1, the City will:

- (1) Use more repair crews if necessary to allow for a quicker response time for water-line leak repair; and
- (2) City crews begin monitoring customers' compliance with Stage 1 restrictions during the course of their daily rounds.
- (3) In addition to the restrictions outlined below, City departments will make every effort to conserve water, including no new landscaping installation and no filling of ponds.
- (4) Increase targeted outreach to high-consumption industrial and commercial customers to urge water use reductions.
- (5) Increase public education and outreach regarding water use reduction by using the following practices:
 - a. Use an aerator and/or a water flow-reducer attachment on your tap to reduce your water usage.
 - b. When brushing your teeth, turn the water off while you are brushing. Use short bursts of water for cleaning your brush.
 - c. When washing or shaving, partially fill the sink and use that water rather than running the tap continuously.
 - d. Use either low-flow shower heads or adjustable flow-reducer devices on your shower heads.
 - e. Take shorter showers.
 - f. You can reduce water usage by 40% to 50% by installing low-flush toilets.
 - g. When hand-washing dishes, never run water continuously.
 - h. If you have a dishwasher appliance, use it only to wash full loads, and use the shortest cycle possible.
 - i. Wash only full loads in your washing machine and use the shortest cycle possible.
 - j. Repair leaks quickly.
 - k. Clean outdoor surfaces with a broom, not a hose.
 - l. Water during the cool part of the day, in the morning or evening.
 - m. Do not over water in anticipation of a shortage. Soil cannot store extra water.

Water Use Restrictions for Demand Reduction

Under threat of penalty for violation, the following water use restrictions shall apply to all persons during Stage 1:

- (1) Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems shall be limited to once per week. The watering schedule will be determined by the City Manager or designee. Customers will be made aware of their designated

watering day in accordance with Section 66-74. However, irrigation of landscaped areas is permitted on any day if it is by means of a hand-held hose (with positive shutoff nozzle), a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system with a positive shutoff device.

- a. Exceptions for this restriction may be permitted, upon review and approval by the City Manager or designee, for the following uses: new plantings (for up to 60 days), vegetable gardens, athletic playing fields, and botanical gardens. In addition, this restriction does not apply to customers irrigating with well water or an aerobic septic system. Customers irrigating with well water or an aerobic septic system must apply for an exemption from the City to be prominently posted on the premises within two (2) feet of the street number located on the premises.
- (2) No watering or irrigating of landscaped areas by hose-end sprinkler or automatic irrigation systems will be allowed between the hours of 10:00 a.m. and 6:00 p.m. to prevent evaporative loss.
- (3) Use of water from hydrants shall be limited to firefighting, related activities, or other activities necessary to maintain public health, safety, and welfare, except that use of water from designated fire hydrants for construction purposes may be allowed under special exemption from the City.
- (4) Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days. However, if the golf course utilizes non-potable or a water source other than that provided through the City infrastructure, the facility shall not be subject to these regulations.
- (5) The use of water to maintain the integrity of building foundations is limited to designated watering days.

(c) Stage 2 Response – Moderate Water Shortage

Target: During Stage 2, achieve a 10% reduction in total daily water demand with the water use restrictions below.

Best Management Practices for Supply Management:

In addition to the best management practices for supply management listed under Stage 1, the City will also do the following during Stage 2:

- (1) Eliminate the flushing of water mains unless required for decontamination and/or public safety; and
- (2) Review customers' water usage for compliance based on the previous month's water use and notify violators verbally or in writing as the situation dictates.
- (3) Increase public education and outreach regarding water use reduction by using the following practices:

- a. Use an aerator and/or a water flow-reducer attachment on your tap to reduce your water usage.
- b. When brushing your teeth, turn the water off while you are brushing. Use short bursts of water to clean your brush.
- c. When washing or shaving, partially fill the sink and use that water rather than running the tap continuously.
- d. Use either low-flow shower heads or adjustable flow-reducer devices on your shower heads.
- e. You can reduce water usage by 40% to 50% by installing low-flush toilets.
- f. When hand-washing dishes, never run water continuously.
- g. If you have a dishwasher appliance, use it only to wash full loads.
- h. Wash only full loads in your washing machine and use the shortest cycle possible.
- i. Fix leaks quickly.
- j. Clean outdoor surfaces with a broom, not a hose
- k. Do not overwater in anticipation of a shortage. Soil cannot store extra water

Water Use Restrictions for Demand Reduction:

All requirements of Stage 1 shall remain in effect during Stage 2 except as modified below:

- (1) Irrigation of landscaped areas with hose-end sprinklers and automatic irrigation systems shall be limited to once every other week. The watering schedule will be determined by the City Manager or designee. Customers will be made aware of their designated watering day. However, irrigation of landscaped areas is permitted on any day if it is by means of a hand-held hose (with positive shutoff nozzle), a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system with a positive shutoff device.
 - a. Exceptions for this restriction may be permitted, upon review and approval by the City Manager or designee, for the following uses: new plantings (for up to 60 days), vegetable gardens, athletic playing fields, and botanical gardens. In addition, this restriction does not apply to customers irrigating with well water or an aerobic septic system. Customers irrigating with well water or an aerobic septic system shall still apply for a permit from the City to be prominently posted on the premises within two (2) feet of the street number located on the premises.
- (2) The watering of golf course fairways with potable water is prohibited. The watering of greens and tees are limited to once every other week unless the golf course utilizes non-potable or a water source other than that provided through the City infrastructure or done by means of hand-held hoses, or hand-held buckets.

- (3) A person or entity who owns, leases or manages an outdoor swimming pool (including publicly-owned pools) shall begin preparation for the Stage 3 requirement to have approximately 100 percent of the pool surface area covered when not in use.
- (4) Hotels, motels, and other lodgings must offer and clearly notify guests of a “linen/towel change on request only” program.
- (5) Use of water to wash a motor vehicle, not occurring on the premises of a commercial car wash, is allowed on the designated Stage 2 watering day.

Optional Measures:

During Stage 2, the following measures are optional water use restrictions that may be implemented by the City Manager, or designee, following similar actions implemented by the San Patricio Municipal Water District and with prior city council notification, as conditions warrant:

- (1) The following surcharge will be added to a customer's water bill:
 - a. For all irrigation accounts, a surcharge of \$1.00 per 1,000 gallons will be added to the customers’ bill.
 - b. For residential accounts, a surcharge of \$1.00 per 1,000 gallons over 7,000 gallons will be added to the customers’ bill.
 - c. For commercial accounts, a surcharge of \$1.00 per 1,000 gallons over 55,000 gallons will be added to the customers’ bill.

(d) Stage 3 Response – Critical Water Shortage

Target: During Stage 3, achieve a 15% or greater reduction in daily water with the water use restrictions below.

Best Management Practices for Supply Management:

In addition to the best management practices for supply management listed under Stage 2, the City will also do the following during Stage 3:

- (1) Upon written notice, disconnect the water meters of willful violators if absolutely necessary to prevent the deliberate wasting of water.
- (2) Increase public education and outreach regarding water use reduction by using the following practices:
 - a. Use an aerator and/or a water flow-reducer attachment on your tap to reduce your water usage.
 - b. When brushing your teeth, turn the water off while you are brushing. Use short bursts of water for cleaning your brush.

- c. When washing or shaving, partially fill the sink and use that water rather than running the tap continuously.
 - d. Use either low-flow shower heads or adjustable flow-reducer devices on your shower heads.
 - e. You can reduce water usage by 40% to 50% by installing low-flush toilets.
 - f. When hand-washing dishes, never run water continuously.
 - g. If you have a dishwasher appliance, use it only to wash full loads.
 - h. Wash only full loads in your washing machine and use the shortest cycle possible.
 - i. Repair leaks quickly.
 - j. Clean outdoor surfaces with a broom, not a hose.
- Do not overwater in anticipation of a shortage. Soil cannot store extra water.

Water Use Restrictions for Demand Reduction:

All requirements of Stage 1 and 2 shall remain in effect during Stage 3 except as modified below:

- (1) Irrigation of turf grass by any means shall be prohibited at all times.
- (2) Drip irrigation for foundations and landscaped beds is allowed every other week on the designated watering schedule. The watering schedule will be determined by the City Manager or designee. Customers will be made aware of their designated watering day in accordance with Section 66-74.
- (3) Watering of trees, vegetable beds, shrubs, and potted plants is permitted on any day if it is by means of a handheld hose (with a positive shutoff nozzle), a faucet-filled bucket, or a watering can of five (5) gallons or less.
- (4) Exceptions for Stage 3 restrictions may be permitted up to 30 days, upon review and approval by the City Manager or designee, for new plantings. In addition, this restriction does not apply to customers irrigating with well water or an aerobic septic system. Customers irrigating with well water or an aerobic septic system shall still apply for an exemption from the City. An exception certificate should be prominently posted on the premises within two (2) feet of the street number located on the premises.
- (5) Use of water to wash a motor vehicle, not occurring on the premises of a commercial car wash station, is allowed by hand, with a five (5) gallon bucket or less on the designated watering day.
- (6) The filling, draining and refilling of an existing swimming pool, Jacuzzi and hot tubs is prohibited except to maintain structural integrity.
- (7) A person or entity who owns, leases, or manages an outdoor swimming pool (including publicly-owned pools) shall have approximately 100% of the pool surface area covered when not in use. A request for an exemption or variance from this provision for pools that have a water-saving feature may be submitted.

- (8) Operators of water parks must seek approval from the City prior to the filling, refilling, or adding water to water parks.
- (9) All fountains shall only operate to circulate water in order to maintain equipment.
- (10) Hotels, motels, and other lodgings must offer and clearly notify guests of a “linen/towel change on request only” program.

Optional Measures:

During Stage 3, the following measures are optional water use restrictions that may be implemented by the City Manager, or designee, following similar actions implemented by the San Patricio Municipal Water District and with prior city council notification, as conditions warrant:

- (1) The following surcharge will be added to a customer's water bill:
 - a. For all irrigation accounts, a surcharge of \$2.00 per 1,000 gallons will be added to the customers' bill.
 - b. For residential accounts, a surcharge of \$2.00 per 1,000 gallons over 7,000 gallons will be added to the customers' bill.
 - c. For commercial accounts, a surcharge of \$2.00 per 1,000 gallons over 55,000 gallons will be added to the customers' bill.

(e) Water Emergency

Level 1 Water Emergency

In the event that the triggering criteria specified in Section 66-73(e) – Level 1 Water Emergency of the DCP is met, the City Manager, or designee is hereby authorized to implement pro-rata curtailment of water supplies to all customers in accordance with Texas Water Code §11.039. The initiation of pro-rata curtailment preparations shall begin during Stage 3.

Target: During a Level 1 Water Emergency, pro-rata curtailment will be required and may start at 5% or greater reduction of total water demand, depending on the forecasted water supply conditions. Surcharges and allocations are enforceable during a Water Emergency, as described in Section 66-76.

Best Management Practices for Supply Management:

In addition to the best management practices for supply management listed under Stage 3, the City will also do the following:

- (1) Implement a planned public campaign to inform all customers of the water emergency and to mandate the immediate curtailment of water.

- (2) Contact large-volume/industrial users to discuss water supply and/or demand conditions and inform them about the initiation of mandatory measures to curtail their water consumption as necessary.

Water Use Restrictions for Demand Reduction:

During a Level 1 Water Emergency, all requirements of Stage 1, 2, and 3 shall remain in effect except as modified below:

- (1) Irrigation of all landscaped areas is absolutely prohibited.
- (2) Use of water to wash any motor vehicle, motorbike, boat, trailer, or other vehicle is absolutely prohibited.
- (3) Associated uses of water not related to business processes which are discretionary, such as equipment washing, shall be deferred until the water emergency has been terminated.

Level 2 Water Emergency

Target: During a Level 2 Water Emergency, achieve the necessary reduction in daily water demand to meet minimum system pressure requirements with the below water use restrictions. In addition, during a Level 2 Water Emergency all requirements from a Level 1 Water Emergency may be authorized under this section. Surcharges and curtailments are enforceable during a Water Emergency, as described in Section 66-76.

During a water emergency such as a catastrophic failure of infrastructure or cross-connection contamination, the City shall implement all necessary measures to protect public health and safety.

Best Management Practices for Supply Management:

In addition to the best management practices for supply management listed under Stage 3, the City will also do the following:

- (1) Implement a public campaign to inform all customers of the water emergency and to mandate the immediate curtailment of water.
- (2) Contact large-volume/industrial users to discuss water supply and/or demand conditions and inform them about the initiation of mandatory measures to curtail their water consumption as necessary.

Water Use Restrictions for Demand Reduction:

During a water emergency, all requirements of Stage 1, 2, and 3 shall remain in effect except as modified below:

- (1) Irrigation of all landscaped areas is absolutely prohibited.

- (2) Use of water to wash any motor vehicle, motorbike, boat, trailer, or other vehicle is absolutely prohibited.
- (3) Associated uses of water not related to business process which are discretionary, such as equipment washing, shall be deferred until the water emergency has been terminated.

Optional Measures:

During a Level 1 or Level 2 Water Emergency, the following measure is an optional water use restriction that may be implemented by the City Manager, or designee, with City Council approval, as conditions warrant:

- (1) No application for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be approved, and time limits for approval of such applications are hereby suspended for such time as this drought stage shall be in effect.
- (2) The following surcharge will be added to a customer's water bill:
 - a. For all irrigation accounts, a surcharge of \$4.00 per 1,000 gallons will be added to the customers' bill.
 - b. For residential accounts, a surcharge of \$4.00 per 1,000 gallons over 7,000 gallons will be added to the customers' bill.
 - c. For commercial accounts, a surcharge of \$4.00 per 1,000 gallons over 55,000 gallons will be added to the customers' bill.

Sec. 66-76. Surcharges for Drought Stages 2, 3, Water Emergency and Service Measures.

(a) General

- (1) The surcharges established herein are solely intended to regulate and deter the use of water during a period of serious drought in order to achieve necessary water conservation. The City Council expressly finds that the drought poses a serious and immediate threat to the public and economic health and general welfare of this community, and that the surcharges and other measures adopted herein are essential to protect said public health and welfare.
- (2) This section, and the surcharges and measures adopted herein, are an exercise of the City's powers under its Home Rule Charter and the laws of the State of Texas, and the surcharges and connection fees are conservation rates intended to meet fixed costs as a result of lost revenue.
- (3) With City Council approval, the City Manager, or designee, is authorized to determine trigger points or allocations and surcharges during Stages 2, 3, and a Water Emergency.

- (4) A customer may appeal a drought surcharge established under this Section to the City Manager or designee on grounds of unnecessary hardship, through the process outlined in Section 66-77.
- (b) Drought surcharge funds will first be reported to the City Council and used as directed by the City Council.

Sec. 66-77 Requests for Exemptions and Variances.

- (1) The City Manager, or designee may, in writing, grant a temporary variance to any of the provisions for water users found in this DCP upon determination that failure to grant such variance would cause an emergency condition adversely affecting the public health, sanitation, or fire protection for the public or person requesting such a variance.
- (2) A person requesting an exemption or variance from the provisions of this DCP shall file a request on the City-provided application for an exemption/variance with the City within 5 days after a particular drought response stage has been invoked. All request forms shall be reviewed by the City Manager, or designee, and shall include the following:
 - a. Name and address of the water user(s).
 - b. Purpose of water use.
 - c. Specific provision(s) of the DCP from which the water user is requesting relief.
 - d. Detailed statement as to how the specific provision of the DCP adversely affects the water user or what damage or harm will occur to the water user or others if water user complies with this DCP.
 - e. Description of the exemption requested.
 - f. Period of time for which the exemption is sought.
 - g. Alternative water use restrictions or other measures the water user is taking or proposes to take to meet the intent of this DCP and the compliance date.
 - h. Other pertinent information; or as required on exemption application.
- (3) No exemption nor variance shall be retroactive or otherwise justify any violation of this DCP occurring prior to the issuance of the exemption/variance.
- (4) The City Manager or designee shall consider requests of water users for special consideration to be given as to their respective particular circumstances and is hereby authorized to, in special cases, grant such variance from the terms of this DCP if such compliance would cause an emergency condition adversely affecting the public health, sanitation, or fire protection for the public or person requesting such a variance as will not be contrary to the public interest, where, owing to special

conditions, a literal enforcement of the provisions of this DCP will result in unnecessary hardship, and so that the spirit of this DCP shall be observed and substantial justice done.

- (5) Should an exemption for special exception be granted, it shall be in effect from the time of granting through the termination of the then current stage, unless revoked by the City Manager or designee for noncompliance; provided, that the exemption is prominently posted on the premises within two (2) feet of the street number located on the premises.
- (6) A person denied request for permit or exception from these rules may appeal the decision to the City Manager by submitting a written request for appeal to the City Manager within five business days from issuance of denial. The decision of the City Manager shall be final.
- (7) Violations of any permit conditions may be enforced under Section 66-78.

Sec. 66-78. Enforcement.

- (1) A violation of this Division is a Class C Misdemeanor. No person or entity allow the use of water from the city for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this DCP, or in an amount in excess of that permitted by any drought response stage in effect at the time. The culpable mental state required by Section 6.02 of the Texas Penal Code is specifically negated and dispensed with and a violation of this article is a strict liability offense.
- (2) The provisions of this plan constitute rules adopted under the authority set forth in Texas Water Code § 11.1272 and Title 30 Texas Administrative Code § 288.20. Any person who violates any provision of this plan will be subject to the payment of a fine in an amount per violation that does not exceed the jurisdiction of the municipal court, as provided by Chapter 30 of the Texas Government Code. Each day of violation will constitute a separate offense. In addition, the offending party will be liable to the city for any costs incurred by the city in connection with any violation. Compliance with this DCP may also be sought through injunctive relief in a court of competent jurisdiction. In accordance with the foregoing authority, any person that violates any provision of this DCP shall be subject to a fine of not more than \$500.00 per violation per day.
- (3) If any person or a second person in the same household or premises commits a second violation of this article, the city manager shall be authorized to discontinue water service to the premises where such violation occurs.
- (4) Any person, including a person classified as a customer of the city, who is in apparent control of the property where a violation occurs or originates is presumed to be the violator,

and proof that a violation occurred on a person's property constitutes a rebuttable presumption that the person committed the violation. Parents are responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parents' control constitutes a rebuttable presumption that the parent committed the violation.

Sec. 66-79. Variances.

A temporary variance for existing water uses otherwise prohibited under this DCP may be obtained through the process outlined in Section 66-77.

Sec. 66-80. Effluent distributions; permit and regulations.

- (1) Upon implementation of the plan as provided in this division, the city may make available effluent water discharged from its sewage treatment plants for the purpose of watering lawns, grass, and other plants, dust control and similar uses. Such effluent water shall be made available only under the terms and conditions herein provided and only to such persons as are duly permitted as distributors as provided in this section. The city shall be under no obligation to provide such effluent and reserves the right to discontinue such service at any time and to limit the volume and to establish or alter loading procedures and/or locations as necessary for the efficient administration of the wastewater division.
- (2) No effluent distribution permit shall be issued except upon application filed with the wastewater division of the city. Every such application shall contain the following information:
 - a. Name of applicant.
 - b. Name of authorized representative (e.g., president of corporation; partner; etc.) if applicant is other than an individual.
 - c. Business address and phone number.
 - d. Residence address and phone number of authorized individual representative.
 - e. Description of each vehicle and container unit to be used in the transportation or distribution of effluent water, including the make, year, model, type, weight and gross vehicle weight, container unit capacity in gallons, vehicle registration number, and the state safety inspection certificate number and expiration date.
 - f. Names and driver's license number of every proposed driver of such vehicles.
 - g. Statement of previous use of container units and any proposed use after or concurrently with such units use for effluent distribution.
 - h. Statement of the proposed uses of any effluent water, including whether the use is proposed for residential, commercial, or industrial purpose.
- (3) Upon the filing of the required application, and payment of the permit fee specified herein for each container unit, the director of the public utilities department, or his designee, shall upon his determination that the applicant and vehicles and container units are in compliance with all applicable provisions of this division, issue a permit for each such container unit. Said permit shall identify the particular unit for which it is issued and shall be displayed in a prominent place upon the unit. Each unit shall be separately permitted.

- (4) The permit fee shall be in an amount to be set by resolution of the city council and listed in appendix A of this Code. Permits shall be issued on a quarterly basis from the effective date of this section; fee proration shall be on a monthly basis.
- (5) Provisions to the contrary notwithstanding, the permit fee herein required and the liability insurance requirements of subsection (f)(8) shall be waived for receipt of effluent water from the city treatment plant only. Every such restricted permit so issued shall be prominently marked to indicate such restriction.
- (6) Every effluent distribution permit shall be subject to the following terms and conditions and no person shall receive or distribute effluent water except in compliance herewith:
- a. Container units or tanks shall have a minimum capacity of 500 gallons; shall be capable of being closed watertight and shall be so closed during transport of effluent water; and shall be maintained in a leak-proof condition; provided, however, that special permits may be issued for container units with a capacity of less than 500 gallons upon the determination by the wastewater division superintendent that all other container unit specifications herein required have been met and that the particular container unit does not create an increased risk to the public health and safety.
 - b. No vehicle may be used in connection herewith which has not been reported on the application and approved for such use.
 - c. The city health department shall establish a course of instruction on the handling of wastewater effluent and shall issue a certificate to each driver or handler who completes such course. Every driver or handler shall be so certified prior to receiving any effluent water from the city.
 - d. Effluent water shall be used as soon as possible to prevent regrowth of bacteria. Permittees shall check effluent water in their units not less than every four hours for chlorine residual and bacteria levels, except for effluent stored in fixed-site containers which shall be checked not less than every eight hours.
 - e. Chlorine residuals shall be maintained at one milligram per liter (parts per million)[1 mg/l(ppm)], consistent throughout the effluent container.
 - f. Average fecal coliform (bacteria) levels shall not exceed 200 counts/100 ml.
 - g. Effluent containers, including those used for storage, shall be subject to inspection and approval of the city health department, whose inspectors are hereby authorized to prohibit the use of any container or effluent water which is determined to be outside the parameters established in this section or is otherwise determined to present a danger to the public health.
 - h. Every permittee shall provide proof of and shall maintain in force a policy of comprehensive general liability insurance covering personal injury and property damage with minimum limits of liability for personal injury in the amounts of \$100,000.00 per person and \$300,000.00 per occurrence and for property damage in the amount of \$50,000.00; or shall maintain a policy of general business liability insurance with a contractual liability endorsement; and shall maintain a policy of automobile liability insurance in the minimum amounts set by state law.

- i. By acceptance of a permit under this section and/or receipt of effluent water from the city system, the permittee and/or recipient of such effluent agree to fully indemnify, save and hold harmless, the city, its agents and employees, from and against all claims and actions, and all expenses incidental to the investigation and defense thereof, based upon or arising out of damages or injuries to person or property in any way related to or in connection with the use or distribution of effluent water under this section.
- j. Permittees shall provide a written notice to every person to whom effluent is furnished which shall state in not less than ten-point type, substantially as follows:

CAUTION

You are hereby advised that effluent water is the discharged water from a sewage treatment plant. The Director of Public Health has determined that improper use or handling could be harmful and recommends the following precautions:

1. Do not use effluent water for drinking, bathing, or personal hygiene purposes.
 2. Do not use effluent water for washing autos, clothes, or other personal contact items.
 3. Do not use effluent water in swimming pools or for similar recreational uses.
 4. Do not allow children to play on grass wet with effluent water, wait until it dries.
 5. Do not use effluent which has been stored for more than four hours unless the chlorine residual level has been tested and is not less than, one part per million [1 mg/l(ppm)].
 6. Application of effluent shall be by coarse stream and shall not be by fine spray.
- (7) Violation of any of the cautions herein set forth, by any person, shall be a violation of this Division. Violation of any of the provisions of this section, in addition to the general penalties provided in this Division, shall result in denial or revocation of any such violator's effluent distribution permit.

Secs. 66-81—66-85. - Reserved.

ORDINANCE NO. 2025 - _____

AN ORDINANCE REPEALING AND REPLACING CHAPTER 66, ARTICLE II, DIVISION 4 WATER CONSERVATION – DROUGHT CONTINGENCY PLAN FOR THE CITY OF INGLESIDE, TEXAS; PROVIDING FOR INCORPORATION OF RECITALS; PROVIDING FOR ADOPTION; PROVIDING A REPEALER CLAUSE; AND FURTHER PROVIDING FOR EFFECTIVE DATE, READING, AND SEVERANCE.

WHEREAS, on June 13, 2019, the City Council of the City of Ingleside (“City Council”) adopted Ordinance No. 2019-16, adopting and codifying the San Patricio Municipal Water District’s 2019 Drought Contingency Plan; and

WHEREAS, the San Patricio Municipal Water District (the “District”) is required to review and update, as appropriate, its drought contingency plan at least every five years based on new or updated information, such as the adoption or revision of the regional water plan; and

WHEREAS, in accordance with its requirements, the San Patricio Municipal Water District adopted an amended drought contingency plan on April 8, 2025; and

WHEREAS, by contract with the San Patricio Municipal Water District, the City of Ingleside is obligated to impose similar drought contingency and water conservation measures as those instituted by the District and subsequently, the City’s contractual partners are required to do the same; and

WHEREAS, the City Council, consequently, desires to update its water conservation and a drought contingency plan.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF INGLESIDE, COUNTY OF SAN PATRICIO, STATE OF TEXAS:

Section 1. Incorporation. The above and foregoing premises are true and correct and incorporated herein and made part hereof for all purposes.

Section 2. Adoption. Chapter 66, Article II, Division 4 – Water Conservation—Drought Contingency Plan of the Municipal Code of Ordinances is hereby repealed and replaced with the Drought Contingency Plan of the City of Ingleside attached as hereto as **Exhibit “A”** and incorporated for all purposes.

Section 3. Repealer. All other ordinances or parts of ordinances inconsistent or in conflict herewith are, to the extent of such inconsistency or conflict, hereby repealed.

Section 4. Effective Date. As provided by Article III, Section 3.11C of the Charter of the City of Ingleside, this Ordinance shall be effective upon adoption and, in addition, if any penalty, fine or forfeiture is imposed by this ordinance, then this ordinance shall be effective only after publication

of this ordinance in its entirety or in summary form once in the official newspaper of the City of Ingleside.

Section 5. Reading. As provided by Article III, Section 3.11.B of the Charter of the City of Ingleside, this Ordinance, or the caption of it shall be read at two City Council meetings with at least two weeks elapsing between each reading.

Section 6. Severance. If any part of this Ordinance is invalid or void or is declared to be so, then said part shall be severed from the balance of this Ordinance and said invalidity shall not affect the balance of this Ordinance, the balance of the Ordinance to be read as if said invalid or void portion thereof were not included.

PASSED, ORDAINED, APPROVED AND ADOPTED this ____ day of _____ 2025.

CITY OF INGLESIDE, TEXAS

Pedro Oscar Adame, Mayor

ATTEST:

Jana Stork, City Secretary

First Reading: _____

Second Reading: _____

EXHIBIT “A”

DRAFT

CITY COUNCIL AGENDA

Regular Meeting: June 10, 2025

AGENDA ITEM: 11

Deliberate and take appropriate action on the second and final reading of an Ordinance regarding a City of Ingleside rezone of property generally located at Highway 361 and Avenue B, further described in the legal description below, from R-1 - Single Family Residential to I - Industrial:

A combined total of 299.77 acres consisting of an 89.75 Acre Tract of land, as described in file number 728165 (filed Nov. 17, 2022), Deed of Records, San Patricio County, Texas and a 210.02 Acre Tract, being out of a 28.62 acre tract, a 1.61 acre tract, a 9.22 acre tract and a 5.54 acre tract as recorded in Volume 326, Page 475, Deed Records, San Patricio County, Texas; the remainder of a 50.91 acre tract as recorded in Volume 113 Page 182, Deed Records, San Patricio County, Texas; the remainder of a 48.18 acre tract as recorded in Volume 90, Page 553, Deed Records, San Patricio County, Texas; the remainder of a 46.81 acre tract, recorded in Volume 149, Page 502, Deed Records, San Patricio County, Texas; a 4.54 acre tract as recorded in Volume 148, Page 514, Deed Records, San Patricio County, Texas; and an 8.93 acre tract as recorded in Volume 101, Page 391, Deed Records, San Patricio County, Texas and a 2.29 acre tract recorded in Volume 88, Page 15, Deed Records, San Patricio County, Texas.

SUBMITTED BY: Bernard Rodriguez, Director of Development Services

APPROVED FOR AGENDA: Brenton Lewis, City Manager

BACKGROUND:

The city-initiated rezoning of approximately 299.77 acres from the current zone of (R-1) Single Family Residential District to (I) Industrial District is requested to conform with the City of Ingleside Comprehensive Plan. In addition, the City Council, at its regular scheduled meeting on January 14, 2025, directed city staff to begin the process of re-zoning tracts or property annexed into the City of Ingleside from temporary residential zoning in accordance with the City of Ingleside Comprehensive Plan. Motion carried with all present voting in favor.

The City of Ingleside Code of Ordinance states in Chapter 78 Zoning – Section 78-119 – Newly annexed area: All territory annexed to the city shall be temporarily classified as R-1 Single Family Residential district, until permanently zoned by the city council. The planning and zoning commission shall, as soon as practicable after annexation of any territory, recommend to the city council a plan for permanent zoning in the area. The procedure to be followed for adoption shall be the same as is provided by law for the adoption of original zoning regulations.

In this case, the property in question was initially zoned (R-1) Single Family Residential District and the annexation of the general area of the property was established in 1998.

The property's current zoning map, future land use map, and master transportation plan were

reviewed for compliance. The property northeast of the subject tract is zoned I-Industrial as well as properties along the southern boundary of the property. The properties east of the subject tract are zoned R1-Single Family and properties to the west have a temporary zoning designation of R-1-Single Family due to annexation.

The Future Land Use map designates the area west of the proposed SH 200 to be for Heavy Industrial (HI) use and the area to the east of SH 200 to be for Light Industrial (LI) use. Please note that the (HI) Heavy Industrial District designation was omitted from the official code of ordinance. However, due to the prior uses of the property and zoning of neighboring properties, an (I) Industrial District zone designation would be the most suitable.

The industrial district provides for industrial operations authorized under section 78-266. Please see the attached Chapter 78 – Zoning – Division 14. Industrial District – Section 78-266. Permitted uses.

City Council considered the request to rezone the property on May 27, 2025, and voted 4:2:1 to pass to second and final reading.

FISCAL ANALYSIS:

N/A

RECOMMENDATION:

The Planning and Zoning Commission considered the request to rezone the property on May 19, 2025, and voted 4 to 2 in favor of the rezone request.

Based on our review of the existing zoning map and future land use map, staff recommends approval of the rezoning to be in compliance with the Ingleside Comprehensive Plan.

City Council considered the request to rezone the property on May 27, 2025, and voted 4:2:1 to pass to second and final reading. The rezone meets all requirements and staff recommends final approval on second and final reading.

ATTACHMENTS:

1. Location Map
2. Zoning Map
3. Future Land Use map designation
4. City Code DIVISION 14. I INDUSTRIAL DISTRICT
5. Inside ExxonMobile Pipeline Co to Port of Texas SWD #728165
6. Ingleside ExxonMobil Pipeline Co to Port of Texas SWD #728166
7. #667 - Voting Record Signed
8. DOCS1-#351465-v1-Revised #667 - Ordinance v5

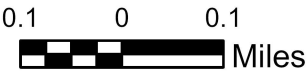


City of Ingleside
Rezoning
Aerial Map

- Legend
- Case Area
 - Parcels

Date: 05/27/2025

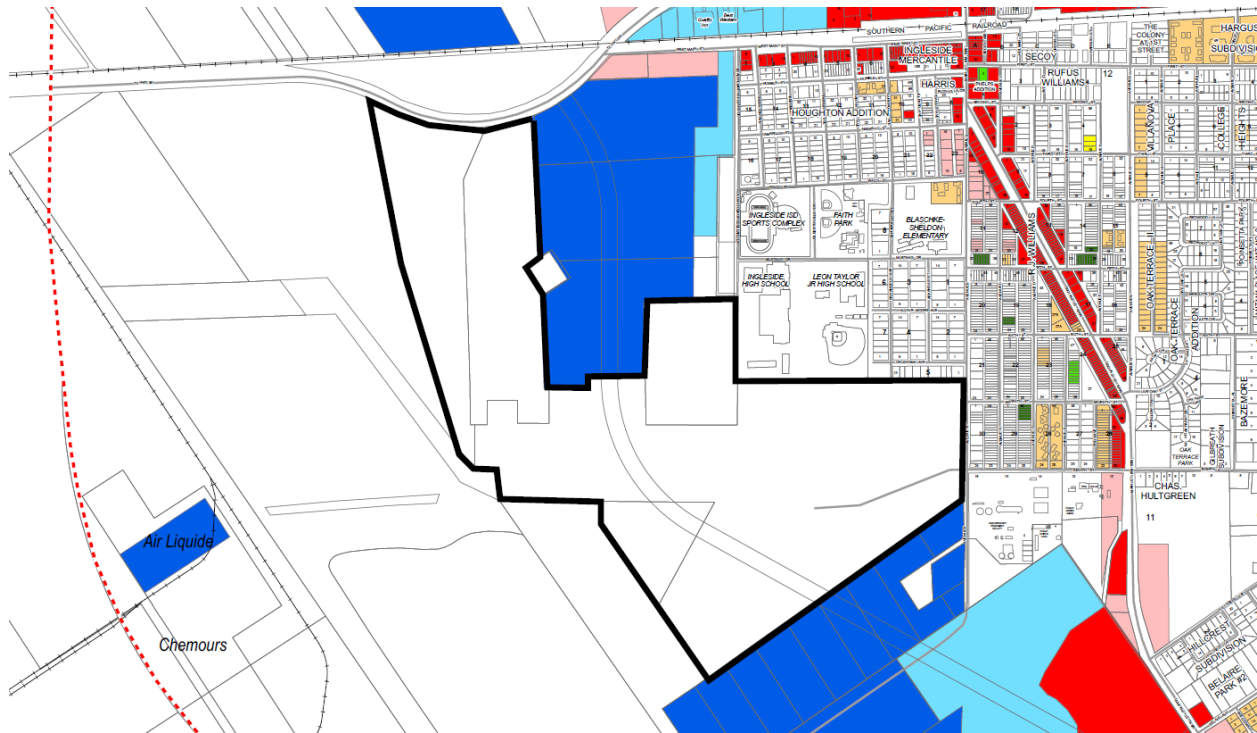
This product is for informational purposes only and may not have been prepared for or be suitable for use in legal, engineering, or surveying products. It does not represent an on-the-ground survey and only represents the relative location of property boundaries.



Source: Esri, Maxar, Earthstar Geographics, and the GIS User Community

Zoning Map

The property northeast of the subject tract is zoned I-Industrial as well as properties along the southern boundary of the property. The properties east of the subject tract are zoned R1-Single Family and properties to the west have a temporary zoning designation of R-1-Single Family due to annexation.



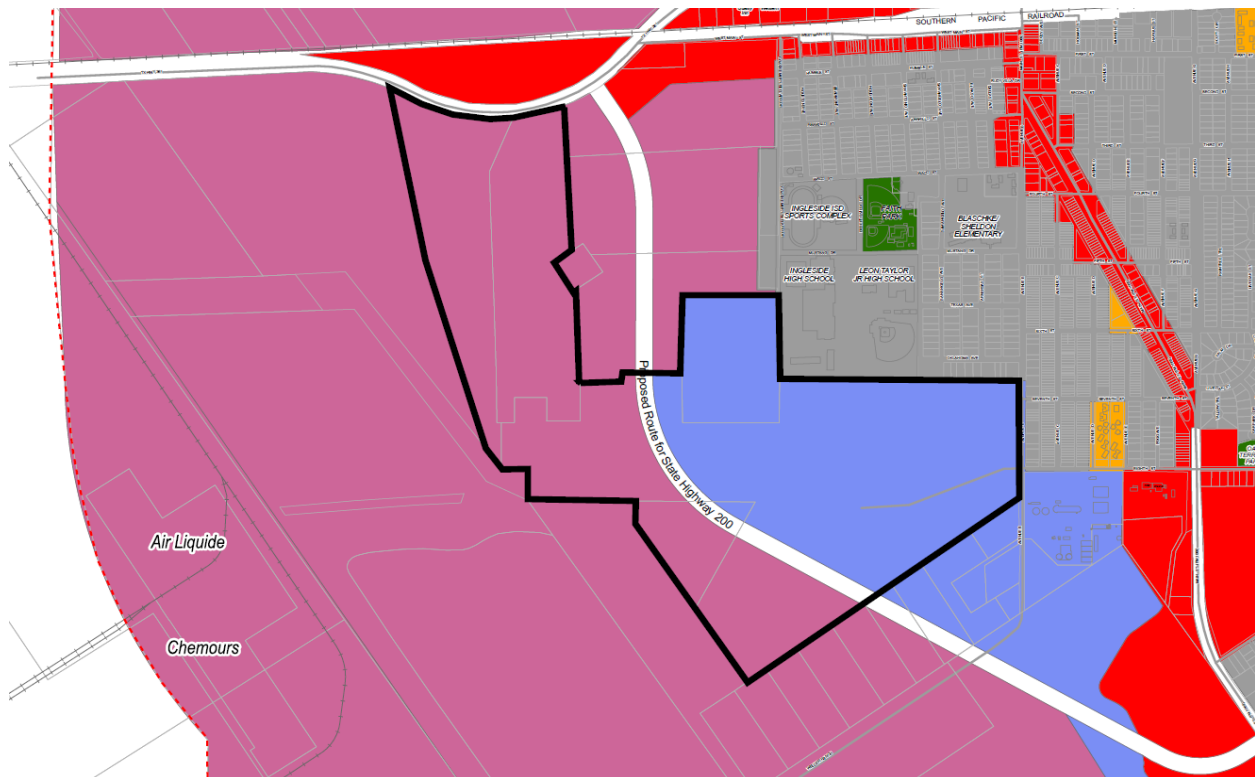
City of Ingleside Zoning

Legend

- Ingleside City Limits
- SPCAD Parcel Outlines
- Road Centerline
- +— Railroads
- (R-1) Single Family Residential
- (R-2) Two Family Residential
- (R-3) Three and Four Family Residential
- (P) Professional
- (C-1) Local Commercial
- (C-2) General Commercial
- (L-1) Light Industrial
- (I) Industrial
- (T1-A) Travel Trailer / Recreation Park
- (T1-C) Manufactured Homes
- (M) Multi-Family Residential
- (RPUD) Residential Planned Unit Development

Future Land Use Map

The Future Land Use map designates the area west of proposed SH 200 to be for Heavy Industrial (HI) use and the area to the east of SH 200 to be for Light Industrial (LI) use.



CITY OF INGLESIDE FUTURE LAND USE MAP

Legend

Land Use Designation

- General Residential (GR)
- Neighborhood Conservation (NC)
- General Commercial (GC)
- Multi-Family Residential (MF)
- Light Industrial (LI)
- Heavy Industrial (HI)
- Parks (P)
- Properties within Light Industrial previously zoned for Heavy Industrial use
- City Limits

DIVISION 14. I INDUSTRIAL DISTRICT

Sec. 78-266. Permitted uses.

The I industrial district provides for industrial operations of all types, except that certain potentially hazardous industries are permitted only after public hearing and review to ensure protection of the public interest and surrounding property and persons. A building or premises shall be used only for the following purposes:

- (1) Any use permitted in the L-1 light industrial district, except residential uses.
- (2) Dwellings or mobile homes for resident watchmen and caretakers employed on the premises.
- (3) Reserved.
- (4) The following listed uses (and any similar industrial uses which are not likely to create any more offensive noise, vibration, dust, heat, smoke, odor, glare, or other objectionable influences than the amount normally resulting from the uses listed in this subsection) including the manufacture, compounding, processing, packaging, or treatment of the following products or similar products, but excluding any use described under section 78-267:
 - a. Chemicals, petroleum, coal, and allied products, as follows:
 - Adhesives.
 - Alcohol, industrial.
 - Bleaching products.
 - Bluing.
 - Calimine.
 - Candle.
 - Cleaning and polishing preparations (nonsoap), dressings, and blackings.
 - Dye-stuff.
 - Essential oils.
 - Fertilizer (nonorganic).
 - Fuel briquettes.
 - Glue and size (vegetable).
 - Ink manufacture from primary raw materials, including colors and pigments.
 - Soap and soap products.
 - b. Clay, stone and glass products, as follows:
 - Abrasive and wheels, stones, paper, cloth, and related products.
 - Brick, fire brick and clay products.
 - Concrete central mixing and proportioning plant.

-
- Glass and glass products.
 - Graphite and graphite products.
 - Monument and architectural stone.
 - Pottery and porcelain products (coal fired).
 - Refractories (other than coal fired).
 - Sand-lime products.
 - Stone products.
 - Wallboard and plaster, building, insulation, and composition flooring.
 - c. Foods and beverages, as follows:
 - Casein.
 - Cider and vinegar.
 - Distilleries (alcoholic), breweries, and alcoholic spirits (nonindustrial) limited to brew pubs which manufacture beer on premises for retail sale and consumption on premises only.
 - Flour, feed and grain milling storage limited to end user manufacturer and retail/wholesale sales.
 - Molasses.
 - Oils, shortenings, and fats (edible) and storage.
 - Pickles, vegetable relish, and sauces.
 - Rice cleaning and polishing.
 - Sauerkraut.
 - Sugar refining.
 - d. Metal and metal products, as follows:
 - Boiler manufacture, other than welded.
 - Brass and bronze foundries.
 - Forge plant, pneumatic, drop and forging hammering.
 - Plating (hot dip), except chrome plating.
 - Locomotive and railroad car building and repair.
 - Motor testing (internal combustion motors).
 - Ore dumps and elevators.
 - Structural iron and steel fabrication.
 - Wire rope and cable.
 - e. Textile, fibers and bedding, as follows:
 - Bleachery.
 - Cotton wadding and linter.
 - Hair and felt products, washing, curing, dyeing.

Jute, hemp, and sisal products.

Linoleum and other hard surface floor covering, except wood.

Nylon.

Oilcloth, oil treated products and artificial leather.

Rayon.

Shoddy.

Wool pulling or scouring.

f. Wood and paper products, as follows:

Excelsior.

Paper and paperboard (from paper machines only).

Sawmill, including cooperage stock mill.

Wallboard.

g. Unclassified industries, as follows:

Rubber, natural or synthetic, gutta-percha, chicle, and balata process.

Rubber tire and tube.

Shell grinding.

h. Unclassified uses, as follows:

Airports and landing fields.

Bag cleaning.

Boat manufacture.

Coal pocket.

Oil, vegetable and animal (nonedible) and storage.

Paint, lacquer, shellac, and varnish, including colors and pigments, thinners, and removers.

Railroad switching and classification yard, roundhouse, repair and overhaul shops.

Roofing materials, building paper, and felt, including asphalt and composition.

Salt tanning materials and allied products.

Shipyard, and accessory buildings and uses which may include temporary dwellings for the crews of ships which are in the yard for repairs which render the ship uninhabitable, provided that the members of said crews shall live in the buildings only while repair work is in progress and for the period of time repair work renders the ship uninhabitable by said crews.

Tar products, except distillation.

(5) Accessory buildings and uses customarily incidental to those in this section.

(Ord. No. 2023-27, § 1, 12-12-23)

Sec. 78-267. Intensive uses.

For uses not enumerated in the industrial district section, a special use permit shall be required in addition to the industrial district zoning. The application shall be submitted to the administrative officer a minimum of 20 days prior submission to the city council and shall include the items listed in Division 4 of this chapter as well as:

- (1) The applicant's name, mailing address and telephone numbers.
- (2) The names, mailing addresses and telephone numbers of the owners of the property which is the subject of the application.
- (3) The legal description of the property which is the subject of the application.
- (4) A description of the proposed uses, approval of which is sought; a description of hazards, such as fire, explosion, noise, vibration, dust, or the emission of smoke, odor, or toxic substances, accompanying the proposed use.
- (5) A description of all safeguards proposed to protect the surrounding property and persons from hazards accompanying the proposed use.
- (6) A site plan showing the location of all improvements, landscaping, yard areas, sight and/or noise barriers, existing and planned, on the subject property.

The city council shall not permit such buildings, structures, or uses unless they find that the public health, safety, morals, and general welfare of the city will be properly protected, and that necessary safeguards will be provided for the protection of surrounding property and persons from hazards, such as fire, explosion, noise, vibration, dust, or the emission of smoke, odor, or toxic substances, accompanying the proposed use. The city council may, as part of its decision, impose such conditions and safeguards as are reasonable or necessary in its opinion to protect surrounding property and persons from such hazards, including, by way of illustration and not limitation, the creation of transitional zoning district areas between the subject property and the surrounding properties, setback and yard area requirements exceeding the minimum requirements otherwise applicable, structure height restrictions more restrictive than the requirements otherwise applicable, noise, sound and sight barriers and landscape treatments.

(Ord. No. 2023-27, § 1, 12-12-23)

Sec. 78-268. Height and area regulations.

Height and area requirements for an I industrial district can be found in division 2, article V of this chapter, and, in addition, the following regulations shall apply:

- (1) Whenever any building or structure in the I industrial district adjoins or abuts upon a residence district, such building or structure shall not exceed 50 feet in height unless set back one foot from all required yard lines abutting such residential district for each foot of additional height above 50 feet.
- (2) No part of any building or accessory structures shall be located closer than 100 feet to any residential boundary or within 35 feet of any street line.
- (3) The aggregate area covered by a building shall not exceed 50 percent of the entire area of the lot.

(Ord. No. 2023-27, § 1, 12-12-23)

Sec. 78-269. Parking and loading regulations.

Parking and loading regulations for an I industrial district can be found in division 3, article V of this chapter. Employee parking spaces shall be provided on the ratio of at least one for each 400 square feet of floor area in each building used for offices or similar purposes, and in the ratio of at least one space for each 600 square feet of floor area in each building used for manufacturing or similar purposes or one space for each two employees, whichever is greater.

(Ord. No. 2023-27, § 1, 12-12-23)

Secs. 78-270—78-280. Reserved.

NOTICE OF CONFIDENTIALITY RIGHTS. IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

THE STATE OF TEXAS §
 § **KNOW ALL MEN BY THESE PRESENTS:**
 COUNTY OF SAN PATRICIO §

THAT, the undersigned, **EXXON MOBIL CORPORATION**, a New Jersey corporation, whose mailing address is 22777 Springwoods Village Pkwy, Spring, Texas 77389 [the "Grantor"], as of the 16 day of November, 2022 (the "Effective Date") has executed this instrument for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) cash, and other good and valuable consideration, to it in hand paid by **PORT OF TEXAS, LP f/k/a The Port of Corpus Christi, LP**, a Texas limited partnership, whose mailing address is P. O. Box 868, Corpus Christi, Texas 78403 [the "Grantee"], the receipt and sufficiency of which is hereby acknowledged and confessed.

NOW, THEREFORE, for and in consideration as aforesaid subject to the reservations from and exceptions to conveyance and warranty herein stated, Grantor does hereby GRANT, BARGAIN, SELL AND CONVEY unto the said Grantee all that certain tract or parcel of land, together with all improvements, if any, located thereon, lying and being situated in the County of San Patricio, State of Texas:

A tract of 89.75 acres of land being more particularly described by metes and bounds on **Exhibit "A"** attached hereto (the "Property"),

Said Property being the same land that is the subject of that certain Special Warranty Deed, dated May 26, 2017, executed by The Port of Corpus Christi, LP in favor of Grantor, said instrument being recorded under Clerk's File No. 667116 in the Deed Records of San Patricio County, Texas.

RESERVATIONS FROM AND EXCEPTIONS TO CONVEYANCE AND WARRANTY

1. **Permitted Encumbrances.** Any and all (i) valid and subsisting easements, rights-of way, covenants, restrictions, exceptions and other encumbrances of record, (ii) all lawfully enacted and legally binding and enforceable building and land use ordinances, laws, regulations and restrictions by municipal or other governmental authority applicable to the Property, and (iii) any other rights in or encumbrances on the Property which are

evident by a physical inspection of the Property.

2. Taxes. Taxes and assessments for the year 2022 are prorated as of the Effective Date, and Grantee assumes the payment of such taxes and assessments from and after the Effective Date.

3. Oil, Gas and Other Mineral Reservation; Waiver of Surface Use; Reservation of Subsurface Drilling Rights. Grantor excepts herefrom and reserves unto itself, its successors and assigns, and its predecessors in title in accordance with its or their respective interests of record, all oil, gas and other minerals of every character in, on or under the Property, but Grantor on behalf of itself, its successors and assigns, and its predecessors in title, to the extent Grantor has the right to bind such predecessors, and in exercise of its executive leasing rights does hereby forever release and relinquish its right to enter upon and use the surface of said land for exploring and drilling for and producing and mining such oil, gas and other minerals; provided that Grantor shall have and hereby reserves the right to drill under and through the subsurface of land at the Property below the depth of one hundred feet (100') from the surface thereof by a well or wells located on the surface of land outside the boundaries of the land conveyed hereby and the right to pool and combine such Property, in whole or in part, with other land for the purpose of exploring and drilling for and producing and mining such minerals by virtue of operations conducted on such other lands, but not the lands conveyed hereby.

4. **ACKNOWLEDGEMENT OF PRIOR USE AND CERTAIN SITE CONDITIONS.** GRANTEE ACKNOWLEDGES THAT (1) FROM IN OR AROUND 1925 THROUGH 1945 THE PROPERTY OR PORTIONS THEREOF, WAS USED FOR PETROLEUM REFINING PURPOSES; (2) THE ENVIRONMENT, INCLUDING, BUT NOT LIMITED TO SOIL, SUBSOIL, AIR, LAND, GROUNDWATER AND WATER, ON, UNDER, NEAR OR ADJACENT THERETO AND DRAINS, SEWERS, PIPES, WATER COURSES AND WATER TABLES AT, ON, UNDER OR IN THE VICINITY OF THE PROPERTY MAY CONTAIN CERTAIN PETROLEUM BASED PRODUCTS, DERIVATIVES AND OTHER CHEMICALS; (3) THE PROPERTY MAY CONTAIN ASBESTOS, LEAD, POLY CHLORINATED BYPHENOLS ("PCBs"), NATURALLY OCCURRING RADIOACTIVE MATERIAL ("NORM"), BENZENE, CREOSOTE, ARSENIC, AND OTHER REGULATED SUBSTANCES AS A RESULT OF OR RELATED TO PRIOR OPERATIONS, USES AND ACTIVITIES; AND (4) THE PROPERTY MAY CONTAIN, WHETHER ACTIVE OR INACTIVE OR WHETHER ABOVE OR BELOW GROUND: TANKS, PIPELINES, PIPES, LINES, WELLS, PITS, PONDS, TILE DRAINS, STEEL, PVC, FIBERGLASS, WOOD, DRAINS AND CONVEYANCES (COLLECTIVELY "LINES"). THE LINES MAY CONTAIN PETROLEUM HYDROCARBONS AND MAY BE COATED WITH LEAD-BASED PAINT AND/OR ASBESTOS-CONTAINING INSULATION OR WRAPPING.

5. **Texas Commission on Environmental Quality Voluntary Clean-Up Program No. 2646.** As a material part of the consideration of the conveyance of the Property, Grantee will continue with its participation in TCEQ's Voluntary Clean-Up Program No. 2646 until a Certificate of Completion has been received.

6. **Declaration of Covenants, Conditions, Restrictions and Deed Notice.** The Property is subject to those certain Declaration of Covenants, Conditions, Restrictions and Deed Notice dated of even date hereof restricting the Property against certain uses, **including but not limited to against residential or groundwater uses.**

7. **Rights of Access.** Grantor reserves to itself and its affiliates and their respective employees, agents, and contractors the right of access to the Property, at no cost to Grantor to (i) inspect all construction, remediation and disposal activities being done by Grantee or Grantee's contractors in connection with the assessment and remediation of the Property until issuance of Certificate of Completion for the Property is received from the Texas Commission on Environmental Quality, and (ii) in the event Grantor is required by any governmental authority or regulatory or judicial authority, whether federal, state or local to investigate the condition of the Property.

8. **"AS IS, WHERE IS" CONDITION.** EXCEPT FOR THE LIMITED SPECIAL WARRANTY CONTAINED HEREIN, GRANTEE ACCEPTS THE PROPERTY IN ITS CURRENT, "AS IS, WHERE IS" CONDITION. THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER KIND ARISING OUT OF THIS SPECIAL WARRANTY DEED, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS SPECIAL WARRANTY DEED.

TO HAVE AND TO HOLD, except as to the Reservations from and Exceptions to Conveyance and Warranty, the above-described Property, together with all and singular the rights and appurtenances thereto, unto the said Grantee, its successors and assigns forever. Grantor does hereby bind itself **TO WARRANT AND FOREVER DEFEND** all and singular the said Property unto Grantee against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through or under Grantor, but not otherwise except as to the Reservations from and Exceptions to Conveyance and Warranty. *Notwithstanding anything herein to the contrary, Grantor's special warranty of title to Grantee is limited to the amount of the consideration paid to it as of the Effective Date.*

The Parties acknowledge and agree that (i) any recitals set forth above are incorporated herein for all purposes, (ii) the captions beside the numbered paragraphs of this instrument are for convenience only and do not limit, enlarge, modify or otherwise affect this Special Warranty Deed, and (iii) when the context requires, singular nouns and pronouns shall include the plural.

THE PARTIES acknowledge and agree that the reservations, covenants, restrictions and obligations contained in the Reservations from and Exceptions to Conveyance and Warranty, as set forth in this Special Warranty Deed, (i) are reasonable in their purpose, (ii) touch and concern the Property, (iii) are covenants running with the land making up the Property, and (iv) shall be binding on Grantor and Grantee and each of their respective successors and assigns forever.

This Special Warranty Deed is effective as of the Effective Date above.

[SIGNATURE PAGES FOLLOW.]

[Grantor's Signature Page.]

GRANTOR:

EXXON MOBIL CORPORATION

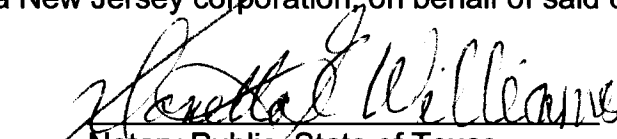
By: 
Name: Maria M. Quezada
Agent and Attorney-in-Fact

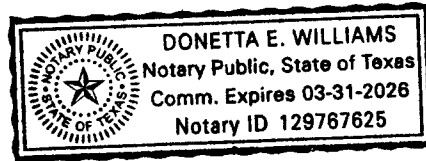
STATE OF TEXAS

§
§
§

COUNTY OF HARRIS

This instrument was acknowledged before me on the 14 day of November, 2022, by Maria M. Quezada, as Agent and Attorney-in-Fact of **EXXON MOBIL CORPORATION**, a New Jersey corporation, on behalf of said corporation.


Notary Public, State of Texas



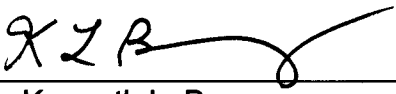
[Grantee's Signature Page.]

Grantee joins in the execution hereof to evidence that it acknowledges and agrees to be bound by the restrictions, covenants, and conditions set forth herein, all of which will be binding upon Grantee, its successors or assigns.

GRANTEE:

PORT OF TEXAS, LP

By: Becon International, Inc., its General Partner

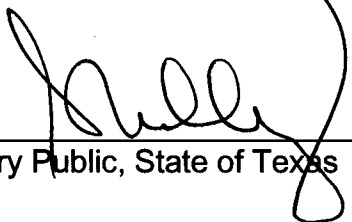
By: 
Kenneth L. Berry
President

STATE OF TEXAS

COUNTY OF Mueces

§
§
§

This instrument was acknowledged before me on the 16 day of November, 2022, by Kenneth L. Berry, President of Becon International, Inc., General Partner of **PORT OF TEXAS, LP**, on behalf of said limited partnership.


Notary Public, State of Texas

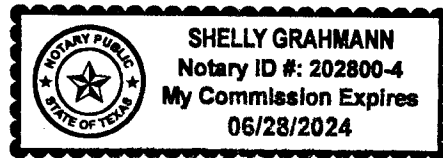


EXHIBIT A

To Special Warranty Deed

PROPERTY DESCRIPTION

**San Patricio Appraisal District Nos. 2139-0262-0000-004 & 2139-0262-0000-049
San Patricio County Tax Parcel ID Nos. 78729 and 115773**

A 89.75 ACRE TRACT OF LAND, BEING THE SAME TRACT OF LAND AS DESCRIBED IN FILE NUMBER 646716 AND FILE NUMBER 646717, OFFICIAL PUBLIC RECORDS OF SAN PATRICIO COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at a found 5/8 inch iron rod on the south right-of-way line of Texas State Highway 361, for the northwest corner of a 117.87 acre tract, as recorded in Document Number 628374, Deed Records, San Patricio County, Texas, and the northeast corner of a 45.67 acre tract as recorded in Document Number 576404, Deed Records, San Patricio County, Texas, and for the northeast corner and **POINT OF BEGINNING** of the herein described tract;

THENCE South 29°52'00" West, with the west line of said 117.87 acre tract, same being the east line of said 45.67 acre tract, a distance of 1395.42 feet to a 5/8 inch iron rod found on the north line of the Drill Site No. 2, which is recorded in Document Number 190569, Deed Records, San Patricio County, Texas, for a corner of the herein described tract;

THENCE South 88°53'24" West, with the northwest line of said Drill Site #2, same being the east line of said 45.67 acre tract, a distance of 212.13 feet to a 5/8" iron rod found for the northwest corner of said Drill Site No. 2, and for an interior corner of the herein described tract;

THENCE South 01°04'48" East, with the southwest line of said Drill Site #2, same being the east line of said 45.67 acre tract, a distance of 330.00 feet to a 5/8 inch iron rod found for the south corner of said Drill Site No. 2, and for an interior corner of the herein described tract;

THENCE North 88°55'12" East, with the southeast line of said Drill Site No. 2, same being the east line of said 45.67 acre tract, a distance of 14.41 feet to a 5/8" iron rod found for a corner of the herein described tract, said rod also being on the west line of 117.87 acre tract;

THENCE South 29°51'43" West, with the west line of said 117.87 acre tract, same being the east line of said 45.67 acre tract, a distance of 920.81 feet to a found fence corner post for the northwest corner of a 5.54 acre tract, described as Tract No. 2, as recorded

in Volume 326, Page 475, Deed Records, San Patricio County, Texas, for a corner of said 45.67 acre tract and for the herein described tract;

THENCE South 33°10'44" West, with the west line of said 5.54 acre tract, same being the east line of said 45.67 acre tract, a distance of 337.30 feet to a found fence corner post for the an interior corner of said 5.54 acre tract and an interior corner of said 45.67 acre tract and the south east corner the herein described tract.

THENCE North 56°50'17" West, with the most westerly north line of said 5.54 acre tract, same being the a south line of said 45.67 acre tract a distance of 311.03 feet to a found fence corner post for the southeast corner a 1.57 acre tract, as recorded in Volume 339, Page 194, Deed Records, San Patricio County, Texas, and for an interior corner of said 45.67 acre tract and of the herein described tract.

THENCE North 33°24'59" East, with the east line of said 1.57 acre tract, same being and interior line of said 45.67 acre tract, a distance of 225.09 feet to a 5/8" iron rod found for the northeast corner of said 1.57 acre tract, and for an interior corner of said 45.67 acre tract and of the herein described tract.

THENCE North 56°48'19" West, with the north line of said 1.57 acre tract, and a south line of said 45.67 acre tract, a distance of 300.69 feet to a found fence corner post for the northwest corner of said 1.57 acre tract, and for an interior corner of said 45.67 acre tract and of the herein described tract.

THENCE South 33°04'37" West, with the west line of said 1.57 acre tract, and an interior line of said 45.67 acre tract, a distance of 241.28 feet to a 5/8" iron rod found for the southwest corner of said 1.57 acre tract, and for an interior corner of said 45.67 acre tract and of the herein described tract.

THENCE North 57°08'33" West, a distance of 122.61 feet to a found fence corner post for the northwest corner of a 9.22 acre tract, described as Tract No. 3, as recorded in Volume 326, Page 475, Deed Records, San Patricio County, Texas, and for an interior corner of said 45.67 acre tract and of the herein described tract.

THENCE South 33°00'30" West, a distance of 441.52 feet to a 5/8" iron rod found for the south corner of said 45.67 acre tract, said point being on the east line of a 336.36 acre tract, as recorded in Document Number 374133, Deed Records, San Patricio County, Texas, and for the south corner of the herein described tract.

THENCE North 04°10'41" West, with the most westerly line of said 45.67 acre tract, a distance of 181.52 feet to a 5/8" iron rod found for the most westerly corner of said 45.67 acre tract, and for a corner of the herein described tract.

THENCE North 04°00'17" West, with the east line of said 336.36 acre tract, a distance of 64.58 feet to a 5/8" iron rod found for the most southerly corner of a 165.385 acre tract,

as recorded in Document Number 490143, Deed Records, San Patricio County, Texas, and for a corner of the herein described tract.

THENCE North 15°51'45" East, with the east line of said 165.385 acre tract, a distance of 1900.30 feet to a 5/8" iron rod found for a corner of said 165.385 acre tract and a corner of the herein described tract.

THENCE North 21°11'45" East, with the east line of said 165.385 acre tract, a distance of 1681.16 feet to a 5/8" iron rod found on the south right-of-way line of said SH 361, for northeast corner of said 165.385 acre tract and the northwest corner of the herein described tract, same being the beginning of a curve to the right with a radius of 1820.08 feet, a chord direction of South 30°49'35" East, a chord distance of 174.67 feet and an arc length of 174.73 feet.

THENCE, with said curve to the right, same being said south right-of-way line, an arc length of 174.73 feet to a TXDOT Concrete Monument found for a corner of the herein described tract and the beginning a of a reverse curve to the left having a radius of 1727.28 feet, a chord direction of South 53°30'46" East, a chord distance of 1484.66 feet and an arc length of 1534.64 feet.

THENCE, with said curve to the left, same being said south right-of-way line, an arc length of 1534.64 feet, to the **POINT OF BEGINNING** and containing 89.75 acres.

NOTE:

ALL BEARINGS ARE GRID BEARINGS BASED ON THE TEXAS COORDINATE SYSTEM FOR THE LAMBERT SOUTH ZONE (NAD 1983).

Certified by:

Stacey King Mora, Texas R.P.L.S. Registration No. 6166

Naismith Engineering, Inc.

TBPE F#355 TBPLS F# 100395-00

Dated May 5, 2015

**San Patricio County
Gracie Alaniz-Gonzales
San Patricio County Clerk**

Instrument Number: 728165

eRecording - Real Property

DEED

Recorded On: November 17, 2022 11:22 AM

Number of Pages: 10

" Examined and Charged as Follows: "

Total Recording: \$58.00

******* THIS PAGE IS PART OF THE INSTRUMENT *******

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 728165
Receipt Number: 20221117000019
Recorded Date/Time: November 17, 2022 11:22 AM
User: Janie F
Station: cclerkdeeds1-pc

Record and Return To:

SIMPLIFILE



STATE OF TEXAS

San Patricio County

**I hereby certify that this Instrument was filed in the File Number sequence on the date/time
printed hereon, and was duly recorded in the Official Records of San Patricio County, Texas**

Gracie Alaniz-Gonzales
San Patricio County Clerk
San Patricio County, TX



NOTICE OF CONFIDENTIALITY RIGHTS. IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

THE STATE OF TEXAS §
 § **KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF SAN PATRICIO §

THAT, the undersigned, **EXXONMOBIL PIPELINE COMPANY LLC**, a Delaware limited liability company, whose mailing address is 22777 Springwoods Village Pkwy, Spring, Texas 77389 [the "Grantor"], as of the 16 day of November, 2022 (the "Effective Date") has executed this instrument for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) cash, and other good and valuable consideration, to it in hand paid by **PORT OF TEXAS, LP f/k/a The Port of Corpus Christi, LP**, a Texas limited partnership, whose mailing address is P. O. Box 868, Corpus Christi, Texas 78403 [the "Grantee"], the receipt and sufficiency of which is hereby acknowledged and confessed.

NOW, THEREFORE, for and in consideration as aforesaid subject to the reservations from and exceptions to conveyance and warranty herein stated, Grantor does hereby GRANT, BARGAIN, SELL AND CONVEY unto the said Grantee all that certain tract or parcel of land, together with all improvements, if any, located thereon, lying and being situated in the County of San Patricio, State of Texas:

A tract of 210.02 acres of land being more particularly described by metes and bounds on **Exhibit "A"** attached hereto (the "Property"),

RESERVATIONS FROM AND EXCEPTIONS TO CONVEYANCE AND WARRANTY

1. **Permitted Encumbrances.** Any and all (i) valid and subsisting easements, rights-of way, covenants, restrictions, exceptions and other encumbrances of record, (ii) all lawfully enacted and legally binding and enforceable building and land use ordinances, laws, regulations and restrictions by municipal or other governmental authority applicable to the Property, and (iii) any other rights in or encumbrances on the Property which are evident by a physical inspection of the Property.

2. **Taxes.** Taxes and assessments for the year 2022 are prorated as of the Effective Date, and Grantee assumes the payment of such taxes and assessments from and after the Effective Date.

3. Oil, Gas and Other Mineral Reservation; Waiver of Surface Use; Reservation of Subsurface Drilling Rights. Grantor excepts herefrom and reserves unto itself, its successors and assigns, and its predecessors in title in accordance with its or their respective interests of record, all oil, gas and other minerals of every character in, on or under the Property, but Grantor on behalf of itself, its successors and assigns, and its predecessors in title, to the extent Grantor has the right to bind such predecessors, and in exercise of its executive leasing rights does hereby forever release and relinquish its right to enter upon and use the surface of said land for exploring and drilling for and producing and mining such oil, gas and other minerals; provided that Grantor shall have and hereby reserves the right to drill under and through the subsurface of land at the Property below the depth of one hundred feet (100') from the surface thereof by a well or wells located on the surface of land outside the boundaries of the land conveyed hereby and the right to pool and combine such Property, in whole or in part, with other land for the purpose of exploring and drilling for and producing and mining such minerals by virtue of operations conducted on such other lands, but not the lands conveyed hereby.

4. **ACKNOWLEDGEMENT OF PRIOR USE AND CERTAIN SITE CONDITIONS.** GRANTEE ACKNOWLEDGES THAT (1) FROM IN OR AROUND 1920s THROUGH 1995 THE PROPERTY OR PORTIONS THEREOF, WAS USED FOR CRUDE OIL TERMINAL PURPOSES; (2) THE ENVIRONMENT, INCLUDING, BUT NOT LIMITED TO SOIL, SUBSOIL, AIR, LAND, GROUNDWATER AND WATER, ON, UNDER, NEAR OR ADJACENT THERETO AND DRAINS, SEWERS, PIPES, WATER COURSES AND WATER TABLES AT, ON, UNDER OR IN THE VICINITY OF THE PROPERTY MAY CONTAIN CERTAIN PETROLEUM BASED PRODUCTS, DERIVATIVES AND OTHER CHEMICALS; (3) THE PROPERTY MAY CONTAIN ASBESTOS, LEAD, POLYCHLORINATED BYPHENOLS ("PCBs"), NATURALLY OCCURRING RADIOACTIVE MATERIAL ("NORM"), BENZENE, CREOSOTE, ARSENIC, AND OTHER REGULATED SUBSTANCES AS A RESULT OF OR RELATED TO PRIOR OPERATIONS, USES OR ACTIVITIES; AND (4) THE PROPERTY MAY CONTAIN, WHETHER ACTIVE OR INACTIVE OR WHETHER ABOVE OR BELOW GROUND: TANKS, PIPELINES, PIPES, LINES, WELLS, PITS, PONDS, TILE DRAINS, STEEL, PVC, FIBERGLASS, WOOD, DRAINS AND CONVEYANCES (COLLECTIVELY "LINES"). THE LINES MAY CONTAIN PETROLEUM HYDROCARBONS AND MAY BE COATED WITH LEAD-BASED PAINT AND/OR ASBESTOS-CONTAINING INSULATION OR WRAPPING.

5. **Railroad Commission of Texas Voluntary Clean-Up Program No. 04-21003.** As a material part of the consideration of the conveyance of the Property, Grantee will continue with its participation in the Voluntary Clean-Up Program of the Railroad Commission of Texas until a Certificate of Completion has been received.

6. **Declaration of Covenants, Conditions, Restrictions and Deed Notice.** The Property is subject to those certain Declaration of Covenants, Conditions, Restrictions and Deed Notice dated of even date hereof restricting the Property against certain uses, **including but not limited to against residential or groundwater uses.**

7. **Rights of Access.** Grantor reserves to itself and its affiliates and their respective employees, agents, and contractors the right of access to the Property, at no cost to Grantor to (i) inspect all construction, remediation and disposal activities being done by Grantee or Grantee's contractors in connection with the assessment and remediation of the Property until issuance of a Certificate of Completion for the Property is received from the Railroad Commission of Texas, and (ii) in the event Grantor is required by any governmental authority or regulatory or judicial authority, whether federal, state or local to investigate the condition of the Property.

8. **"AS IS, WHERE IS" CONDITION.** EXCEPT FOR THE LIMITED SPECIAL WARRANTY CONTAINED HEREIN, GRANTEE ACCEPTS THE PROPERTY IN ITS CURRENT "AS IS, WHERE IS" CONDITION. THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER KIND ARISING OUT OF THIS SPECIAL WARRANTY DEED, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS SPECIAL WARRANTY DEED.

TO HAVE AND TO HOLD, except as to the Reservations from and Exceptions to Conveyance and Warranty, the above-described Property, together with all and singular the rights and appurtenances thereto, unto the said Grantee, its successors and assigns forever. Grantor does hereby bind itself **TO WARRANT AND FOREVER DEFEND** all and singular the said Property unto Grantee against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through or under Grantor, but not otherwise, except as to the Reservations from and Exceptions to Conveyance and Warranty. *Notwithstanding anything herein to the contrary, Grantor's special warranty of title to Grantee is limited to the amount of the consideration paid to it as of the Effective Date.*

The Parties acknowledge and agree that (i) any recitals set forth above are incorporated herein for all purposes, (ii) the captions beside the numbered paragraphs of this instrument are for convenience only and do not limit, enlarge, modify or otherwise affect this Special Warranty Deed, and (iii) when the context requires, singular nouns and pronouns shall include the plural.

THE PARTIES acknowledge and agree that the reservations, covenants, restrictions and obligations contained in the Reservations from and Exceptions to Conveyance and Warranty, as set forth in this Special Warranty Deed, (i) are reasonable in their purpose, (ii) touch and concern the Property, (iii) are covenants running with the land making up the Property, and (iv) shall be binding on Grantor and Grantee and each of their respective successors and assigns forever.

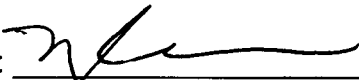
This Special Warranty Deed is effective as of the Effective Date above.

[SIGNATURE PAGES FOLLOW]

[Grantor's Signature Page.]

GRANTOR:

EXXONMOBIL PIPELINE COMPANY LLC

By: 
Name: Maria M. Quezada
Agent and Attorney-in-Fact

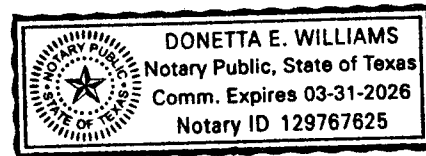
STATE OF TEXAS

§
§
§

COUNTY OF HARRIS

This instrument was acknowledged before me on the 14 day of November 2022, by Maria M. Quezada, as Agent and Attorney-in-Fact of **EXXONMOBIL PIPELINE COMPANY LLC**, a Delaware limited liability company, on behalf of said limited liability company.


Notary Public, State of Texas



[Grantee's Signature Page.]

Grantee joins in the execution hereof to evidence that it acknowledges and agrees to be bound by the restrictions, covenants, and conditions set forth herein, all of which will be binding upon Grantee, its successors or assigns.

GRANTEE:

PORT OF TEXAS, LP

By: Becon International, Inc., its General Partner

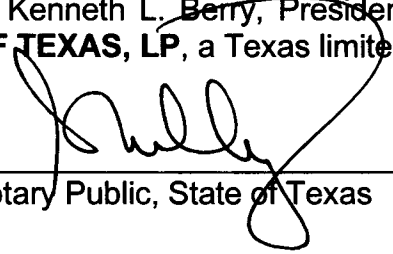
By: 
Kenneth L. Berry
President

STATE OF TEXAS

COUNTY OF Pres

§
§
§

This instrument was acknowledged before me on the 16 day of November 2022, by Kenneth L. Berry, President of Becon International, Inc., General Partner of **PORT OF TEXAS, LP**, a Texas limited partnership, on behalf of said limited partnership.


Notary Public, State of Texas

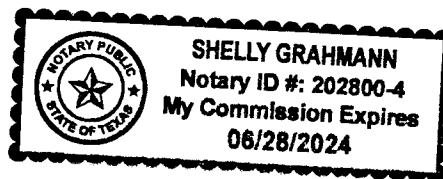


EXHIBIT A

To Special Warranty Deed

PROPERTY DESCRIPTION

**BEING A 210.02 ACRE TRACT
SAN PATRICIO COUNTY, TEXAS**

A 210.02 acre tract, being out of a 28.62 acre tract, a 1.61 acre tract, a 9.22 acre tract and a 5.54 acre tract as recorded in Volume 326, Page 475 , Deed Records, San Patricio County, Texas; the remainder of a 50.91 acre tract as recorded in Volume 113 Page 182, Deed Records, San Patricio County, Texas; the remainder of a 48.18 acre tract as recorded in Volume 90, Page 553, Deed Records, San Patricio County, Texas; the remainder of a 46.81 acre tract, recorded in Volume 149, Page 502, Deed Records, San Patricio County, Texas; a 4.54 acre tract as recorded in Volume 148, Page 514, Deed Records, San Patricio County, Texas; and an 8.93 acre tract as recorded in Volume 101, Page 391, Deed Records, San Patricio County, Texas and a 2.29 acre tract recorded in Volume 88, Page 15, Deed Records, San Patricio County, Texas; Said 210.02 acre tract being more particularly described as follows;

BEGINNING at a found 5/8" iron rod for northeast corner of said 28.62 acre tract;

THENCE South 33°05'04" West, a distance of 758.82 feet to a calculated point for the northwest corner of said 1.61 acre tract and an inside corner of the herein described tract;

THENCE South 57°00'31" East, at a of distance of 1345.05 feet, pass a found 2" iron pipe for the northwest corner of said 48.18 acer tract, continue for a total distance of 1488.59 feet to a calculated point for the northwest corner of a 60 foot by 80 foot lift station, as recorded in Volume 340, Page 1, Deed Records, San Patricio County, Texas, and an inside corner of the herein described tract;

THENCE South 32°59'29" West, a distance of 80.00 feet to a calculated point for the southwest corner of said lift station and an inside corner of the herein described tract;

THENCE South 57°00'31" East, a distance of 60.00 feet to a calculated point for the southeast corner of said lift station and an inside corner of the herein described tract;

THENCE North 32°59'29" East, a distance of 80.00 feet to a calculated point for the northeast corner of said lift station and an inside corner of the herein described tract;

THENCE South 57°00'31" East, a distance of 689.03 feet to a calculated point for northeast corner of said 48.18 acre tract and the most northeasterly corner of the herein described tract;

THENCE South 33°00'08" West, a distance of 1153.00 feet to a calculated point for the

southeast corner of said 48.18 acre tract and the southeast corner of the herein described tract;

THENCE South 88°09'33" West, a distance of 3080.11 feet to a found 1" iron pipe, for the south corner of said remainder of a 50.91 acre tract, and the south corner of the herein described tract;

THENCE North 01°39'57" West, a distance of 1787.00 feet to a calculated point for a corner of said remainder of 50.91 acre tract and an outer corner of the herein described tract;

THENCE North 32°42'27" East, a distance of 270.14 feet to a calculated point for the most southwesterly corner of said 9.22 acre tract and an inner corner of the herein described tract;

THENCE North 56°48'37" West, a distance of 1279.83 feet to a calculated point for the west corner of said remainder of a 46.81 acre tract and the west corner of the herein described tract;

THENCE North 33°32'02" East, a distance of 271.64 feet to a found 5/8" iron rod for the south corner of a 89.75 acre tract recorded in Document No. 667116, Deed Records San Patricio County, Texas and for a corner of the herein described tract;

THENCE North 33°00'30" East, a distance of 441.52 feet to a found fence corner for an inside corner of said 89.75 acre tract and an outside corner of the herein described tract;

THENCE South 57°08'33" East, at a distance of 122.61 feet pass a found 5/8" iron rod for the southwest corner of a 1.57 acre tract as recorded in Volume 339, Page 194, Deed Records, San Patricio County, Texas; continue for a total distance of 182.67 to a calculated point for a corner of said 5.54 acre tract and an inside corner of the herein described tract;

THENCE North 33°56'55" East, a distance of 15.70 feet to a calculated point for a corner of said 5.54 acre tract and an outside corner of the herein described tract;

THENCE South 56°50'17" East, at a distance of 239.58 feet pass a found 5/8" iron rod for the southeast corner of said 1.57 acre tract, in all a distance of 550.09 to a found fence corner for an inside corner of said 89.75 acre tract, an inside corner of said 5.54 acre tract, and an inside corner of the herein described tract;

THENCE North 33°10'44" East, a distance of 337.30 feet to a found fence corner for the northwest corner of said 5.54 acre tract, an inside corner of said 89.75 acre tract and an inside corner of the herein described tract;

THENCE South 59°45'11" East, a distance of 418.19 feet to found fence corner for an inside corner of said 5.54 acre tract and an inside corner of the herein described tract;

THENCE North 33°22'14" East, a distance of 91.04 feet to a found fence corner for an outside corner of said 5.54 acre tract and an outside corner of the herein described tract;

THENCE South 56°47'31" East, a distance of 557.26 feet to a found fence corner for an inside corner of said 28.62 acre tract and an inside corner of the herein described tract;

THENCE North 33°07'30" East, a distance of 754.27 feet to a calculated point for the northwest corner of said 28.62 acre tract and the most northwesterly corner of the herein described tract;

THENCE South 56°54'25" East, a distance of 875.28 feet to the **POINT OF BEGINNING** and containing 210.02 acres of land, or 9,148,488 square feet.

NOTE; ALL BEARINGS ARE GRID BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM FOR THE LAMBERT SOUTH ZONE (NAD 1983).

Stacey King Mora, RPLS
Registered Professional Land Surveyor
Texas Registration No. 6166
Hanson Professional Services Inc.
TBPE F#417 TBPLS F# 100395-00
November 14, 2022

**San Patricio County
Gracie Alaniz-Gonzales
San Patricio County Clerk**

Instrument Number: 728166

eRecording - Real Property

DEED

Recorded On: November 17, 2022 11:22 AM

Number of Pages: 9

" Examined and Charged as Follows: "

Total Recording: \$54.00

******* THIS PAGE IS PART OF THE INSTRUMENT *******

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 728166

Receipt Number: 20221117000019

Recorded Date/Time: November 17, 2022 11:22 AM

User: Janie F

Station: cclerkdeeds1-pc

Record and Return To:

SIMPLIFILE



STATE OF TEXAS

San Patricio County

**I hereby certify that this Instrument was filed in the File Number sequence on the date/time
printed hereon, and was duly recorded in the Official Records of San Patricio County, Texas**

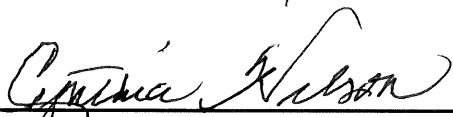
Gracie Alaniz-Gonzales
San Patricio County Clerk
San Patricio County, TX

**PLANNING & ZONING VOTING RECORD
& ATTENDANCE RECORD**

DATE: 05/19/2025

NO. 667

			DESCRIPTION
THIS APPLICATION ____ REQUIRES <u>X</u> DOES NOT REQUIRE A SUPER MAJORITY VOTE BY CITY COUNCIL.	P R E S E N T O R A B S E N T	V O T E	DELIBERATE AND TAKE APPROPRIATE ACTION ON A CITY OF INGLESIDE REZONE OF PROPERTY GENERALLY LOCATED AT HIGHWAY 361 AND AVENUE B, FURTHER DESCRIBED IN THE LEGAL DESCRIPTION BELOW, FROM R-1 - SINGLE FAMILY RESIDENTIAL TO I – INDUSTRIAL. A COMBINED TOTAL OF 299.77 ACRES CONSISTING OF AN 89.75 ACRE TRACT OF LAND, AS DESCRIBED IN FILE NUMBER 728165 (FILED NOV. 17, 2022), DEED OF RECORDS, SAN PATRICO COUNTY, TEXAS AND A 210.02 ACRE TRACT, BEING OUT OF A 28.62 ACRE TRACT, A 1.61 ACRE TRACT, A 9.22 ACRE TRACT AND A 5.54 ACRE TRACT AS RECORDED IN VOLUME 326, PAGE 475, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; THE REMAINDER OF A 50.91 ACRE TRACT AS RECORDED IN VOLUME 113 PAGE 182, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; THE REMAINDER OF A 48.18 ACRE TRACT AS RECORDED IN VOLUME 90, PAGE 553, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; THE REMAINDER OF A 46.81 ACRE TRACT, RECORDED IN VOLUME 149, PAGE 502, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; A 4.54 ACRE TRACT AS RECORDED IN VOLUME 148, PAGE 514, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; AND AN 8.93 ACRE TRACT AS RECORDED IN VOLUME 101, PAGE 391, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS AND A 2.29 ACRE TRACT RECORDED IN VOLUME 88, PAGE 15, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS.
ALAN BEAUBIEN (Place #1 - 12/31/25) 2ND Term	P	Y	<u>PUBLIC HEARING NOTES</u> At 6:09 p.m. Chairman Wilson convened the Planning and Zoning Commission into a Public Hearing.
JACOB LOPEZ (Place #2 - 12/31/25) 1ST Term	A	-	Speaking For: None Speaking Against: Beverly Matthews, 2521 Ave B
			At 6:13 p.m. Chairman Wilson closed the Public

CONNOR BROWN <i>(Place # 3 - 12/31/25)</i> 2ND Term	P	N	Hearing and reconvened the Planning and Zoning Commission Meeting. There were no calls or letters of objection.
JEREMY LONG <i>(Place #4 - 12/31/26)</i> 1st Term	P	Y	Motion: Commission Member Trevino made a motion to recommend to City Council approval of the City initiated request to rezone the property described above from R-1 – Single Family Residential to I – Industrial. Commission Member Long seconded the motion. Motion carried with 4 for, 2 against, and 0 abstaining.
RICARDO TREVINO JR <i>(Place # 5 - 12/31/26)</i> 1st Term	P	Y	
SARAH CRUMBLEY <i>(Place #6 - 12/31/26)</i> 1ST Term	P	Y	
CYNTHIA WILSON <i>(Place #7 - 12/31/26)</i> 2ND Term	P	N	 Chairman May 19, 2025 Date

ORDINANCE NO. 2025-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF INGLESIDE, TEXAS AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF INGLESIDE BY ZONING TWO TRACTS OF LAND WITH A COMBINED 299.77 ACRES OF REAL PROPERTY FROM R-1 (SINGLE FAMILY RESIDENTIAL) TO I (INDUSTRIAL) WITH SUCH TRACTS GENERALLY LOCATED AT HIGHWAY 361 AND AVENUE B COMPRISED OF AN 89.75 ACRE TRACT LEGALLY DESCRIBED AS A 89.75 ACRE TRACT OF LAND, BEING THE SAME TRACT OF LAND AS DESCRIBED IN FILE NUMBER 646716 AND FILE NUMBER 646717, OFFICIAL PUBLIC RECORDS OF SAN PATRICIO COUNTY, TEXAS AND A 210.02 ACRE TRACT LEGALLY DESCRIBED AS A 210.02 ACRE TRACT, BEING OUT OF A 28.62 ACRE TRACT, A 1.61 ACRE TRACT, A 9.22 ACRE TRACT AND A 5.54 ACRE TRACT AS RECORDED IN VOLUME 326, PAGE 475 , DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; THE REMAINDER OF A 50.91 ACRE TRACT AS RECORDED IN VOLUME 113 PAGE 182, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; THE REMAINDER OF A 48.18 ACRE TRACT AS RECORDED IN VOLUME 90, PAGE 553, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; THE REMAINDER OF A 46.81 ACRE TRACT, RECORDED IN VOLUME 149, PAGE 502, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; A 4.54 ACRE TRACT AS RECORDED IN VOLUME 148, PAGE 514, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; AND AN 8.93 ACRE TRACT AS RECORDED IN VOLUME 101, PAGE 391, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS AND A 2.29 ACRE TRACT RECORDED IN VOLUME 88, PAGE 15, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS.

WHEREAS, the City Council of the City Ingleside (“City Council”) has previously approved and adopted a Comprehensive Zoning Ordinance and Zoning Map of the City of Ingleside; and

WHEREAS, the City Council has previously created and appointed a Planning and Zoning Commission as authorized by the Texas Local Government Code; and,

WHEREAS, the Texas Local Government Code authorizes a municipality to adopt zoning districts after compliance with statutory notice provisions; and,

WHEREAS, application was made to rezone the real property A combined total of 299.77 acres consisting of an 89.75 Acre Tract of land legally described as A 89.75 ACRE TRACT OF LAND, BEING THE SAME TRACT OF LAND AS DESCRIBED IN FILE NUMBER 646716 AND FILE NUMBER 646717, OFFICIAL PUBLIC RECORDS OF SAN PATRICIO COUNTY, TEXAS and a 210.02 acre tract of land legally described as A 210.02 ACRE TRACT, BEING OUT OF A 28.62 ACRE TRACT, A 1.61 ACRE TRACT, A 9.22 ACRE TRACT AND A 5.54 ACRE TRACT AS RECORDED IN VOLUME 326, PAGE 475 , DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; THE REMAINDER OF A 50.91 ACRE TRACT AS RECORDED IN VOLUME 113 PAGE 182, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; THE REMAINDER OF A 48.18 ACRE TRACT AS RECORDED IN VOLUME 90,

PAGE 553, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; THE REMAINDER OF A 46.81 ACRE TRACT, RECORDED IN VOLUME 149, PAGE 502, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; A 4.54 ACRE TRACT AS RECORDED IN VOLUME 148, PAGE 514, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; AND AN 8.93 ACRE TRACT AS RECORDED IN VOLUME 101, PAGE 391, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS AND A 2.29 ACRE TRACT RECORDED IN VOLUME 88, PAGE 15, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; and

WHEREAS, after complying with the statutory publication and notification requirements, on May 19, 2025, the Ingleside Planning and Zoning Commission (“Commission”) conducted a public hearing on the potential rezoning application and after considering the testimony and evidence, has provided a recommendation to the City Council to rezone the above referenced properties from R-1 (Single Family Residential) to I (Industrial); and,

WHEREAS, after a public hearing and considering the application, the recommendation of the Commission, the present zoning and use of each of the properties in the surrounding area, the comprehensive master plan of the city, the future development of the city as a whole, and other relevant factors, the City Council is of the opinion and finds that it is in the best interest of the public health, safety, and welfare of the city to rezone this property, that the rezoning effected by this ordinance is in compliance with the Comprehensive Master Plan, that changing the zoning of the aforesaid property would not be detrimental to the public health, safety, or general welfare, and will, in fact, promote the best and most orderly development of the properties affected thereby, and to be affected thereby, in the City of Ingleside, and as well, the owners and occupants of the property, and the City generally.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF INGLESIDE, COUNTY OF SAN PATRICIO, STATE OF TEXAS:

Section 1. Zoning Change. Real property generally located at Highway 361 and Avenue B in Ingleside, San Patricio County Texas totaling 299.77 acres and comprised of one 89.77 acre tract of land legally described as A 89.75 ACRE TRACT OF LAND, BEING THE SAME TRACT OF LAND AS DESCRIBED IN FILE NUMBER 646716 AND FILE NUMBER 646717, OFFICIAL PUBLIC RECORDS OF SAN PATRICIO COUNTY, TEXAS and further described in **Exhibit A** and one 210.02 acres tract of land legally described as A 210.02 ACRE TRACT, BEING OUT OF A 28.62 ACRE TRACT, A 1.61 ACRE TRACT, A 9.22 ACRE TRACT AND A 5.54 ACRE TRACT AS RECORDED IN VOLUME 326, PAGE 475 , DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; THE REMAINDER OF A 50.91 ACRE TRACT AS RECORDED IN VOLUME 113 PAGE 182, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; THE REMAINDER OF A 48.18 ACRE TRACT AS RECORDED IN VOLUME 90, PAGE 553, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; THE REMAINDER OF A 46.81 ACRE TRACT, RECORDED IN VOLUME 149, PAGE 502, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; A 4.54 ACRE TRACT AS RECORDED IN VOLUME 148, PAGE 514, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS; AND AN 8.93 ACRE TRACT AS RECORDED IN VOLUME 101, PAGE 391, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS AND A 2.29 ACRE TRACT RECORDED IN VOLUME 88, PAGE 15, DEED RECORDS, SAN PATRICIO COUNTY, TEXAS and further described as **Exhibit B** are hereby zoned from R-1 (Single Family Residential) to I (Industrial). Real property to be rezoned is further depicted in **Exhibit C**.

Section 2. Zoning Map. It is directed that the official zoning map of the city be changed to reflect the zoning classification change, rezoning, effected by this ordinance.

Section 3. Effective Date. As provided by Article III, Section 3.11C of the Charter of the City of Ingleside, this ordinance shall be effective upon adoption and, in addition, if any penalty, fine or forfeiture is imposed by this ordinance, then this ordinance shall be effective only after publication of this ordinance in its entirety or in summary form once in the official newspaper of the City of Ingleside.

Section 4. Reading. As provided by Article III, Section 3.11.B of the Charter of the City of Ingleside, this ordinance, or the caption of it shall be read at two City Council meetings with at least two weeks elapsing between each reading.

Section 5. Severance. If any part of this ordinance is invalid or void or is declared to be so, then said part shall be severed from the balance of this ordinance and said invalidity shall not affect the balance of this ordinance, the balance of the ordinance to be read as if said invalid or void portion thereof were not included.

Section 6. Publication. As provided by Article III, Section 3.11C, this ordinance shall be published one time in the official newspaper of the City of Ingleside, San Patricio County, Texas, which publication shall contain the caption of this ordinance stating in substance the purposes of same.

PASSED, ORDAINED, APPROVED AND ADOPTED this ____ day of June 2025 by ____ (ayes) to ____ (nays) with ____ abstentions by a vote of the City Council of the City of Ingleside.

CITY OF INGLESIDE, TEXAS

Pedro Oscar Adame, Mayor

ATTEST:

Jana Stork, City Secretary

First Reading: May 27, 2025

Second Reading: _____

CITY COUNCIL AGENDA

Regular Meeting: June 10, 2025

AGENDA ITEM: 12

Deliberate and take appropriate action on changing the October 28, 2025, November 11, 2025 City Council Meetings to, October 27, 2025 (due to TML Annual Conference in Fort Worth), and November 10, 2025 (due to Veteran's Day).

SUBMITTED BY:

APPROVED FOR AGENDA: Brenton Lewis, City Manager

BACKGROUND:

Section 2-36. - Meetings of the Ingleside Code of Ordinances states in part: (a)Dates. The dates for the regular meetings of the city council shall be the second and fourth Tuesday of each month, except November and December, which shall be the second Tuesday of each month. If a regularly scheduled meeting falls on an approved holiday or date of an event deemed to be of great interest to the city, the city council, by motion duly made, seconded, adopted and passed may reschedule such meeting to a date certain that will not conflict therewith. Future known conflicts with the scheduled meetings include the Texas Municipal League Annual Conference and Veterans Day. The League Conference is beneficial to the elected body by providing valuable educational opportunities, networking, and strategic planning for community leaders and municipal professionals from across Texas.

FISCAL ANALYSIS:

N/A

RECOMMENDATION:

Staff recommends the rescheduling of the October 28, 2025 and November 11, 2025 City Council Meetings to Monday, October 27, 2025 and Monday, November 10, 2025, by motion duly made, seconded, adopted and passed.

ATTACHMENTS:

1. TML Annual Conference Save the Date



SAVE THE DATE

Join us at the 113th TML Annual Conference and Exhibition on October 29-31, 2025 at the Fort Worth Convention Center. Attendee registration and housing will open Tuesday, July 29, at 10:00 a.m. (central).



CITY COUNCIL AGENDA

Regular Meeting: June 10, 2025

AGENDA ITEM: 13

Deliberate and take appropriate action on authorizing the City Manager to finalize and enter into a contract with the firm AGCM for Project Management Services.

SUBMITTED BY: Gary Paredez, Director of Infrastructure Services

APPROVED FOR AGENDA: Brenton Lewis, City Manager

BACKGROUND:

The City Council tasked staff with issuing Requests for Qualifications (RFQ's) for Project Management Services, to facilitate and assist the City in reviewing and overseeing current and future projects. The RFQ's were published in the local paper and other platforms. The City Manager, City Secretary, Director of Infrastructure Services, and Assistant Director of Finance were in attendance at the public opening of the RFQ's received from the firms of Gallagher, Procedeo, Martinez & Associates, and AGCM. After the opening, the Director of Information Technology, Director of Infrastructure Services, and the Director of Developmental Services scored the four respondents with the firm of AGCM receiving the highest average score. At the February 10th, 2025 City Council meeting, the City Council authorized the City Manager to negotiate with the firm AGCM.

FISCAL ANALYSIS:

The fees set forth in the contract will be set on a task basis. The amount will be determined based on the project that they are tasked with and paid for through the project budget.

RECOMMENDATION:

Staff recommends City Council approving the City Manager to enter into a contract with the firm AGCM.

ATTACHMENTS:

1. 2025 FEE SCHEDULE

Fee Structure:

AG|CM will invoice for actual work performed at the rates included below:

Senior Project Manager -	\$185/hr
Project Manager-	\$172/ hr
Construction Manager-	\$165/hr
Quality Assurance Inspector-	\$152/hr

Estimating services are available upon request.

AG|CM is grateful for the opportunity to propose Project Management Services to the City of Ingleside and we look forward to working together again.

Thank you,

A handwritten signature in blue ink, appearing to read 'Kendra', with a stylized flourish at the end.

Kendra Hickman, CCM, PMP
Director of Operations, South Texas

CITY COUNCIL AGENDA

Regular Meeting: June 10, 2025

AGENDA ITEM: 14

Deliberate and take appropriate action on the approval of the Final Change Order for the Kenny Lane Project which included water, wastewater, drainage, and street reconstruction.

SUBMITTED BY: Gary Paredez, Director of Infrastructure Services

APPROVED FOR AGENDA: Brenton Lewis, City Manager

BACKGROUND:

Hanson Professional Services was the engineering firm selected to design, bid and administer an A-to-Z contract to rebuild Kenny Lane. This included the rebuilding of the water, wastewater, drainage, street re-construction, and the addition of a lift station. Gerke Excavating Inc. was the contractor selected to complete this project. The contract was awarded to Gerke Excavating Inc. on December 12th, 2023 in the amount of \$2,486,150.49. The contract gave 240 calendar days to be completed, but it was adjusted to 439 calendar days due to delays from AEP to supply power to the newly installed lift station. This timeline was successfully met on April 15th, 2025.

FISCAL ANALYSIS:

This change order will result in a \$123,108.04 return of funds to the budget.

RECOMMENDATION:

Staff recommends approval of this final change order in the amount of \$123,108.04.

ATTACHMENTS:

1. Kenny Ln Final Change Order - Signed

CHANGE ORDER

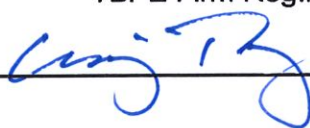
Project Title: Kenny Lane Improvements			
Owner: City of Ingleside, Texas			
Owner Project Number: N/A		Hanson Project Number:	
Contractor: Gerke Excavating, Inc.			Page 1 of 2
Change Order Number		Date of Issuance	April 30, 2025
1		Effective Date	April 30, 2025
Contractor is directed to make the changes in the Contract Documents – Kenny Lane Improvements, regarding street, drainage, water, and wastewater improvements along Kenny Lane as itemized below:		Addition	Deduction
Bid Item 22– Allowance for Unanticipated Street Improvements – Deduct the unused portion of the allowance			(\$32,021.97) ✓
Bid Item 23 – Storm Utility Pipe – 12" – Deduct 22 linear feet at \$77.20/LF			(\$1,698.40) ✓
Bid Item 31– Allowance for Unanticipated Drainage Improvements – Deduct the unused portion of the allowance			(\$43,438.50) ✓
Bid Item 37 – 6" 45 Bend, DI MJ – Deduct 4 at \$541.52/EA			(\$2,166.08) ✓
Bid Item 39 – 6" Tapping Sleeve, SST & 6" Gate Valve – Deduct 1 at \$5,813.91/EA			(\$5,813.91) ✓
Bid Item 46– Allowance for Unanticipated Water Improvements – Deduct the unused portion of the allowance			(\$15,426.66) ✓
Bid Item 47 – Manhole Frame & Cover Removal and Replacement – Deduct 2 at \$1,490.55/EA			(\$2,981.10) ✓
Bid Item 59 – Lift Station Electrical Allowance – Deduct the unused portion of the allowance			(\$1,320.00) ✓
Bid Item 61 – 12' Wide Swing Gate with Three Strands of Barbed Wire – Deduct 1 at \$486.00/EA			(\$486.00) ✓
Bid Item 63– Allowance for Unanticipated Wastewater Improvements – Deduct the unused portion of the allowance			(\$17,755.42) ✓
Total			(\$123,108.04)
		Amount	Days
Original Contract		\$2,486,150.49	240
Net Change from Previous Change Orders (No. 0 to No. 0)		\$0.00	0
Revised Contract Prior to this Change Order		\$2,486,150.49	0
Net Add/Deduct for this Change Order		(\$123,108.04)	199
Revised Contract Including this Change Order		\$2,363,042.45	439

CONTRACTOR: Gerke Excavating, Inc.

By: _____


Jay J Gerke, Secretary

ENGINEER: Hanson Professional Services Inc.
TBPE Firm Reg.# F-000417

By: 

OWNER: City of Ingleside

By: _____



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CITY COUNCIL AGENDA

Regular Meeting: June 10, 2025

AGENDA ITEM: 15

Deliberate and take appropriate action on the approval of the final pay application and project closeout on the Kenny Lane Project which included water, wastewater, drainage, and street reconstruction.

SUBMITTED BY: Gary Paredez, Director of Infrastructure Services

APPROVED FOR AGENDA: Brenton Lewis, City Manager

BACKGROUND:

Hanson Professional Services was the engineering firm selected to design, bid and administer an A-to-Z contract to rebuild Kenny Lane. This included the rebuilding of the water, wastewater, drainage, street re-construction, and the addition of a lift station. Gerke Excavating Inc. was the contractor selected to complete this project. The contract was awarded to Gerke Excavating Inc. on December 12th, 2023 in the amount of \$2,486,150.49. The contract gave 240 calendar days to be completed, but it was adjusted to 439 calendar days due to delays from AEP to supply power to the newly installed lift station. This timeline was successfully met on April 15th, 2025. This work will be warranted for 12 months beginning April 15, 2025. A separate maintenance bond was provided for the road construction for a period of 5 years, beginning on January 1st, 2025.

FISCAL ANALYSIS:

In order to close out this project, a final pay application should be reconsidered and approved in the amount of \$118,152.12.

RECOMMENDATION:

Staff recommends approval of this final pay application in the amount of \$118,152.12 and to closeout the project.

ATTACHMENTS:

1. Kenny Ln ABP-executed
2. Kenny Ln COCC - signed
3. Kenny Ln Pay Estimate No. 8 - signed
4. Kenny Ln Maintenance Bond revised 6.6.25

Project Title: <u>Kenny Lane Improvements</u>	
Owner: <u>City of Ingleside</u>	
Owner's Project No.: _____	Project No.: <u>19L0026W 2000</u>

STATE OF Texas §

COUNTY OF San Patricio §

Before me, the undersigned authority, on this date personally appeared

 Jay J Gerke , Secretary
 (Name) (Title)

Who being by me first duly sworn, an oath says: My name is Jay J Gerke
 I am a representative of Gerke Excavating Inc. and
 authorized to make this affidavit that the contract for the construction of the project
 designated as **Kenny Lane Improvements** has been satisfactorily completed; and
 that all bills for materials, apparatus, fixtures, machinery, labor, and subcontracting
 in connection with the construction of the above project, have been fully paid.

Signature: _____
 Contractor

Title: Secretary

SWORN TO AND SUBSCRIBED BEFORE ME

this 5 day of May, 2025

Lisa A. Waltema
 Notary Public in and for Monroe County, State of Wisconsin

My Commission expires on : 10/20/25

From Final Payment, these subcontractors are owed for
 their scope of work and retainage

From Final Payment, these subcontractors are owed for their scope of work and retainage

Garrett Construction - \$37,149.14

Big State Electric - \$18,680

Certificate of Construction Completion

This is to certify that a substantial completion inspection of the project described below was conducted on the 15th day of April, 2025.

Contract was entered into on the 12th day of December, 2023 between the city of Ingleside and Gerke Excavating for the construction of the Kenny Lane Improvements.

This is to further certify that:

1. The work has been completed in accordance with the plans and specifications and all addenda, change orders and supplemental agreements thereto, with the following exceptions: None.
2. The sum of \$ 0.00, deducted from the final payment to the Contractor is a fair and equitable settlement for the foregoing excepted work.
3. The Contractor has presented on behalf of itself and its sureties, satisfactory evidence that he or she will repair, replace and make good any faulty workmanship and/or materials discovered in the work within a period of 12 months from this date, as provided in the Contract.

4.	Amount of Original Contract	<u>\$2,486,150.49</u>
	Cumulative Change Orders	<u>\$(123,108.04)</u>
	Final Amount of Contract	<u>\$2,363,042.45</u>
	Less Previous Payments	<u>\$2,244,890.33</u>
	Less Deductions (from #2 above)	<u>\$ 0.00</u>
	FINAL PAYMENT (Balance)	<u>\$ 118,152.12</u>

5. The Final Payment in the amount above is now due and payable.

Certified by:

Craig Thompson
Engineer:

PROJECT ENGINEER
Title

Hanson Professional Services
Firm



Jay J Gerke
Contractor:

Jay J Gerke, Secretary
Title

Gerke Excavating
Firm

Owner:

Title

City of Ingleside
Firm

ESTIMATE FOR PARTIAL PAYMENT

PROJECT TITLE: Kenny Lane Improvements				
OWNER: City of Ingleside				
Owner Project Number:		Hanson Project Number 19L0026W 2000		
Contractor: Gerke Excavating, Inc.				
Estimate No.:	8	For Pay Period: March 31, 2025 through April 15, 2025		
Date of Contract Award:	December 12, 2023	Date Contract Begun:	January 29, 2024	
Original Contract Amount:	\$2,486,150.49	Original Contract Days:	240	Calendar Days
Total Change Order Amount:	-\$123,108.04	Change in Contract Days:	199	Calendar Days
Adjusted Contract Amount	\$2,363,042.45	Adjusted Contract Days:	439	Calendar Days

ORIGINAL CONTACT WORK / SCHEDULE OF VALUES

ITEM NO.	DESCRIPTION	BID QTY	UNIT	QTY or % COMPT TO DATE	CONTRACT PRICE	TOTAL AMOUNT
GENERAL						
1	Mobilization (5% Maximum of Construction Cost)	1	LS	100%	\$122,925.57	\$122,925.57
2	Bonds and Insurance	1	LS	100%	\$23,056.38	\$23,056.38
3	Seeding	1	LS	100%	\$5,103.00	\$5,103.00
4	Storm Water Pollution Prevention	1	LS	100%	\$5,576.29	\$5,576.29
5	Traffic Control	1	LS	100%	\$17,010.00	\$17,010.00
STREETS						
6	2" Hot Mix Asphaltic Concrete Pavement (Type D)	11,472	SY	11,472	\$22.91	\$262,823.52
7	Prime Coat, MC-30 (0.2 Gal/SY)	2,294	GAL	2,294	\$6.47	\$14,842.18
8	10" Crushed limestone Base (Type A, Grade 1-2)	3,444	CY	3,444	\$109.74	\$377,944.56
9	Geogrid Reinforcement (Tensar TX-5)	13,837	SY	13,837	\$3.39	\$46,907.43
10	12" Compacted Subgrade	13,837	SY	13,837	\$1.35	\$18,679.95
11	Removal of top layer of pavement stockpile at public works yard (Asphalt)	11,472	SY	11,472	\$1.75	\$20,076.00
12	Excavation and Embankment	13,837	SY	13,837	\$3.86	\$53,410.82
13	Demolition of Concrete Driveway	507	SF	507	\$1.73	\$877.11
14	Demolition of Asphalt Driveway	605	SF	605	\$1.45	\$877.25
15	Demolition of Caliche Driveways	4,583	SF	4,583	\$1.52	\$6,966.16
16	New Concrete Driveway	507	SF	507	\$15.48	\$7,848.36
17	New Asphalt Driveway	605	SF	605	\$12.09	\$7,314.45
18	6" Limestone Aggregate for Driveways	4,583	SF	4,583	\$3.91	\$17,919.53
19	New 12" Edge Curb (Includes Base and Subgrade)	10,377	LF	10,377	\$24.51	\$254,340.27
20	Pavement Repair	924	SF	924	\$8.96	\$8,279.04
21	Mailbox Remove & Relocate	17	EA	17	\$144.98	\$2,464.66
22	Allowance for Unanticipated Street Improvements	1	LS	1	\$50,000.00	\$50,000.00
DRAINAGE						
23	Storm Utility Pipe - 12"	190	LF	190	\$77.20	\$14,668.00
24	Storm Utility Pipe - 15"	950	LF	950	\$82.02	\$77,919.00
25	Storm Utility Pipe - 18"	40	LF	40	\$102.87	\$4,114.80
26	Headwall - 18" Diameter	8	EA	8	\$1,417.50	\$11,340.00
27	Removal of Existing Headwall	8	EA	8	\$76.57	\$612.56
28	Removal of Existing Pipe	443	LF	443	\$14.87	\$6,587.41
29	Ditch Grading and Regrading	8,380	LF	8,380	\$9.21	\$77,179.80
30	Dewatering for Stormwater Improvements	1	LS	1	\$10,818.73	\$10,818.73
31	Allowance for Unanticipated Drainage Improvements	1	LS	1	\$50,000.00	\$50,000.00
WATER						
32	Removal & Disposal of Existing Water Line	3,163	LF	3,163	\$10.54	\$33,338.02
33	6" PVC (C900)(DR-18)	4,675	LF	4,675	\$49.86	\$233,095.50
34	6" PVC (C900)(DR-18)(Retained Joints)	368	LF	368	\$52.94	\$19,481.92
35	6" PVC (C900) (RJ Certa-Lok) - Horizontal Directional Drilling	200	LF	200	\$116.50	\$23,300.00
36	6" Gate Valve, DI MJ	8	EA	8	\$1,606.86	\$12,854.88
37	6" 45° Bend, DI MJ	12	EA	12	\$541.52	\$6,498.24
38	8"X6" Reducer, DI MJ	1	EA	1	\$575.75	\$575.75
39	6" Tapping Sleeve, SST & 6" Gate Valve	1	EA	1	\$5,813.91	\$5,813.91
40	Trench Safety for Water Line	5,043	LF	5,043	\$4.23	\$21,331.89
41	Water Service Line - Short Side	13	EA	13	\$1,535.19	\$19,957.47
42	Water Service Line - Long Side	12	EA	12	\$1,508.28	\$18,075.36
43	2" Water Service Line with Flushing Hydrant	1	EA	1	\$4,665.32	\$4,665.32
44	Fire Hydrant Assembly (Type-1)	7	EA	7	\$6,869.31	\$48,085.17
45	Fire Hydrant Assembly (Type-2)	6	EA	6	\$6,938.48	\$41,630.88
46	Allowance for Unanticipated Water Improvements	1	LS	1	\$25,000.00	\$25,000.00
WASTEWATER						

47	Manhole Frame & Cover Removal and Replacement	9	EA	9	\$1,490.55	\$13,414.95
48	Manhole Riser Adjustment	9	EA	9	\$337.92	\$3,041.28
49	8" Sanitary Sewer PVC (SDR-26)	1,563	LF	1,563	\$79.35	\$124,024.05
50	4' Diameter Manhole (Fiberglass)	5	EA	5	\$8,435.74	\$42,178.70
51	4" Sewer Service Connection (New 8" Sewer)	5	EA	5	\$3,351.32	\$16,756.60
52	6" Sewer Service Connection (New 8" Sewer)	3	EA	3	\$3,525.20	\$10,575.60
53	6" Sewer Service Connection (Existing 15" Sewer)	4	EA	4	\$3,622.29	\$14,489.16
54	6" Sewer Service Connection (Existing 8" Sewer)	1	EA	1	\$3,641.31	\$3,641.31
55	Trench Safety for Sanitary Sewer	1,563	LF	1,563	\$4.23	\$6,611.49
56	Packaged Grinder Pump Station	1	LS	1	\$95,239.99	\$95,239.99
57	1-1/2" Sanitary Force Main PVC (SCH-80)	25	LF	25	\$42.85	\$1,071.25
58	Connection to Existing Manhole (Force Main)	1	EA	1	\$1,326.56	\$1,326.56
59	Lift Station Electrical Service Allowance	1	LS	1	\$20,000.00	\$20,000.00
60	6' Tall Chain Link Fence with Three Strands of Barbed Wire	114	LF	114	\$42.12	\$4,801.68
61	12' Wide Swing Gate with Three Strands of Barbed Wire	2	EA	2	\$486.00	\$972.00
62	Dewatering for Wastewater Improvements	1	LS	1	\$10,818.73	\$10,818.73
63	Allowance for Unanticipated Wastewater Improvements	1	LS	1	\$25,000.00	\$25,000.00
AMOUNT OF ORIGINAL CONTRACT ITEMS COMPLETED TO DATE:						\$2,486,150.49

CONTRACT CHANGE ORDERS

CO No.	Description	Amount	Days	Percent Completed	Completed To
1	Reconciled Quantities	\$ (123,108.04)	209	100.00%	-\$123,108.04
AMOUNT OF CHANGE ORDER ITEMS COMPLETED TO DATE:					(\$123,108.04)

SUMMARY OF WORK PERFORMED

A.	Amount of Original Contract Items Completed to Date	\$2,363,042.45
B.	Amount of Change Order Items Completed to Date	(\$123,108.04)
C.	Materials Stored at Close of Period (Schedule Must be Attached)	\$0.00
D.	Less Amount Retained (5%)	\$0.00
E.	Net Amount Earned on Contract to Date (A + B + C - D)	\$2,363,042.45
F.	Total Payments Previously Authorized	\$2,244,890.33
G.	BALANCE DUE THIS STATEMENT (E-F)	\$118,152.12

CONTRACT STATUS

PAY ESTIMATE		Contract Days	
1		88	\$58,776.92
2		35	\$189,663.20
3		28	\$247,363.09
4		33	\$713,117.13
5		30	\$474,566.25
6		24	\$479,794.66
7		185	\$81,609.08
8		16	\$118,152.12
TOTAL CONTRACT DAYS CHARGED:		439	TOTAL PAYMENT (AUTHORIZED): \$2,363,042.45
CURRENT CONTRACT DAYS		439	
CONTRACT DAYS REMAINING:		0	CONTRACT BALANCE: \$0.00

CERTIFICATION OF CONTRACTOR: According to the best of my knowledge and belief, I certify that all items and amounts shown on the face of this Estimate For Partial Payment are correct, that all work has been performed and/or material supplied in full accordance with the requirements of the referenced Contract, and/or duly authorized deviations, substitutions, alterations, and/or additions, that the foregoing is a true and correct statement of the Contract account up to and including the last day of the period covered by this Estimate and that no part of the "Balance Due This Payment" has been received.

By: _____

CONTRACTOR

Day J Gerke, Secretary

Date: _____

5/5/2025

CERTIFICATION OF ENGINEER: I certify that I have checked and verified the above and foregoing Estimate for Partial Payment, and that to the best of my knowledge and belief it is a true and correct statement of work performed and/or material supplied by the Contractor in accordance with the Contract Documents, and that partial payment claimed and requested by the the Contractor is correctly computed on the basis of work performed and/or material supplied to this date.

By: _____

ENGINEER

Craig B. Thompson

Date: _____

5/8/25



APPROVAL FOR PAYMENT: This Estimate for Partial Payment is approved for payment.

By: _____

OWNER

Date: _____

OLD REPUBLIC SURETY COMPANY

MAINTENANCE BOND

Bond Number MCN 7460078

KNOW ALL PERSONS BY THESE PRESENTS:

That, GERKE EXCAVATING, INC.

_____ as Principal,
and Old Republic Insurance Company _____, a corporation
organized under the laws of the State of Pennsylvania and authorized to do a surety
business in the State of Texas _____, as Surety, are held and firmly bound unto
the City of Ingleside _____, as Obligor
in the sum of Two Hundred Sixty-Two Thousand Eight Hundred Twenty-Three Dollars and 52/100
(\$ 262,823.52), lawful money of the United States of America, for the payment of which sum well and truly
to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and
severally, firmly by these presents:

SEALED with our seals and dated 2nd day of June, 2025.

WHEREAS, on the 12th day of December, 2023, the said principal as contractor,
entered into a contract for:

Kenney Lane Improvements; Asphalt Work

for the sum of Two Hundred Sixty-Two Thousand Eight Hundred Twenty-Three Dollars and 52/100
(\$ 262,823.52); and,

WHEREAS, under the terms of the specifications for said work, the said principal is required to give a bond in
the amount of Two Hundred Sixty-Two Thousand Eight Hundred Twenty-Three Dollars and 52/100
(\$ 262,823.52), to protect the obligee against the result of faulty materials or workmanship for a period
of Five year(s) from and after the date of completion and acceptance of same, namely, until 1st day
of January, 2030.

Now, THEREFORE, if the said principal shall for a period of Five year from and after the date of the
completion and acceptance of same by said obligee replace any and all defects arising in said work whether
resulting from defective materials or defective workmanship, then the above obligation to be void, otherwise to
remain in full force and effect.

GERKE EXCAVATING, INC.

By

Jay J Gerke, Secretary

Old Republic Insurance Company

By

Connie Smith, Attorney-In-Fact



OLD REPUBLIC INSURANCE COMPANY

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That OLD REPUBLIC INSURANCE COMPANY, a Pennsylvania stock insurance corporation, does make, constitute and appoint:

MICHAEL J. DOUGLAS, CHRIS M. STEINAGEL, CHRISTOPHER MATHER KEMP, ROBERT S. DOWNEY, CONNIE SMITH, KORY C. MORTEL,

ELIOT MOTU, SAMUEL DUCHOW of HUDSON, WI

Its true and lawful Attorney(s)-in-Fact, with full power and authority for and on behalf of the Company as surety, to execute and deliver and affix the seal of the Company thereto (if a seal is required), bonds, undertakings, recognizances or other written obligations in the nature thereof, (other than self-insurance workers compensation bonds guaranteeing payment of benefits, or black lung bonds), as follows:

ALL WRITTEN INSTRUMENTS

and to bind OLD REPUBLIC INSURANCE COMPANY thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This appointment is made under and by authority of the board of directors at a meeting held on December 10, 2019. This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of the OLD REPUBLIC INSURANCE COMPANY on December 10, 2019.

RESOLVED FURTHER, that the chairman, president or any vice president of the Company's surety division, in conjunction with the secretary or any assistant secretary of the Company, be and hereby are authorized and directed to execute and deliver, to such persons as such officers of the Company may deem appropriate, Powers of Attorney in the form presented to and attached to the minutes of this meeting, authorizing such persons to execute and deliver and affix the seal of the Company to bonds, undertakings, recognizances, and suretyship obligations of all kinds, other than bail bonds, bank depository bonds, mortgage deficiency bonds, mortgage guaranty bonds, guarantees of installment paper and not guaranty bonds. The said officers may revoke any Power of Attorney previously granted to any such person.

RESOLVED FURTHER that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company

(i) when signed by chairmen, president or any vice president of the Company's surety division and attested and sealed (if a seal be required) by any secretary or assistant secretary; or

(ii) when signed by a duly authorized Attorney-in-Fact and sealed with the seal of the Company (if a seal be required).

RESOLVED FURTHER, that the signature of any officer designated above, and the seal of the Company, may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, OLD REPUBLIC INSURANCE COMPANY has caused these presents to be signed by its proper officer, and its corporate seal to be affixed this 22nd day of September, 2022.

Karen J. Haffner
Assistant Secretary



OLD REPUBLIC INSURANCE COMPANY

Alan Pavlic
Vice President

STATE OF WISCONSIN, COUNTY OF WAUKESHA - SS

On this 22nd day of September, 2022, personally came before me, Alan Pavlic and Karen J. Haffner, to me known to be the individuals and officers of the OLD REPUBLIC INSURANCE COMPANY who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said organization.



Kathryn R. Pearson
Notary Public

My Commission Expires: September 28, 2026

CERTIFICATE

(Expiration of notary's commission does not invalidate this instrument)

I, the undersigned, assistant secretary of the OLD REPUBLIC INSURANCE COMPANY, a Pennsylvania corporation, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.

24-5172

ORSC 11008 (8-93)

J. RYAN BONDING, INC.



Signed and sealed at the City of Brookfield, WI this 2nd day of June, 2025

Karen J. Haffner
Assistant Secretary

CITY COUNCIL AGENDA

Regular Meeting: June 10, 2025

AGENDA ITEM: 16

Deliberate and take appropriate action on an Ordinance Authorizing The Issuance Of “City Of Ingleside, Texas Combination Tax And Limited Pledge Revenue Certificates Of Obligation, Series 2025”; Providing For The Payment Of Said Certificates By The Levy Of An Ad Valorem Tax Upon All Taxable Property Within The City And Further Securing Said Certificates By A Lien On And Pledge Of The Pledged Revenues Of The System; Authorizing The Execution Of Any Necessary Engagement Agreement With The City’s Financial Advisors; And Providing An Effective Date.

SUBMITTED BY: Brenton Lewis, City Manager

APPROVED FOR AGENDA: Brenton Lewis, City Manager

BACKGROUND:

The City Council of the City of Ingleside, Texas has caused notice to be given of its intention to issue certificates of obligation in the maximum principal amount of \$18,000,000 for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) designing, engineering, constructing, acquiring, purchasing, renovating, enlarging, and improving the City’s utility system; (2) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes; and (3) payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects.

This notice has been duly published in a newspaper hereby found and determined to be of general circulation in the City, once a week for two (2) consecutive weeks, the date of the first publication of such notice being not less than forty-six (46) days prior to the tentative date stated therein for the passage of the ordinance authorizing the issuance of such certificates of obligation.

FISCAL ANALYSIS:

The proposed certificate of obligations is not to exceed \$18,000,000 as provided in the attached Ordinance.

RECOMMENDATION:

Staff recommends the Council adopt the Ordinance authorizing the execution of a paying agent/registrar agreement and sale documentation; complying with the requirements of the letter of representation previously executed with the depository trust company; authorizing the execution of any necessary engagement agreement to issue Certificates of Obligation.

ATTACHMENTS:

1. Ordinance

ORDINANCE 2025-__

AN ORDINANCE AUTHORIZING THE ISSUANCE OF “CITY OF INGLESIDE, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2025”; PROVIDING FOR THE PAYMENT OF SAID CERTIFICATES BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY AND FURTHER SECURING SAID CERTIFICATES BY A LIEN ON AND PLEDGE OF THE PLEDGED REVENUES OF THE SYSTEM; PROVIDING THE TERMS AND CONDITIONS OF SAID CERTIFICATES AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE, AND DELIVERY OF SAID CERTIFICATES, INCLUDING THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING THERETO; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND SALE DOCUMENTATION; COMPLYING WITH THE REQUIREMENTS OF THE LETTER OF REPRESENTATIONS PREVIOUSLY EXECUTED WITH THE DEPOSITORY TRUST COMPANY; AUTHORIZING THE EXECUTION OF ANY NECESSARY ENGAGEMENT AGREEMENT WITH THE CITY’S FINANCIAL ADVISORS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council of the City of Ingleside, Texas (the *City*) has caused notice to be given of its intention to issue certificates of obligation in the maximum principal amount of \$18,000,000 for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) designing, engineering, constructing, acquiring, purchasing, renovating, enlarging, and improving the City’s utility system; (2) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes; and (3) payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects. This notice has been duly published in a newspaper hereby found and determined to be of general circulation in the City, once a week for two (2) consecutive weeks, the date of the first publication of such notice being not less than forty-six (46) days prior to the tentative date stated therein for the passage of the ordinance authorizing the issuance of such certificates of obligation; and

WHEREAS, in accordance with the provisions of Section 271.049, as amended, Texas Local Government Code, the City confirms that notice of the City’s intention to issue certificates of obligation was approved by resolution at a public meeting and stated (1) the then-current principal of all outstanding debt of the City; (2) the then-current combined principal and interest required to pay all outstanding debt obligations of the City on time and in full, based on the City’s expectations relative to the interest due on any variable rate debt obligations, as applicable (3) the maximum principal amount of the certificates of obligation to be authorized; (4) the estimated

combined principal and interest required to pay the certificates of obligation in full; (5) the estimated interest rate for the certificates of obligation or that the maximum interest rate for the certificates of obligation may not exceed the maximum legal interest rate; and (6) the maximum maturity date of the certificates of obligation; and

WHEREAS, no petition protesting the issuance of the certificates of obligation described in this notice, signed by at least 5% of the qualified electors of the City, has been presented to or filed with the City Secretary prior to the date tentatively set in such notice for the passage of this ordinance (the *Ordinance*); and

WHEREAS, the City Council hereby finds and determines that the issuance of the certificates of obligation, under the terms herein specified, is in the best interests of the City and its residents; and

WHEREAS, the City Council hereby finds and determines that certificates of obligation in the principal amount of \$____,____,____ described in such notice should be issued and sold at this time; now, therefore,

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

SECTION 1. Authorization - Designation - Principal Amount - Purpose. The certificates of obligation of the City shall be and are hereby authorized to be issued in the aggregate principal amount of _____ AND NO/100 DOLLARS (\$____,____,____), to be designated and bear the title of “CITY OF INGLESIDE, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2025” (the *Certificates*), for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit (1) designing, engineering, constructing, acquiring, purchasing, renovating, enlarging, and improving the City’s utility system; (2) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes; and (3) payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects, pursuant to the authority conferred by and in conformity with the laws of the State of Texas, particularly the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code Section 271.041 through Section 271.064, Chapter 1502, as amended, Texas Government Code, and the City’s Home Rule Charter.

SECTION 2. Fully Registered Obligations - Authorized Denominations - Stated Maturities - Interest Rates – Certificate Date. The Certificates are issuable in fully registered form only; shall be dated June 1, 2025 (the *Certificate Date*) and shall be issued in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, and the Certificates shall become due and payable on February 1 in each of the years and in principal amounts (the *Stated Maturities*) and bear interest on the unpaid principal amounts from the Certificate Date, or from the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for, to the earlier of redemption or Stated Maturity, at the per annum rates, while Outstanding, in accordance with the following schedule:

Years of
Stated Maturity

Principal
Amounts (\$)

Interest
Rates (%)

The Certificates shall bear interest on the unpaid principal amounts from the Certificate Date, or from the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for, to the earlier of redemption or Stated Maturity, while Outstanding, at the rates per annum shown in the above schedule (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Certificates shall be payable on February 1 and August 1 in each year (each, an *Interest Payment Date*), commencing February 1, 2026, while the Certificates are Outstanding.

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

The selection and appointment of BOKF, NA, Dallas, Texas (the *Paying Agent/Registrar*) to serve as the initial Paying Agent/Registrar, for the Certificates is hereby approved and confirmed, and the City agrees and covenants to cause to be kept and maintained at the corporate trust office of the Paying Agent/Registrar books and records (the *Security Register*) for the registration, payment and transfer of the Certificates, all as provided herein, in accordance with

the terms and provisions of a Paying Agent/Registrar Agreement, attached, in substantially final form, as Exhibit A hereto, and such reasonable rules and regulations as the Paying Agent/Registrar and City may prescribe. The City covenants to maintain and provide a Paying Agent/Registrar at all times while the Certificates are Outstanding, and any successor Paying Agent/Registrar shall be (i) a national or state banking institution or (ii) an association or a corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers. Such Paying Agent/Registrar shall be subject to supervision or examination by federal or state authority and authorized by law to serve as a Paying Agent/Registrar.

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

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

Principal of and premium, if any, on the Certificates shall be payable only upon presentation and surrender of the Certificates to the Paying Agent/Registrar at its corporate trust office. Interest on the Certificates shall be paid to the Holder whose name appears in the Security Register at the close of business on the fifteenth day of the month next preceding an Interest Payment Date for the Certificates (the *Record Date*) and shall be paid (i) by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, by the Paying Agent/Registrar, to the address of the Holder appearing in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested in writing by the Holder at the Holder's risk and expense.

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

In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a Special Record Date) will be

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

SECTION 4. Redemption.

A. Mandatory Redemption of Term Certificates. The Certificates stated to mature on February 1, 20__ and February 1, 20__ are referred to herein as the "Term Certificates". The Term Certificates are subject to mandatory sinking fund redemption prior to their stated maturities from money required to be deposited in the Certificate Fund for such purpose and shall be redeemed in part, by lot or other customary method, at the principal amount thereof plus accrued interest to the date of redemption in the following principal amounts on February 1 in each of the years as set forth below:

Term Certificates Stated to Mature on February 1, 20__		Term Certificates Stated to Mature on February 1, 20__	
<u>Year</u>	<u>Principal Amount (\$)</u>	<u>Year</u>	<u>Principal Amount (\$)</u>

*Payable at Stated Maturity.

The principal amount of a Term Certificate required to be redeemed pursuant to the operation of such mandatory redemption provisions shall be reduced, at the option of the City, by the principal amount of any Term Certificates of such Stated Maturity which, at least 50 days prior to the mandatory redemption date (1) shall have been defeased or acquired by the City and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the City with money in the Certificate Fund, or (3) shall have been redeemed pursuant to the optional redemption provisions set forth below and not theretofore credited against a mandatory redemption requirement.

B. Optional Redemption. The Certificates having Stated Maturities on and after February 1, 20__ shall be subject to redemption prior to Stated Maturity, at the option of the City, on February 1, 20__, or on any date thereafter, as a whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected at random and by lot by the Paying Agent/Registrar), at the redemption price of par plus accrued interest to the date of redemption.

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

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

E. Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Certificates, the Paying Agent/Registrar shall cause a notice of redemption to be sent by United States mail, first-class postage prepaid, in the name of the City and at the City's expense, by the Paying Agent/Registrar to each Holder of a Certificate to be redeemed, in whole or in part, at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder. This notice may also be published once in a financial publication, journal, or reporter of general circulation among securities dealers in the City of New York, New York (including, but not limited to, *The Bond Buyer* and *The Wall Street Journal*), or in the State of Texas (including, but not limited to, *The Texas Bond Reporter*).

All notices of redemption shall (i) specify the date of redemption for the Certificates, (ii) identify the Certificates to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Certificates, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified, and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, and (v) specify that payment of the redemption price for the Certificates, or the principal amount thereof to be redeemed, shall be made at the corporate trust office of the Paying Agent/Registrar only upon presentation and surrender thereof by the Holder.

If a Certificate is subject by its terms to redemption and has been called for redemption and notice of redemption thereof has been duly given or waived as herein provided, such Certificate (or the principal amount thereof to be redeemed) so called for redemption shall become due and payable, and if money sufficient for the payment of such Certificates (or of the principal amount thereof to be redeemed) at the then applicable redemption price is held for the purpose of such payment by the Paying Agent/Registrar, then on the redemption date designated in such notice, interest on the Certificates (or the principal amount thereof to be redeemed) called for redemption shall cease to accrue and such Certificates shall not be deemed to be Outstanding in accordance with the provisions of this Ordinance.

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

SECTION 5. Execution - Registration. The Certificates shall be executed on behalf of the City by its Mayor or Mayor Pro Tem under the seal of the City reproduced or impressed thereon and attested by its City Secretary. The signature of either of said officers on the Certificates may be manual or facsimile. Certificates bearing the manual or facsimile signatures of individuals who were, at the time of the Certificate Date, the proper officers of the City shall bind the City, notwithstanding that such individuals or either of them shall cease to hold such offices prior to the delivery of the Certificates to the Purchasers (hereinafter defined), all as authorized and provided in Chapter 1201, as amended, Texas Government Code.

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

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

Upon surrender for transfer of any Certificate at the corporate trust office of the Paying Agent/Registrar, the City shall execute and the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Certificates executed on behalf of, and furnished by, the City of authorized denominations and having the same Stated Maturity and of a like interest rate and aggregate principal amount as the Certificate or Certificates surrendered for transfer.

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

register and deliver, new Certificates executed on behalf of, and furnished by, the City to the Holder requesting the exchange.

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

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

Certificates cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be Predecessor Certificates, evidencing all or a portion, as the case may be, of the same debt evidenced by the new Certificate or Certificates registered and delivered in the exchange or transfer therefor. Additionally, the term Predecessor Certificates shall include any Certificate registered and delivered pursuant to Section 25 in lieu of a mutilated, lost, destroyed, or stolen Certificate which shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Certificate.

SECTION 7. Initial Certificate. The Certificates herein authorized shall be issued initially either (i) as a single fully registered Certificate in the total principal amount of \$ __, __, __ with principal installments to become due and payable as provided in Section 2 and numbered T-1, or (ii) as one (1) fully registered Certificate for each year of Stated Maturity in the applicable principal amount, interest rate, and denomination and to be numbered consecutively from T-1 and upward (the *Initial Certificate*) and, in either case, the Initial Certificate shall be registered in the name of the Purchasers or the designee thereof. The Initial Certificate shall be the Certificate submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the Purchasers. Any time after the delivery of the Initial Certificate to the Purchasers, the Paying Agent/Registrar, pursuant to written instructions from the Purchasers or their designee, shall cancel the Initial Certificate delivered hereunder and exchange therefor definitive Certificates of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates on the unpaid principal amounts from the Certificate Date, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, to Stated Maturity, and shall be lettered "R" and numbered consecutively from one (1) upward for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the Purchasers, or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 8. Forms.

A. Forms Generally. The Certificates, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar,

and the form of Assignment to be printed on each of the Certificates shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends and any reproduction of an opinion of Bond Counsel (hereinafter referenced)) thereon as may, consistent herewith, be established by the City or determined by the officers executing the Certificates as evidenced by their execution thereof. Any portion of the text of any Certificate may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Certificate.

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

[The remainder of this page intentionally left blank.]

B. Form of Definitive Certificate.

REGISTERED
NO. _____

REGISTERED
PRINCIPAL AMOUNT
\$ _____

United States of America
State of Texas
County of San Patricio
CITY OF INGLESIDE, TEXAS
COMBINATION TAX AND LIMITED PLEDGE REVENUE
CERTIFICATES OF OBLIGATION, SERIES 2025

Certificate Date: Interest Rate: Stated Maturity: CUSIP No.
June 1, 2025

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____

The City of Ingleside, Texas (the *City*), a body corporate and municipal corporation in the County of San Patricio, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner specified above, or the registered assigns thereof, on the Stated Maturity date specified above, the Principal Amount specified above (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount hereof from the Certificate Date specified above, or from the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for until such Principal Amount has become due and payment thereof has been made or duly provided for, to the earlier of redemption or Stated Maturity, while Outstanding, at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 1 and August 1 of each year (each, an *Interest Payment Date*), commencing February 1, 2026.

Principal and premium, if any, of this Certificate shall be payable, at its Stated Maturity or prior redemption, to the Registered Owner hereof (the *Holder*), upon presentation and surrender, at the corporate trust office of the Paying Agent/Registrar executing the registration certificate appearing hereon or a successor thereof. Interest shall be payable to the Holder of this Certificate (or one or more Predecessor Certificates, as defined in the Ordinance hereinafter referenced) whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the fifteenth day of the month next preceding each Interest Payment Date. All payments of principal of and interest on this Certificate shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by the Holder hereof at the Holder's risk and expense.

This Certificate is one of the series specified in its title issued in the aggregate principal amount of \$ __, __, __ (the *Certificates*) pursuant to an Ordinance adopted by the governing body of the City (the *Ordinance*), for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit (1) designing, engineering, constructing, acquiring, purchasing, renovating, enlarging, and improving the City's utility system; (2) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes; and (3) payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects, under and in strict conformity with the laws of the State of Texas, particularly Chapter 1502, as amended, Texas Government Code, the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code, Section 271.041 through 271.064, and the City's Home Rule Charter.

The Certificates stated to mature on February 1, 20__ and February 1, 20__ are referred to herein as the "Term Certificates". The Term Certificates are subject to mandatory sinking fund redemption prior to their stated maturities from money required to be deposited in the Certificate Fund for such purpose and shall be redeemed in part, by lot or other customary method, at the principal amount thereof plus accrued interest to the date of redemption in the following principal amounts on February 1 in each of the years as set forth below:

Term Certificates Stated to Mature on February 1, 20__		Term Certificates Stated to Mature on February 1, 20__	
<u>Year</u>	<u>Principal Amount (\$)</u>	<u>Year</u>	<u>Principal Amount (\$)</u>

*Payable at Stated Maturity.

The principal amount of a Term Certificate required to be redeemed pursuant to the operation of such mandatory redemption provisions shall be reduced, at the option of the City, by the principal amount of any Term Certificates of such Stated Maturity which, at least 50 days prior to the mandatory redemption date (1) shall have been defeased or acquired by the City and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the City with money in the Certificate Fund, or (3) shall have been redeemed pursuant to the optional redemption provisions set forth below and not theretofore credited against a mandatory redemption requirement.

As provided in the Ordinance, the Certificates having Stated Maturities on and after February 1, 20__ shall be subject to redemption prior to Stated Maturity, at the option of the City, on February 1, 20__, or on any date thereafter, as a whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected at random and by lot by the Paying Agent/Registrar), at the redemption price of par plus accrued interest to the date of

redemption; provided, however, that at least thirty (30) days prior written notice shall be sent to the Holders of the Certificates to be redeemed by United States mail, first-class postage prepaid, and subject to the terms and provisions relating thereto contained in the Ordinance. If this Certificate is subject to redemption prior to Stated Maturity and is in a denomination in excess of \$5,000, portions of the principal sum hereof in installments of \$5,000 or any integral multiple thereof may be redeemed, and, if less than all of the principal sum hereof is to be redeemed, there shall be issued, without charge therefor, to the Holder hereof, upon the surrender of this Certificate to the Paying Agent/Registrar at its corporate trust office, a new Certificate or Certificates of like Stated Maturity and interest rate in any authorized denominations provided in the Ordinance for the then unredeemed balance of the principal sum hereof.

If this Certificate (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption has been duly given, then upon such redemption date this Certificate (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and, if the money for the payment of the redemption price, and the interest accrued on the principal amount to be redeemed to the date of redemption is held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable hereon from and after the redemption date on the principal amount hereof to be redeemed. If this Certificate is called for redemption, in whole or in part, the City or the Paying Agent/Registrar shall not be required to issue, transfer, or exchange this Certificate within forty-five (45) days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance hereof in the event of its redemption in part.

The Certificates of this series are payable from the proceeds of an ad valorem tax levied upon all taxable property within the City, within the limitations prescribed by law, and are further payable from and secured by a lien on and pledge of the Pledged Revenues (as identified and defined in the Ordinance), being a limited amount of the Net Revenues derived from the operation of the City's combined utility system (the *System*), such lien on and pledge of the limited amount of Net Revenues being subordinate and inferior to the lien on and pledge of such Net Revenues securing payment of the currently outstanding Subordinate Lien Obligations and any Prior Lien Obligations, Junior Lien Obligations, or Additional Subordinate Lien Obligations hereafter issued by the City. The City has previously authorized the issuance of the currently outstanding Subordinate Lien Obligations and Limited Pledge Obligations (identified and defined in the Ordinance) that are payable, in part, from and secured by a lien on and pledge of a limited amount of the Net Revenues of the System in the manner and as described in the ordinances authorizing the issuance of the currently outstanding Subordinate Lien Obligations and Limited Pledge Obligations. In the Ordinance, the City reserves and retains the right to issue Prior Lien Obligations, Junior Lien Obligations, Additional Subordinate Lien Obligations, and Additional Limited Pledge Obligations (all as identified and defined in the Ordinance), while the Certificates are Outstanding, without limitation as to principal amount but subject to any terms, conditions or restrictions as may be applicable thereto under law or otherwise.

Reference is hereby made to the Ordinance, a copy of which is on file in the corporate trust office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied and the revenues pledged for the payment of the Certificates; the terms and conditions under which the City may issue Prior Lien Obligations, Junior Lien Obligations,

Additional Subordinate Lien Obligations, and Additional Limited Pledge Obligations; the terms and conditions relating to the transfer or exchange of the Certificates; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holder; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Certificate may be redeemed or discharged at or prior to the Stated Maturity thereof, and deemed to be no longer Outstanding thereunder; and for the other terms and provisions specified in the Ordinance. Capitalized terms used herein without definition have the same meanings assigned in the Ordinance.

This Certificate, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register upon presentation and surrender at the corporate trust office of the Paying Agent/Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by the Holder hereof, or his duly authorized agent, and thereupon one or more new fully registered Certificates of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the Holder hereof whose name appears on the Security Register (i) on the Record Date as the owner hereof for purposes of receiving payment of interest hereon, (ii) on the date of surrender of this Certificate as the owner hereof for purposes of receiving payment of principal hereof at its Stated Maturity or its redemption, in whole or in part, and (iii) on any other date as the owner hereof for all other purposes, and neither the City nor the Paying Agent/Registrar, or any such agent of either, shall be affected by notice to the contrary. In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a Special Record Date) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the *Special Payment Date* - which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, covenanted, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to the issuance of this Certificate in order to render the same a legal, valid, and binding obligation of the City have been performed, exist, and have been done, in regular and due time, form, and manner, as required by the laws of the State of Texas and the Ordinance, and that the issuance of the Certificates does not exceed any constitutional or statutory limitation; and that due provision has been made for the payment of the principal of, premium if any, and interest on the Certificates by the levy of a tax and collection of Pledged Revenues as aforesated. In case any provision in this Certificate or any application thereof shall be deemed invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Certificate and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City has caused this Certificate to be duly executed under its official seal.

CITY OF INGLESIDE, TEXAS

By _____
Mayor

ATTEST:

City Secretary

(CITY SEAL)

C. *Form of Registration Certificate of Comptroller of Public Accounts to Appear on Initial Certificate Only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

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

I HEREBY CERTIFY that this Certificate has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____

Comptroller of Public Accounts
of the State of Texas

(SEAL)

*NOTE TO PRINTER: Do not Print on Definitive Certificates.

D. *Form of Certificate of Paying Agent/Registrar to Appear on Definitive Certificates Only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Certificate has been duly issued under the provisions of the within-mentioned Ordinance; the Certificate or Certificates of the above-entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

Registered this date: BOKF, NA, DALLAS, TEXAS, as Paying
Agent/Registrar

_____ By: _____
Authorized Signature

*NOTE TO PRINTER: Print on Definitive Certificates.

E. Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee): _____

(Social Security or other identifying number): _____
the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Certificate in every particular.

Signature guaranteed:

F. Form of Initial Certificate. The Initial Certificate shall be in the form set forth in paragraph B of this Section, except that the form of a single fully registered Initial Certificate shall be modified as follows:

- (i) immediately under the name of the Certificate the headings "Interest Rate and "Stated Maturity shall both be completed "as shown below";
- (ii) the first two paragraphs shall read as follows:

The City of Ingleside, Texas (the *City*), a body corporate and municipal corporation in the County of San Patricio, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner named above, or the registered assigns thereof, the Principal Amount specified above stated to mature on the first day of February in each of the years and in principal amounts and bearing interest at per annum rates in accordance with the following schedule:

<u>Years of</u> <u>Stated Maturity</u>	<u>Principal</u> <u>Amounts (\$)</u>	<u>Interest</u> <u>Rates (%)</u>
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(Information to be inserted
from schedule in Section 2 hereof)

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amounts hereof from the Certificate Date specified above, or from the most

recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for until the Principal Amount has become due and payment thereof has been made or duly provided for, to the earlier of redemption or Stated Maturity, while Outstanding, at the per annum rates of interest specified above, computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 1 and August 1 of each year (each, an *Interest Payment Date*), commencing February 1, 2026.

Principal of this Certificate shall be payable to the Registered Owner hereof (the *Holder*), upon its presentation and surrender, to Stated Maturity or prior redemption, while Outstanding, at the corporate trust office of BOKF, NA, Dallas, Texas (the *Paying Agent/Registrar*). Interest shall be payable to the Holder of this Certificate whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the fifteenth day of the month next preceding each Interest Payment Date. All payments of principal of and interest on this Certificate shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder hereof.

[END OF FORM]

G. Insurance Legend. If bond insurance is obtained by the City or the Purchasers for the Certificates, the Definitive Certificates and the Initial Certificate shall bear an appropriate legend as provided by the bond insurer to appear under the following header:

[BOND INSURANCE] or [STATEMENT OF INSURANCE]

SECTION 9. Definitions. For all purposes of this Ordinance (as defined below), except as otherwise expressly provided or unless the context otherwise requires: (i) the terms defined in this Section have the meanings assigned to them in this Section, and certain terms used in Sections 27 and 44 of this Ordinance have the meanings assigned to them in Sections 27 and 44 of this Ordinance, and all such terms, include the plural as well as the singular; (ii) all references in this Ordinance to designated “Sections” and other subdivisions are to the designated Sections and other subdivisions of this Ordinance as originally adopted; and (iii) the words “herein”, “hereof”, and “hereunder” and other words of similar import refer to this Ordinance as a whole and not to any particular Section or other subdivision.

A. The term *Additional Limited Pledge Obligations* shall mean (i) any bonds, notes, warrants, certificates of obligation or other evidences of indebtedness hereafter issued by the City payable in whole or in part from a limited pledge of and lien on Net Revenues of the System such pledge being subordinate and inferior to the lien thereon and pledge thereof securing the payment of the currently outstanding Subordinate Lien Obligations, and any Prior Lien Obligations, Junior Lien Obligations, or Additional Subordinate Lien Obligations hereafter issued by the City, which pledge of revenues is limited pursuant to Section 1502.052, as amended, Texas Government Code, all as further provided in Section 20 of this Ordinance, and (ii) any obligations issued to refund the foregoing as determined by the City Council in accordance with applicable law.

B. The term *Additional Subordinate Lien Obligations* shall mean (i) any bonds, notes, warrants, certificates of obligation, or any similar obligations hereafter issued by the City that are payable, in whole or in part, from and equally and ratably secured by a lien on and pledge of the Net Revenues of the System, such pledge being subordinate and inferior to the lien on and pledge of the Net Revenues of the System that may be pledged to the payment of any Prior Lien Obligations or Junior Lien Obligations hereafter issued by the City, but prior and superior to the lien on and pledge of the limited amount of the Net Revenues securing, in part, the payment of the Certificates and any Additional Limited Pledge Obligations hereafter issued by the City, all as further provided in Section 20 of this Ordinance, and (ii) obligations hereafter issued to refund any of the foregoing that are payable from and equally and ratably secured by a subordinate and inferior lien on and pledge of the Net Revenues as determined by the City Council in accordance with any applicable law.

C. The term *Authorized Officials* shall mean the Mayor, the Mayor Pro Tem, and/or the City Manager.

D. The term *Certificates* shall mean the \$____,____,____ “CITY OF INGLESIDE, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2025” authorized by this Ordinance.

E. The term *Certificate Fund* shall mean the special Fund created and established by the provisions of Section 10 of this Ordinance.

F. The term *City* shall mean the City of Ingleside, located in San Patricio County, Texas and, where appropriate, the City Council of the City.

G. The term *Closing Date* shall mean the date of physical delivery of the Initial Certificate in exchange for the payment of the agreed purchase price for the Certificates.

H. The term *Collection Date* shall mean, when reference is being made to the levy and collection of annual ad valorem taxes, the date the annual ad valorem taxes levied each year by the City become delinquent.

I. The term *Debt Service Requirements* shall mean, as of any particular date of computation, with respect to any obligations and with respect to any period, the aggregate of the amounts to be paid or set aside by the City as of such date or in such period for the payment of the principal of, premium, if any, and interest (to the extent not capitalized) on such obligations; assuming, in the case of obligations without a fixed numerical rate, that such obligations bear interest at the maximum rate permitted by the terms thereof and further assuming in the case of obligations required to be redeemed or prepaid as to principal prior to Stated Maturity, the principal amounts thereof will be redeemed prior to Stated Maturity in accordance with the mandatory redemption provisions applicable thereto.

J. The term *Depository* shall mean an official depository bank of the City.

K. The term *Fiscal Year* shall mean the annual financial accounting period for the System now ending on September 30th of each year; provided, however, the City Council may

change such annual financial accounting period to end on another date if such change is found and determined to be necessary for accounting purposes or is required by applicable law.

L. The term *Government Securities*, as used herein, shall mean (i) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by, the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent; (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent, or (iv) any additional securities and obligations hereafter authorized by the laws of the State of Texas as eligible for use to accomplish the discharge of obligations such as the Certificates.

M. The term *Gross Revenues* for any period shall mean all revenue during such period in respect or on account of the operation or ownership of the System, excluding refundable meter deposits, restricted gifts, and grants in aid of construction, but including earnings and income derived from the investment or deposit of money in any special fund or account (except the Certificate Fund) created and established for the payment or security of the Certificates.

N. The term *Holder* or *Holder*s shall mean the registered owner, whose name appears in the Security Register, for any Certificate.

O. The term *Insurance Policy* shall mean the municipal bond guaranty insurance policy issued by the Insurer insuring the payment when due of the principal of and interest on the Certificates as provided therein.

P. The term *Insurance Premium* shall mean the premium paid by the Purchasers for the Insurance Policy.

Q. The term *Insurer* shall mean _____, _____, _____, or any successor thereto or assignee thereof.

R. The term *Interest Payment Date* shall mean the date interest is payable on the Certificates, being February 1 and August 1 of each year, commencing February 1, 2026, while any of the Certificates remain Outstanding.

S. The term *Junior Lien Obligations* shall mean (i) any bonds, notes, warrants, certificates of obligation or any similar obligations hereafter issued by the City that are payable in whole or in part from and equally and ratably secured by a junior and inferior lien on and pledge of the Net Revenues of the System, such pledge being junior and inferior to the lien on and pledge of the Net Revenues of the System that may be pledged to the payment of any Prior Lien Obligations hereafter issued by the City, but prior and superior to the lien on and pledge of the Net Revenues of the System that are or will be pledged to the payment of the currently outstanding Subordinate Lien Obligations, the Certificates, and any Additional Subordinate Lien Obligations

or Additional Limited Pledge Obligations hereafter issued by the City all as further provided in Section 20 of this Ordinance and (ii) obligations hereafter issued to refund any of the foregoing that are payable from and equally and ratably secured by a junior and inferior lien on and pledge of the Net Revenues of the System as determined by the City Council in accordance with any applicable law.

T. The term *Limited Pledge Obligations* shall mean (i) the Certificates and the outstanding and unpaid obligations of the City that are payable, in part, from and secured by a subordinate and inferior lien on and pledge of a limited amount of the Net Revenues of the System such pledge to include a pledge of Net Revenues that is subordinate and inferior to the lien and pledge of the Net Revenues that are or will be pledged to the payment of the currently outstanding Subordinate Lien Obligations and any Prior Lien Obligations, Junior Lien Obligations, or Additional Subordinate Lien Obligations, which pledge of revenues is limited pursuant to Section 1502.052, as amended, Texas Government Code, all as further provided in Section 20 of this Ordinance and designated as follows:

(1) “City of Ingleside, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2015”, dated August 15, 2015, originally issued in the aggregate principal amount of \$7,000,000;

(2) City of Ingleside, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2020”, dated September 15, 2020, originally issued in the aggregate principal amount of \$6,510,000;

(3) City of Ingleside, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2021”, dated September 15, 2021, originally issued in the aggregate principal amount of \$6,715,000;

(4) City of Ingleside, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2024”, dated September 1, 2024, originally issued in the aggregate principal amount of \$9,555,000;

(5) Upon issuance, the Certificates; and

(ii) any obligations hereafter issued to refund any of the foregoing as determined by the City Council in accordance with any applicable law.

U. The term *Maintenance and Operating Expenses* shall mean all current expenses of operating and maintaining the System not paid from the proceeds of the Certificates, including (1) the cost of all salaries, labor, materials, repairs, and extensions necessary to render efficient service, but only if, in the case of repairs and extensions, they are, in the judgment of the City Council (reasonably and fairly exercised), necessary to maintain operation of the System and render adequate service to the City and the inhabitants thereof, or are necessary to meet some physical accident or condition which would otherwise impair obligations payable from Net Revenues, (2) payments to pension, retirement, health, hospitalization, and other employee benefit funds for employees of the City engaged in the operation or maintenance of the System, (3) payments under contracts for the purchase of water supply, treatment of sewage, or other materials, goods, or services for the System to the extent authorized by law and the provisions of

such contract, (4) payments to auditors, attorneys, and other consultants incurred in complying with the obligations of the City hereunder, and (5) any legal liability of the City arising out of the operation, maintenance, or condition of the System, but excluding any allowance for depreciation, property retirement, depletion, obsolescence, and other items not requiring an outlay of cash and any interest on the Certificates or other bonds, notes, warrants, or similar obligations of the City payable from Net Revenues.

V. The term *Net Revenues* for any period shall mean the Gross Revenues of the System less the Maintenance and Operating Expenses of the System.

W. The term *Ordinance* shall mean this ordinance as finally passed and adopted by the City Council of the City.

X. The term *Outstanding* when used in this Ordinance with respect to the Certificates shall mean, as of the date of determination, all Certificates issued and delivered under this Ordinance, except:

(1) those Certificates cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Certificates for which payment has been duly provided by the City in accordance with the provisions of Section 29 of this Ordinance; and

(3) those Certificates that have been mutilated, destroyed, lost, or stolen and replacement Certificates have been registered and delivered in lieu thereof as provided in Section 25 of this Ordinance.

Y. The term *Pledged Revenues* shall mean, while the Certificates remain Outstanding, an amount of Net Revenues not in excess of \$1,000. The Pledged Revenues shall be deposited, allocated, and expended in accordance with Section 10 of this Ordinance.

Z. The term *Pledged Revenue Amount* shall mean the total amount, not to exceed \$1,000 while the Certificates are Outstanding, of Net Revenues that may be transferred in whole or in part by the City in any given Fiscal Year (however, any amounts transferred prior to the final maturity date of the Certificates may not exceed the total amount of \$1,000) to the Certificate Fund.

AA. The term *Prior Lien Obligations* shall mean (i) any bonds, notes, warrants, certificates of obligation or any similar obligations hereafter issued by the City that are payable in whole or in part from and equally and ratably secured by a first and prior lien on and pledge of the Net Revenues of the System, such pledge being prior and superior to the lien and pledge of the Net Revenues of the System that are or will be pledged to the payment of the currently outstanding Subordinate Lien Obligations, the Certificates, and any Junior Lien Obligations, Additional Subordinate Lien Obligations, and Additional Limited Pledge Obligations hereafter issued by the City, all as further provided in Section 20 of this Ordinance, and (ii) any obligations hereafter issued to refund the foregoing if issued in a manner so as to be payable from and equally and ratably secured by a first and prior lien on and pledge of the Net Revenues of the System as determined by the City Council in accordance with any applicable law.

BB. The term *Purchasers* shall mean the initial purchaser or purchasers of the Certificates named in Section 26 of this Ordinance.

CC. The term *Stated Maturity* shall mean the annual principal payments of the Certificates payable on February 1 of each year the Certificates are Outstanding as set forth in Section 2 of this Ordinance.

DD. The term *Subordinate Lien Obligations* shall mean (i) the outstanding and unpaid obligations of the City that are payable, in whole or in part, from and equally and secured by a subordinate and inferior lien on and pledge of the Net Revenues of the System and designated as follows:

(1) “City of Ingleside, Texas Combination Tax and Subordinate Lien Revenue Certificates of Obligation, Series 2020”, dated January 1, 2020, originally issued in the aggregate principal amount of \$2,795,000;

(2) “City of Ingleside, Texas Combination Tax and Subordinate Lien Revenue Certificates of Obligation, Series 2023”, dated August 1, 2023, originally issued in the aggregate principal amount of \$19,205,000; and

(ii) any obligations hereafter issued to refund any of the foregoing that are payable from and equally and ratably secured by a subordinate and inferior lien on and pledge of the Net Revenues as determined by the City Council in accordance with applicable law.

EE. The term *System* shall mean all properties, facilities and plants currently owned, operated, and maintained by the City for the supply, treatment, and transmission of treated potable water, for the collection and treatment of wastewater, together with all future extensions, improvements, replacements and additions thereto, whether situated within or without the limits of the City and the City expressly reserves the right at its sole discretion to include additional utility, telecommunications, technology, or similar enterprise services as components of the System; provided, however, that notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term System shall not mean to include facilities of any kind which are declared not to be a part of the System and which are acquired or constructed by or on behalf of the City with the proceeds from the issuance of *Special Facilities Bonds*, which are hereby defined as being special revenue obligations of the City which are not payable from Net Revenues but which are payable from and equally and ratably secured by other liens on and pledges of any revenues, sources or payments, not pledged to the payment of the Bonds Similarly Secured including, but not limited to, special contract revenues or payments received from any other legal entity in connection with such facilities.

SECTION 10. Certificate Fund – Investments. For the purpose of paying the interest on and to provide a sinking fund for the payment, redemption, and retirement of the Certificates, there shall be and is hereby created a special fund to be designated “COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2025, INTEREST AND SINKING FUND” (the *Certificate Fund*), which fund shall be kept and maintained at the Depository, and money deposited in the Certificate Fund shall be used for no other purpose and shall be maintained as provided in Section 27. Authorized Officials of the City

are hereby authorized and directed to make withdrawals from the Certificate Fund sufficient to pay the purchase price or the amount of principal of, premium, if any, and interest on the Certificates as the same become due and payable and shall cause to be transferred to the Paying Agent/Registrar from money on deposit in the Certificate Fund an amount sufficient to pay the amount of principal and/or interest stated to mature on the Certificates, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the business day next preceding each interest and principal payment date for the Certificates.

The City, at its sole discretion, may deposit the Pledged Revenue Amount to the Certificate Fund. The Pledged Revenue Amount, if deposited, shall be expended annually to pay principal of and interest on the Certificates as the same become due and payable. This Pledged Revenue Amount shall be accounted for and transferred to the Paying Agent/Registrar in accordance with the provisions of the previous paragraph of this Section.

Pending the transfer of funds to the Paying Agent/Registrar, money deposited in any fund created and established by this Ordinance may, at the option of the City, be placed in time deposits, certificates of deposit, guaranteed investment contracts, or similar contractual agreements, as permitted by the provisions of the Public Funds Investment Act, as amended, Chapter 2256, Texas Government Code, secured (to the extent not insured by the Federal Deposit Insurance Corporation) by obligations of the type hereinafter described, or be invested, as authorized by any law, including investments held in book-entry form, in securities, including, but not limited to, direct obligations of the United States of America, obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligations, or invested in indirect obligations of the United States of America, including, but not limited to, evidences of indebtedness issued, insured or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, Small Business Administration, Farmers Home Administration, Federal Home Loan Mortgage Association, or Federal Housing Association; provided that all such deposits and investments shall be made in such a manner that the money required to be expended from such fund will be available at the proper time or times. All interest and income derived from deposits and investments in any fund established pursuant to the provisions of this Ordinance shall be credited to, and any losses debited to, such fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Certificates.

SECTION 11. Tax Levy. To provide for the payment of the Debt Service Requirements on the Certificates being (i) the interest on the Certificates and (ii) a sinking fund for their redemption at Stated Maturity or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied for the current year and each succeeding year thereafter while the Certificates or any interest thereon shall remain Outstanding, a sufficient tax, within the limitations prescribed by law, on each one hundred dollars valuation of taxable property in the City, adequate to pay such Debt Service Requirements, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected each year and applied to the payment of the Debt Service Requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Certificate Fund and are thereafter pledged to the payment of the Certificates. The City Council hereby declares its purpose and intent

to provide and levy a tax legally and fully sufficient to pay the Debt Service Requirements, 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 in consideration of all other outstanding indebtedness and other obligations of the City.

The amount of taxes to be provided annually for the payment of the principal of and interest on the Certificates shall be determined and accomplished in the following manner:

A. Prior to the date the City Council establishes the annual tax rate and passes an ordinance levying ad valorem taxes each year, the City Council shall determine:

(1) the amount of Debt Service Requirements to become due and payable on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year;

(2) the amount on deposit in the Certificate Fund after (a) deducting therefrom the total amount of Debt Service Requirements to become due on Certificates prior to the Collection Date for the ad valorem taxes to be levied and (b) adding thereto the amount of the Pledged Revenues, if any, to be appropriated and allocated during such year to pay such Debt Service Requirements, if any, prior to the Collection Date for the ad valorem taxes to be levied; and

(3) the amount of Pledged Revenues, if any, to be appropriated and to be set aside for the payment of the Debt Service Requirements on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding Fiscal Year.

B. The amount of taxes to be levied annually each year to pay the Debt Service Requirements on the Certificates shall be the amount established in paragraph (1) above less the sum total of the amounts established in paragraphs (2) and (3), after taking into consideration delinquencies and costs of collecting such annual taxes.

SECTION 12. Pledge of Pledged Revenues. The City hereby covenants and agrees that, subject to (i) any prior lien on and pledge of the Net Revenues of the System to the payment and security of the currently outstanding Subordinate Lien Obligations and any Prior Lien Obligations, Junior Lien Obligations, or Additional Subordinate Lien Obligations hereafter issued by the City and (ii) the lien on and pledge of a limited amount of the Net Revenues to the payment and security of the currently outstanding Limited Pledge Obligations, the Certificates, and any Additional Limited Pledge Obligations hereafter issued by the City, the Pledged Revenues are hereby irrevocably pledged to the payment of the principal of and interest on the Certificates and the pledge of Pledged Revenues herein made for the payment of the Certificates shall constitute a lien on the Pledged Revenues in accordance with the terms and provisions hereof and be valid and binding without any physical delivery thereof or further act by the City.

SECTION 13. System Fund. The City hereby covenants and agrees that all Gross Revenues derived from the operation of the System shall be kept separate and apart from all other funds, accounts and money of the City and shall be deposited as collected into the "CITY OF INGLESIDE, TEXAS UTILITY SYSTEM FUND" (the *System Fund*). All money deposited in

the System Fund shall be pledged and appropriated to the extent required for the following purposes and in the order of priority shown:

- First: to the payment of the reasonable and proper Maintenance and Operating Expenses of the System required by statute or ordinances authorizing the issuance of any indebtedness of the City to be a first charge on and claim against the Gross Revenues of the System;
- Second: To the payment of the amounts that must be deposited in the special funds and accounts created and established for the payment, security, and benefit of any Prior Lien Obligations hereafter issued by the City in accordance with the terms and provisions of any ordinance authorizing their issuance;
- Third: To the payment of the amounts that must be deposited in the special funds and accounts created and established for the payment, security, and benefit of any Junior Lien Obligations hereafter issued by the City in accordance with the terms and provisions of any ordinance authorizing their issuance;
- Fourth: To the payment of the amounts that must be deposited in the special funds and accounts created and established for the payment, security, and benefit of the currently outstanding Subordinate Lien Obligations and any Additional Subordinate Lien Obligations hereafter issued by the City in accordance with the terms and provisions of any ordinance authorizing their issuance; and
- Fifth: To the payment of the amounts that may be deposited in the special funds and accounts established for the payment of the currently outstanding Limited Pledge Obligations, including the Certificates, and any Additional Limited Pledge Obligations hereafter issued by the City in accordance with the terms and provisions of any ordinances authorizing their issuance.

Any Net Revenues remaining in the System Fund after satisfying the foregoing payments, or making adequate and sufficient provision for the payment, security and benefit thereof, may be appropriated and used for any other City purpose now or hereafter permitted by law.

SECTION 14. Deposits to Certificate Fund – Surplus Certificate Proceeds. The City hereby covenants and agrees to cause to be deposited in the Certificate Fund prior to a principal and interest payment date for the Certificates, from the Pledged Revenues in the System Fund, after the deduction of all payments required to be made to the special funds or accounts created for the payment, security, and benefit of (i) the currently outstanding Subordinate Lien Obligations and any Prior Lien Obligations, Junior Lien Obligations, or Additional Subordinate Lien Obligations hereafter issued by the City and (ii) the currently outstanding Limited Pledge Obligations, the Certificates, and any Additional Limited Pledge Obligations hereafter issued by the City, and any amounts budgeted to be paid therefrom in such Fiscal Year.

Accrued interest received from the Purchasers of the Certificates shall be deposited to the Certificate Fund and ad valorem taxes levied and collected for the benefit of the Certificates shall be deposited into the Certificate Fund. In addition, any surplus proceeds, including investment

income therefrom, from the sale of the Certificates not expended for authorized purposes shall be deposited in the Certificate Fund, and such amounts so deposited shall reduce the sums otherwise required to be deposited in said fund from ad valorem taxes.

SECTION 15. Security of Funds. All money on deposit in the funds for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested as provided herein) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds (including as required by and in accordance with the Texas Public Funds Collateral Act, codified in Chapter 2257, as amended, Texas Government Code), and money on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

SECTION 16. Maintenance of System - Insurance. The City covenants and agrees that while the Certificates remain Outstanding it will maintain and operate the System with all possible efficiency and maintain casualty and other insurance (including a system of self-insurance) on the properties of the System and its operations of a kind and in such amounts customarily carried by municipal corporations in the State of Texas engaged in a similar type of business and that it will faithfully and punctually perform all duties with reference to the System required by the laws of the State of Texas. All money received from losses under such insurance policies, other than public liability policies, are held for the benefit of the holders of the Certificates until and unless the proceeds are paid out in making good the loss or damage in respect of which such proceeds are received, either by replacing the property destroyed or repairing the property damaged, and adequate provision for making good such loss or damage must be made within ninety (90) days after the date of loss. The payment of premiums for all insurance policies required under the provisions hereof shall be considered Maintenance and Operating Expenses. Nothing in this Ordinance shall be construed as requiring the City to expend any funds which are derived from sources other than the operation of the System but nothing herein shall be construed as preventing the City from doing so.

SECTION 17. Rates and Charges. The City hereby covenants and agrees with the Holders of the Certificates that rates and charges for utility services afforded by the System will be established and maintained to provide Gross Revenues sufficient at all times:

A. to pay, together with any other lawfully available funds, all operating, maintenance, depreciation, replacement, betterment, and other costs incurred in the maintenance and operation of the System, including, but not limited to, Maintenance and Operating Expenses; provided, however, that the City expressly reserves the right to utilize other lawfully available funds to pay the Maintenance and Operating Expenses;

B. to produce Net Revenues sufficient, together with any other lawfully available funds, to pay (i) the interest on and principal of any Prior Lien Obligations hereafter issued by the City as the same becomes due and payable and the amounts required to be deposited in any special fund created and established for the payment, security, and benefit thereof, (ii) the interest on and principal of any Junior Lien Obligations hereafter issued by the City as the same becomes due and payable and the amounts required to be deposited in any special fund created and established for the payment, security, and benefit thereof, (iii) the interest on and principal of the currently outstanding Subordinate Lien Obligations and any Additional Subordinate Lien Obligations

hereafter issued by the City as the same becomes due and payable and the amounts required to be deposited in any special fund created and established for the payment, security, and benefit thereof, and (iv) the amounts that may be deposited in the special funds established for the payment of the currently outstanding Limited Pledge Obligations, the Certificates, or any Additional Limited Pledge Obligations hereafter issued by the City; and

C. to pay other legally incurred indebtedness payable from the Net Revenues of the System and/or secured by a lien on the System or the Net Revenues thereof.

SECTION 18. Records and Accounts - Annual Audit. The City further covenants and agrees that so long as any of the Certificates remain Outstanding it will keep and maintain separate and complete records and accounts pertaining to the operations of the System in which complete and correct entries shall be made of all transactions relating thereto, as provided by Chapter 1502, as amended, Texas Government Code, or other applicable law. The Holders of the Certificates or any duly authorized agent or agents of the Holders shall have the right to inspect the System and all properties comprising the same. The City further agrees that, following the close of each Fiscal Year, it will cause an audit of such books and accounts to be made by an independent firm of certified public accountants. Expenses incurred in making the annual audit of the operations of the System are to be regarded as Maintenance and Operating Expenses.

SECTION 19. Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the City covenants and agrees particularly that in the event the City (a) defaults in the payments to be made to the Certificate Fund, or (b) defaults in the observance or performance of any other of the covenants, conditions, or obligations set forth in this Ordinance, the Holders of any of the Certificates shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition, or obligation prescribed in this Ordinance.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive.

SECTION 20. Issuance of Prior Lien Obligations, Junior Lien Obligations, Additional Subordinate Lien Obligations, and Additional Limited Pledge Obligations. The City hereby expressly reserves the right to hereafter issue bonds, notes, warrants, certificates of obligation, or similar obligations, payable, in whole or in part, as appropriate, from and secured by a pledge of and lien on the Net Revenues of the System with the following priorities, without limitation as to principal amount, but subject to any terms, conditions, or restrictions applicable thereto under existing ordinances, laws, or otherwise:

A. Prior Lien Obligations payable from and equally and ratably secured by a first and prior lien on and pledge of the Net Revenues of the System;

B. Junior Lien Obligations payable from and equally and ratably secured by a lien on and pledge of the Net Revenues that is junior and inferior to the lien on and pledge thereof securing the payment of any Prior Lien Obligations hereafter issued by the City, but prior and superior to the lien on and pledge of the Net Revenues securing in whole or in part the payment of the currently outstanding Subordinate Lien Obligations, the Limited Pledge Obligations, the Certificates, and any Additional Subordinate Lien Obligations or Additional Limited Pledge Obligations hereafter issued by the City;

C. Additional Subordinate Lien Obligations payable from and equally and ratably secured together with the currently outstanding Subordinate Lien Obligations payable from and equally and ratably secured by a lien on and pledge of the Net Revenues that is subordinate and inferior to the lien on and pledge thereof securing the payment of any Prior Lien Obligations or Junior Lien Obligations hereafter issued by the City, but prior and superior to the lien on and pledge of the Net Revenues securing, in part, the payment of the currently outstanding Limited Pledge Obligations, the Certificates, and any Additional Limited Pledge Obligations hereafter issued by the City; and

D. Additional Limited Pledge Obligations secured by a lien on and pledge of a limited amount of the Net Revenues in accordance with the provisions of the following paragraph.

Prior Lien Obligations, Junior Lien Obligations, or Additional Subordinate Lien Obligations, if issued, may be payable, in whole or in part, from Net Revenues (without impairment of the obligation of contract with the holders of the currently outstanding Limited Pledge Obligations and the Certificates hereafter issued by the City) upon such terms and conditions as the City Council may determine. Additional Limited Pledge Obligations, if issued and payable, in whole or in part, from Pledged Revenues (defined in the same or similar terms as provided in Section 9 of this Ordinance or in the ordinances authorizing the issuance of the currently outstanding Limited Pledge Obligations), shall not in any event be construed to be payable from the Pledged Revenues authorized by this Ordinance or in the respective ordinances authorizing the issuance of the currently outstanding Limited Pledge Obligations to be budgeted and appropriated for the payment of the Certificates or the respective ordinances authorizing the issuance of the currently outstanding Limited Pledge Obligations. However, the lien on and pledge of the limited amount of Net Revenues securing, in part, the payment of the Certificates, the Limited Pledge Obligations, and any Additional Limited Pledge Obligations shall be subordinate and inferior to the pledge of and lien on the Net Revenues securing the payment of the currently outstanding Subordinate Lien Obligations and any Prior Lien Obligations, Junior Lien Obligations, or Additional Subordinate Lien Obligations hereafter issued by the City.

SECTION 21. Special Covenants. The City hereby further covenants that:

A. it has the lawful power to pledge the Pledged Revenues supporting the Certificates and has lawfully exercised said powers under the laws of the State of Texas, including power existing under Chapter 1502, as amended, Texas Government Code, the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code, Section 271.041 through Section 271.064, and the City's Home Rule Charter;

B. other than for the payment of the currently outstanding Subordinate Lien Obligations, and the Certificates, the Net Revenues of the System have not in any manner been pledged to the payment of any debt or obligation of the City or of the System;

C. as long as any Certificates or any interest thereon remain Outstanding, the City will not sell, lease or encumber (except in the manner provided in Section 20 of this Ordinance) the System or any substantial part thereof, provided that this covenant shall not be construed to prohibit the sale of such machinery, or other properties or equipment which has become obsolete or otherwise unsuited to the efficient operation of the System;

D. to the extent that it legally may, the City further covenants and agrees that, so long as any of the Certificates, or any interest thereon, are Outstanding, no franchise shall be granted for the installation or operation of any competing utility systems other than those owned by the City, and the operation of any such systems by anyone other than the City is hereby prohibited; and

E. no free service of the System shall be allowed, and should the City or any of its agents or instrumentalities make use of the services and facilities of the System, payment of the reasonable value thereof shall be made by the City out of funds from sources other than the revenues and income of the System.

SECTION 22. Application of the Covenants and Agreements of any Prior Lien Obligations, Junior Lien Obligations, Additional Subordinate Lien Obligations, or Additional Limited Pledge Obligations. It is the intention of the City Council and accordingly hereby recognized and stipulated that the provisions, agreements, and covenants contained herein bearing upon the management and operations of the System, and the administration and application of Gross Revenues derived from the operation thereof, shall to the extent possible be harmonized with like provisions, agreements, and covenants contained in the ordinances authorizing the issuance of the currently outstanding Subordinate Lien Obligations and any Prior Lien Obligations, Junior Lien Obligations, or Additional Subordinate Lien Obligations hereafter issued by the City, and to the extent of any irreconcilable conflict between the provisions contained herein and in the ordinances authorizing the issuance of any Prior Lien Obligations, Junior Lien Obligations, or Additional Subordinate Lien Obligations, the provisions, agreements and covenants contained therein shall prevail to the extent of such conflict and be applicable to this Ordinance, especially the priority of rights and benefits conferred thereby to the holders of the currently outstanding Subordinate Lien Obligations and any Prior Lien Obligations, Junior Lien Obligations, or Additional Subordinate Lien Obligations hereafter issued by the City. It is expressly recognized that prior to the issuance of any Prior Lien Obligations, Junior Lien Obligations, Additional Subordinate Lien Obligations, or Additional Limited Pledge Obligations, the City must comply with each of the conditions precedent contained in the respective ordinances authorizing the issuance of the currently outstanding Subordinate Lien Obligations and the Certificates, as appropriate.

SECTION 23. Notices to Holders – Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first-class postage prepaid, to the address

of each Holder as it appears in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Holders. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 24. Cancellation. All Certificates surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Certificates previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Certificates so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Certificates held by the Paying Agent/Registrar shall be destroyed as directed by the City.

SECTION 25. Mutilated, Destroyed, Lost, and Stolen Certificates. If (1) any mutilated Certificate is surrendered to the Paying Agent/Registrar, or the City and the Paying Agent/Registrar receive evidence to their satisfaction of the destruction, loss, or theft of any Certificate, and (2) there is delivered to the City and the Paying Agent/Registrar such security or indemnity as may be required to save each of them harmless, then, in the absence of notice to the City or the Paying Agent/Registrar that such Certificate has been acquired by a bona fide purchaser, the City shall execute and, upon its request, the Paying Agent/Registrar shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Certificate, a new Certificate of the same Stated Maturity and interest rate and of like tenor and principal amount, bearing a number not contemporaneously Outstanding.

In case any such mutilated, destroyed, lost, or stolen Certificate has become or is about to become due and payable, the City in its discretion may, instead of issuing a new Certificate, pay such Certificate.

Upon the issuance of any new Certificate or payment in lieu thereof, under this Section, the City may require payment by the Holder of a sum sufficient to cover any tax or other governmental charge imposed in relation thereto and any other expenses and charges (including attorney's fees and the fees and expenses of the Paying Agent/Registrar) connected therewith.

Every new Certificate issued pursuant to this Section in lieu of any mutilated, destroyed, lost, or stolen Certificate shall constitute a replacement of the prior obligation of the City, whether or not the mutilated, destroyed, lost, or stolen Certificate shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Certificates.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Certificates.

SECTION 26. Sale of Certificates at Competitive Sale; Approval of Official Statement; Proceeds of Sale. The Certificates authorized by this Ordinance are hereby sold by the City to Hilltop Securities, Inc., Dallas, Texas, as the authorized representative of a group of underwriters at a negotiated sale (the *Purchasers*, and having all of the rights, duties, and obligations of a Holder) in accordance with the provisions of an Purchase Contract dated June 10, 2025 (the *Purchase Contract*), attached hereto as Exhibit B and incorporated herein by reference as a part of this Ordinance for all purposes, at the price of par, plus a [net] reoffering premium of \$_____ (including the Purchasers' compensation of \$_____, plus accrued interest of \$_____ to the date of initial delivery of the Certificates to the Purchasers), and is hereby approved and confirmed. The Initial Certificate shall be registered in the name of Hilltop Securities, Inc. It is hereby officially found, determined, and declared that the Purchasers are the highest bidder for the Certificates whose bid, received as a result of invitations for competitive bids in compliance with applicable law, produced the lowest true interest cost to the City. The pricing and terms of the sale of the Certificates are hereby found and determined to be the most advantageous reasonably obtainable by the City. Any Authorized Official is hereby authorized and directed to execute the Purchase Contract for and on behalf of the City and as the act and deed of this Governing Body, and in regard to the approval and execution of the Purchase Contract, the Governing Body hereby finds, determines and declares that the representations, warranties, and agreements of the City contained in the Purchase Contract are true and correct in all material respects and shall be honored and performed by the City. Delivery of the Certificates to the Purchasers shall occur as soon as practicable after the adoption of this Ordinance, upon payment therefor in accordance with the terms of the Purchase Contract.

Proceeds from the sale of the Certificates shall be applied as follows:

(1) Accrued interest on the Certificates (in the amount of \$_____) received from the Purchasers shall be deposited into the Certificate Fund.

(2) The City received a [net] reoffering premium from the sale of the Certificates of \$_____ which is hereby allocated by the City in the following manner: (A) \$_____ to pay the Purchasers' compensation, (B) \$_____ to pay the costs of issuance, (C) \$_____ representing additional proceeds will be deposited into the Certificate Fund, (D) \$_____ to pay the Insurance Premium, and (E) the remaining \$_____ shall be deposited into the construction account established in paragraph (3) below.

(3) The balance of the proceeds (including a portion of the net reoffering premium in the amount of \$_____ as described above and principal in the amount of \$_____,_____.00, totaling \$_____ derived from the sale of the Certificates (after paying costs of issuance) shall be deposited into the special construction account or accounts created for the projects to be constructed with the proceeds of the Certificates. This special construction account shall be established and maintained at the Depository and shall be invested in accordance with the provisions of Section 10 of this Ordinance. Interest earned on the proceeds of the Certificates pending completion of construction of the projects

financed with such proceeds shall be accounted for, maintained, deposited, and expended as permitted by the provisions of Chapter 1201, as amended, Texas Government Code, or as required by any other applicable law. Thereafter, such amounts shall be expended in accordance with Section 11 of this Ordinance.

Furthermore, the City hereby ratifies, confirms, and approves in all respects (i) the City's prior determination that the Preliminary Official Statement was, as of its date, "deemed final" in accordance with the Rule (hereinafter defined) and (ii) the use and distribution of the Official Notice of Sale, Purchase Contract, and Preliminary Official Statement by the Purchasers in connection with the public offering and sale of the Certificates. The final Official Statement, being a modification and amendment of the Preliminary Official Statement to reflect the terms of sale referenced in the Purchase Contract (together with such changes approved by any Authorized Official, or any one or more of said officials), shall be and is hereby in all respects approved and the Purchasers are hereby authorized to use and distribute the final Official Statement, dated June 10, 2025, in the reoffering, sale and delivery of the Certificates to the public. The Mayor, Mayor Pro tem, and/or City Secretary are further authorized and directed to manually execute and deliver for and on behalf of the City copies of the Official Statement in final form as may be required by the Purchasers, and such final Official Statement in the form and content manually executed by said officials shall be deemed to be approved by the Governing Body and constitute the Official Statement authorized for distribution and use by the Purchasers. The proper officials of the City are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Certificates.

SECTION 27. Covenants to Maintain Tax-Exempt Status.

A. Definitions. When used in this Section, the following terms have the following meanings:

"Closing Date" means the date on which the Certificates are first authenticated and delivered to the initial purchasers against payment therefor.

"Code" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"Computation Date" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Gross Proceeds" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Certificates.

"Investment" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Nonpurpose Investment" means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Certificates are invested and which is not acquired to carry out the governmental purposes of the Certificates.

“Rebate Amount” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Regulations” means any proposed, temporary, or final Income Tax Regulations issued pursuant to sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Certificates. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

“Yield” of

(1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and

(2) the Certificates means the yield as calculated pursuant to Section 1.148-4 of the Regulations.

B. Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Certificate to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Certificate, the City shall comply with each of the specific covenants in this Section.

C. No Private Use or Private Payments. Except to the extent it will not cause the Certificates to become “private activity bonds” within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Certificates:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Certificates, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Certificates or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general

application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

D. No Private Loan. Except to the extent it will not cause the Certificates to become “private activity bonds” within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Certificates to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if- (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

E. Not to Invest at Higher Yield. Except to the extent it will not cause the Certificates to become “arbitrage bonds” within the meaning of section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Certificates directly or indirectly invest Gross Proceeds in any Investment, if as a result of such investment the Yield of any Investment acquired with Gross Proceeds, whether then held or previously disposed of, materially exceeds the Yield of the Certificates.

F. Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Certificates to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

G. Information Report. The City shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

H. Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last Outstanding Certificate is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Certificates with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its

official transcript of proceedings relating to the issuance of the Certificates until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Certificates by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States out of the Certificate Fund or its general fund, as permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Certificates equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

I. Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Certificates, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection H of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Certificates not been relevant to either party.

J. Certificates Not Hedge Bonds.

(1) The City reasonably expects to spend at least 85% of the spendable proceeds of the Certificates within three years after such Certificates are issued.

(2) Not more than 50% of the proceeds of the Certificates will be invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

K. Elections. The City hereby directs and authorizes any Authorized Official and Bond Counsel, either individually or any combination of them, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Certificates, in the Certificate as to Tax Exemption or similar

or other appropriate certificate, form or document. Such elections shall be deemed to be made on the Closing Date.

SECTION 28. Control and Custody of Certificates. The Mayor of the City shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas and shall take and have charge and control of the Certificates pending their approval by the Attorney General of the State of Texas, the registration thereof by the Comptroller of Public Accounts of the State of Texas and the delivery of the Certificates to the Purchasers.

Furthermore, any Authorized Official, either individually or any combination of them, is hereby authorized and directed to furnish and execute such documents relating to the City and its financial affairs as may be necessary for the issuance of the Certificates, the approval of the Attorney General of the State of Texas and their registration by the Comptroller of Public Accounts of the State of Texas and, together with the City's financial advisors, Bond Counsel, and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Certificate to the Purchasers and, when requested in writing by the Purchasers, the initial exchange thereof for definitive Certificates.

SECTION 29. Satisfaction of Obligation of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Certificates, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied and the lien on and pledge of the Pledged Revenues under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Certificates, or any principal amount(s) thereof, shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Certificates or the principal amount(s) thereof at Stated Maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, and/or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities will mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any money deposited therewith, if any, to pay when due the principal of and interest on such Certificates, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof for the Certificates. In the event of a defeasance of the Certificates, the City shall deliver a certificate from its financial advisor, the Paying Agent/Registrar, an independent accounting firm, or another qualified third party concerning the sufficiency of the deposit of cash and/or Government Securities to pay, when due, the principal of, redemption premium (if any), and interest due on any defeased Certificate. To the extent applicable, if at all, the City covenants that no deposit of money or Government Securities will be made under this Section and no use made of any such deposit which would cause the Certificates to be treated as arbitrage bonds within the meaning of section 148 of the Code (as defined in Section 27 hereof).

Any money so deposited with the Paying Agent/Registrar, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Certificates, or any principal amount(s) thereof, or interest thereon with respect to which such money has been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Certificates and remaining unclaimed for a period of three (3) years after the Stated Maturity of the Certificates, or applicable redemption date of the Certificates, such money was deposited and is held in trust to pay shall upon the request of the City be remitted to the City against a written receipt therefor, subject to the unclaimed property laws of the State of Texas.

Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem defeased Certificates that is made in conjunction with the payment arrangements specified in subsection (i) or (ii) above shall not be irrevocable, provided that: (1) in the proceedings providing for such defeasance, the City expressly reserves the right to call the defeased Certificates for redemption; (2) gives notice of the reservation of that right to the owners of the defeased Certificates immediately following the defeasance; (3) directs that notice of the reservation be included in any redemption notices that it authorizes; and (4) at the time of the redemption, satisfies the conditions of (i) or (ii) above with respect to such defeased debt as though it was being defeased at the time of the exercise of the option to redeem the defeased Certificates, after taking the redemption into account in determining the sufficiency of the provisions made for the payment of the defeased Certificates.

SECTION 30. Printed Opinion. The Purchasers' obligation to accept delivery of the Certificates is subject to their being furnished a final opinion of Norton Rose Fulbright US LLP, Austin, Texas, as Bond Counsel, approving certain legal matters as to the Certificates, this opinion to be dated and delivered as of the date of initial delivery and payment for such Certificates. Printing of a true and correct copy of this opinion on the reverse side of each of the Certificates, with appropriate certificate pertaining thereto executed by facsimile signature of the City Secretary of the City is hereby approved and authorized.

SECTION 31. CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Certificates shall be of no significance or effect as regards the legality thereof, and neither the City nor Bond Counsel are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Certificates.

SECTION 32. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 33. Ordinance a Contract, Amendments - Outstanding Certificates. The City acknowledges that the covenants and obligations of the City herein contained are a material inducement to the purchase of the Certificates. This Ordinance shall constitute a contract with the Holders from time to time, binding on the City and its successors and assigns, and it shall not be amended or repealed by the City so long as any Certificate remains Outstanding except as permitted in this Section. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests

of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the written consent of Holders holding a majority in aggregate principal amount of the Certificates then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Ordinance; provided, however, that, without the consent of all Holders of Outstanding Certificates, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of and interest on the Certificates, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Certificates, (2) give any preference to any Certificate over any other Certificate, or (3) reduce the aggregate principal amount of Certificates required for consent to any such amendment, addition, or rescission.

SECTION 34. Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, Bond Counsel, Paying Agent/Registrar, and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, Bond Counsel, Paying Agent/Registrar, and the Holders.

SECTION 35. Inconsistent Provisions. All ordinances and resolutions, or parts thereof, which 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 ordained herein.

SECTION 36. Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 37. Severability. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 38. Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 39. Incorporation of Preamble Recitals. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the City Council of the City.

SECTION 40. Authorization of Paying Agent/Registrar Agreement. The City Council of the City hereby finds and determines that it is in the best interest of the City to authorize the execution of a Paying Agent/Registrar Agreement concerning the payment, exchange, registration, and transferability of the Certificates. A copy of the Paying Agent/Registrar Agreement is attached

hereto, in substantially final form, as Exhibit A and is incorporated by reference to the provisions of this Ordinance.

SECTION 41. Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 42. Unavailability of Authorized Publication. If, because of the temporary or permanent suspension of any newspaper, journal, or other publication, or, for any reason, publication of notice cannot be made meeting any requirements herein established, any notice required to be published by the provisions of this Ordinance shall be given in such other manner and at such time or times as in the judgment of the City or of the Paying Agent/Registrar shall most effectively approximate such required publication and the giving of such notice in such manner shall for all purposes of this Ordinance be deemed to be in compliance with the requirements for publication thereof.

SECTION 43. No Recourse Against City Officials. No recourse shall be had for the payment of principal of, premium, if any, or interest on any Certificate or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Certificate.

SECTION 44. Continuing Disclosure Undertaking.

A. Definitions.

As used in this Section, the following terms have the meanings ascribed to such terms below:

EMMA means the MSRB's Electronic Municipal Market Access system, accessible by the general public, without charge, on the internet through the uniform resource locator (URL) <http://www.emma.msrb.org>.

Financial Obligation means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

MSRB means the Municipal Securities Rulemaking Board.

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

SEC means the United States Securities and Exchange Commission.

Undertaking means the City's continuing disclosure undertaking, described in Paragraphs B through F below, hereunder accepted and entered into by the City for the purpose of compliance with the Rule.

B. Annual Reports.

The City shall file annually with the MSRB, (1) within six months after the end of each fiscal year of the City ending in or after 2025, financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by Section 26 of this Ordinance, being the information described in Exhibit C hereto, and (2) if not provided as part of such financial information and operating data, audited financial statements of the City, when and if available. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit C hereto, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (ii) audited, if the City commissions an audit of such financial statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall file unaudited financial statements within such period and audited financial statements for the applicable fiscal year to the MSRB, when and if the audit report on such financial statements becomes available. Under current Texas law, including, but not limited to, Chapter 103, as amended, Texas Local Government Code, the City must have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit. The annual financial statement, including the auditor's opinion on the statement, shall be filed in the office of the City Secretary within 180 days after the last day of the City's fiscal year. Additionally, upon the filing of this financial statement and the annual audit, these documents are subject to the Texas Open Records Act, as amended, Texas Government Code, Chapter 552.

If the City changes its fiscal year, it will file notice of such 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 pursuant to this Section.

C. Notice of Certain Events.

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

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other

material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;

- (7) Modifications to rights of Holders of the Certificates, if material;
- (8) Certificate calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Certificates, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
- (13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional paying agent/registrar or the change of name of a paying agent/registrar, if material;
- (15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets 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 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, and (b) the City intends the words used in the immediately preceding paragraphs (15) and (16) and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

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

D. Limitations, Disclaimers, and Amendments.

The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an “obligated person” with respect to the Certificates within the meaning of the Rule, except that the City in any event will give notice of any deposit that causes the Certificates to be no longer Outstanding.

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

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

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

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

The provisions of this Section may be amended by the City 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, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (b) a person that is

unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the holders and beneficial owners of the Certificates. The City may also repeal or amend the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the City also may amend the provisions of this Section in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates, giving effect to (a) such provisions as so amended and (b) any amendments or interpretations of the Rule. If the City so amends the provisions of this Section, the City shall include with any amended financial information or operating data next provided in accordance with this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

E. Information Format – Incorporation by Reference.

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

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

F. General Policies and Procedures Concerning Compliance with the Rule.

Because the issuance of the Certificates is subject to the provisions of the Rule and because the potential “underwriters” in a negotiated sale of the Certificates or the initial purchasers in a competitive sale of the Certificates may be subject to MSRB rules and regulations with respect to such sale (including certain due diligence and suitability requirements, among others), the City hereby adopts the General Policies and Procedures Concerning Compliance with the Rule (the “Policies and Procedures”), attached hereto as Exhibit E, with which the City shall follow to assure compliance with the Undertaking. The City has developed these Policies and Procedures for the purpose of meeting its requirements of the Undertaking and, in connection therewith, has sought the guidance from its internal staff charged with administering the City’s financial affairs, its municipal or financial advisors, its legal counsel (including its Bond Counsel), and its independent accountants (to the extent determined to be necessary or advisable). The Policies and Procedures can be amended at the sole discretion of the City and any such amendment will not be deemed to be an amendment to the Undertaking. Each Authorized Official is hereby authorized to amend the Policies and Procedures as a result of a change in law, a future issuance of indebtedness subject to the Rule, or another purpose determined by the Authorized Official to be necessary or desirable for or with respect to future compliance with the Undertaking.

SECTION 45. Book-Entry Only System.

The Certificates shall initially be registered so as to participate in a securities depository system (the *DTC System*) with the Depository Trust Company, New York, New York, or any successor entity thereto (*DTC*), as set forth herein. Each Stated Maturity of the Certificates shall be issued (following cancellation of the Initial Certificates described in Section 7) in the form of a single definitive Certificate. Upon issuance, the ownership of each such Certificate shall be registered in the name of Cede & Co., as the nominee of DTC, and all of the Outstanding Certificates shall be registered in the name of Cede & Co., as the nominee of DTC. The City and the Paying Agent/Registrar are authorized to execute, deliver, and take the actions set forth in such letters to or agreements with DTC as shall be necessary to effectuate the DTC System, including the Letter of Representations attached hereto as Exhibit D (the *Representation Letter*).

With respect to the Certificates registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any broker-dealer, bank, or other financial institution for which DTC holds the Certificates from time to time as securities depository (a *Depository Participant*) or to any person on behalf of whom such a Depository Participant holds an interest in the Certificates (an *Indirect Participant*). Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any Depository Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any Depository Participant or any other person, other than a registered owner of the Certificates, as shown on the Security Register, of any notice with respect to the Certificates, including any notice of redemption, or (iii) the delivery to any Depository Participant or any Indirect Participant or any other Person, other than a Holder of a Certificate, of any amount with respect to principal of, premium, if any, or interest on the Certificates. While in the DTC System, no person other than Cede & Co., or any successor thereto, as nominee for DTC, shall receive a bond certificate evidencing the obligation of the City to make payments of principal, premium, if any, and interest pursuant to this Ordinance. 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 or drafts being mailed to the Holder, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

In the event that (a) the City determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (b) the Representation Letter shall be terminated for any reason, or (c) DTC or the City determines that it is in the best interest of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, the City shall notify the Paying Agent/Registrar, DTC, and the Depository Participants of the availability within a reasonable period of time through DTC of bond certificates, and the Certificates shall no longer be restricted to being registered in the name of Cede & Co., as nominee of DTC. At that time, the City may determine that the Certificates shall be registered in the name of and deposited with a successor depository operating a securities depository system, as may be acceptable to the City, or such depository's agent or designee, and if the City and the Paying Agent/Registrar do not select such alternate securities depository system then the Certificates may be registered in whatever name or names the Holders of Certificates transferring or exchanging the Certificates shall designate, in accordance with the provisions hereof.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificate is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Certificate and all notices with respect to such Certificate shall be made and given, respectively, in the manner provided in the Representation Letter.

SECTION 46. Further Procedures. The officers and employees of the City are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the initial sale and delivery of the Certificates, the Purchase Contract, the Paying Agent/Registrar Agreement, and the Official Statement. In addition, prior to the initial delivery of the Certificates, any Authorized Official and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the instruments authorized and approved by this Ordinance and as described in the Official Statement necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance, (ii) obtain a rating from any of the national bond rating agencies, or (iii) obtain the approval of the Certificates by the Texas Attorney General's office. In case any officer of the City whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 47. Municipal Bond Insurance. The payment of the debt service requirements on the Certificates is insured by the Insurer pursuant to the Insurance Policy.

SECTION 48. Contract with Financial Advisor. The City Council authorizes any Authorized Official, or their designees, to take all actions necessary to execute any necessary financial advisory contract with SAMCO Capital Markets, Inc., as the financial advisor to the City (the *Financial Advisor*). The City understands that under applicable federal securities laws and regulations that the City must have a contractual arrangement with its Financial Advisor relating to the sale, issuance, and delivery of the Certificates.

SECTION 49. City's Consent to Provide Information and Documentation to the Texas MAC. The Municipal Advisory Council of Texas (the *Texas MAC*), a non-profit membership corporation organized exclusively for non-profit purposes described in section 501(c)(6) of the Internal Revenue Code and which serves as a comprehensive financial information repository regarding municipal debt issuers in Texas, requires provision of written documentation regarding the issuance of municipal debt by the issuers thereof. In support of the purpose of the Texas MAC and in compliance with applicable law, the City hereby consents to and authorizes any Authorized Official, Bond Counsel to the City, and/or Financial Advisor to the City to provide to the Texas MAC information and documentation requested by the Texas MAC relating to the Certificates; provided, however, that no such information and documentation shall be provided prior to the Closing Date. This consent and authorization relates only to information and documentation that is a part of the public record concerning the issuance of the Certificates.

SECTION 50. Effective Date. Pursuant to the provisions of Section 1201.028, as amended, Texas Government Code, this Ordinance shall be effective immediately upon adoption, notwithstanding any provision in the City's Home Rule Charter to the contrary concerning a multiple reading requirement for the adoption of ordinances.

PASSED, APPROVED, AND ADOPTED on the 10th day of June, 2025.

CITY OF INGLESIDE, TEXAS

Mayor

ATTEST:

City Secretary

(CITY SEAL)

Signature page to the Ordinance
S-1

INDEX TO EXHIBITS

Exhibit A	Paying Agent/Registrar Agreement
Exhibit B	Purchase Contract
Exhibit C	Description of Annual Financial Information
Exhibit D	DTC Letter of Representations
Exhibit E	General Policies and Procedures Concerning Compliance with the Rule

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

See Tab No. __

EXHIBIT B
PURCHASE CONTRACT

See Tab No. __

EXHIBIT C

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 44 of this Ordinance.

Annual Financial Statements and Operating Data

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

(1) The City's audited financial statements for the most recently concluded fiscal year or to the extent these audited financial statements are not available, the portions of the unaudited financial statements of the City appended to the Official Statement as [Appendix D], but for the most recently concluded fiscal year.

(2) The information in the Official Statement under ["Investment Authority and Investment Practices of the Issuer - Current Investments" and in Tables 1 through 15 of "Appendix A - Financial Information of the Issuer"] to the Official Statement.

Accounting Principles

The accounting principles referred to in such Section are generally accepted accounting principles for governmental units as prescribed by the Government Accounting Standards Board from time to time.

EXHIBIT D

DTC LETTER OF REPRESENTATIONS

See Tab No. __

EXHIBIT E

GENERAL POLICIES AND PROCEDURES CONCERNING COMPLIANCE WITH THE RULE

I. Capitalized terms used in this Exhibit have the meanings ascribed thereto in Section 44 of the Ordinance. “Certificates” refer to the Certificates that are the subject of the Ordinance to which this Exhibit is attached.

II. As a capital markets participant, the City is aware of its continuing disclosure requirements and obligations existing under the Rule prior to February 27, 2019, the effective date of the most recent amendment to the Rule (the “Effective Date”), and has implemented and maintained internal policies, processes, and procedures to ensure compliance therewith. Adherence to these internal policies, processes, and procedures has enabled underwriters in non-exempt negotiated sales and initial purchasers in non-exempt competitive sales to comply with their obligations arising under various MSRB rules and regulations concerning due diligence and findings of suitability, among other matters, regarding the City’s compliance with the Rule.

III. The City is aware that the Rule was amended as of the Effective Date (the *Rule Amendment*) and has accommodated this amendment by adding subparagraphs (15) and (16) to Section 44C of the Ordinance, which provisions are a part of the Undertaking.

IV. The City is aware that “participating underwriters” (as such term is defined in the Rule) of the Certificates must make inquiry and reasonably believe that the City is likely to comply with the Undertaking and that the standards for determining compliance have increased over time as a result of, among others, the United States Securities and Exchange Commission’s Municipalities Continuing Disclosure Cooperation Initiative and regulatory commentary relating to the effectiveness of the Rule Amendment.

V. The City now establishes the following general policies and procedures (the “Policies and Procedures”) for satisfying its obligations pursuant to the Undertaking, which policies and procedures have been developed based on the City’s informal policies, procedures, and processes utilized prior to the Effective Date for compliance with the City’s obligations under the Rule, the advice from and discussions with the City’s internal senior staff (including staff charged with administering the City’s financial affairs), its municipal or financial advisors, its legal counsel (including Bond Counsel), and its independent accountants, to the extent determined to be necessary or advisable (collectively, the “Compliance Team”):

1. the City Manager of the City (the “Compliance Officer”) shall be responsible for satisfying the City’s obligations pursuant to the Undertaking through adherence to these Policies and Procedures;
2. the Compliance Officer shall establish reminder or “tickler” systems to identify and timely report to the MSRB, in the format thereby prescribed from time to time, the City’s information of the type described in Section 44B of the Ordinance;
3. the Compliance Officer shall promptly determine the occurrence of any of the events described in Section 44C of the Ordinance;

4. the Compliance Officer shall work with external consultants of the City, as and to the extent necessary, to timely prepare and file with the MSRB the annual information of the City and notice of the occurrence of any of the events referenced in Clauses 2 and 3 above, respectively, the foregoing being required to satisfy the terms of the Undertaking;
5. the Compliance Officer shall establish a system for identifying and monitoring any Financial Obligations, whether now existing or hereafter entered into by the City, and (upon identification) determining if such Financial Obligation has the potential to materially impact the security or source of repayment of the Certificates;
6. upon identification of any Financial Obligation meeting the materiality standard identified in Clause 5 above, the Compliance Officer shall establish a process for identifying and monitoring any City agreement to covenants, events of default, remedies, priority rights, or other similar terms under such Financial Obligation;
7. the Compliance Officer shall establish a process for identifying the occurrence of any default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any Financial Obligation, the occurrence of any of which reflect financial difficulties of the City; and
8. the Compliance Officer shall annually review these Policies and Procedures with the remainder of the Compliance Team, make any modifications on an internal document retained by the Compliance Officer and available to any “participating underwriter” (as defined in the Rule), if requested, and on the basis of this annual review (to the extent determined to be necessary or desirable), seek additional training for herself or himself, as well as other members of the City’s internal staff identified by the Compliance Officer to assist with the City’s satisfaction of the terms and provisions of the Undertaking.

CITY COUNCIL AGENDA

Regular Meeting: June 10, 2025

AGENDA ITEM: 17

Deliberate and take appropriate action on a Special Event Permit request for Courtney Shane Ingleside 4th of July Parade on July 4, 2025.

SUBMITTED BY: Gary Paredez, Director of Infrastructure Services

APPROVED FOR AGENDA: Brenton Lewis, City Manager

BACKGROUND:

Courtney Shane is requesting approval to host the First Annual Ingleside 4th of July Parade on Friday, July 4, 2025. The parade will feature patriotic-themed floats, decorated vehicles, and golf carts. Awards will be presented for 1st, 2nd, and 3rd place in each category (floats, vehicles, and golf carts). The parade is scheduled to begin at 6:30 PM at N.O. Simmons Park. The planned route will proceed along Highway 361, turn onto Main Street, continue onto Belair Drive, Parkview Drive, and end at Live Oak Park near the pond. After the parade, the community is invited to gather at Live Oak Park to enjoy the Kiewit Fireworks Display.

FISCAL ANALYSIS:

N/A

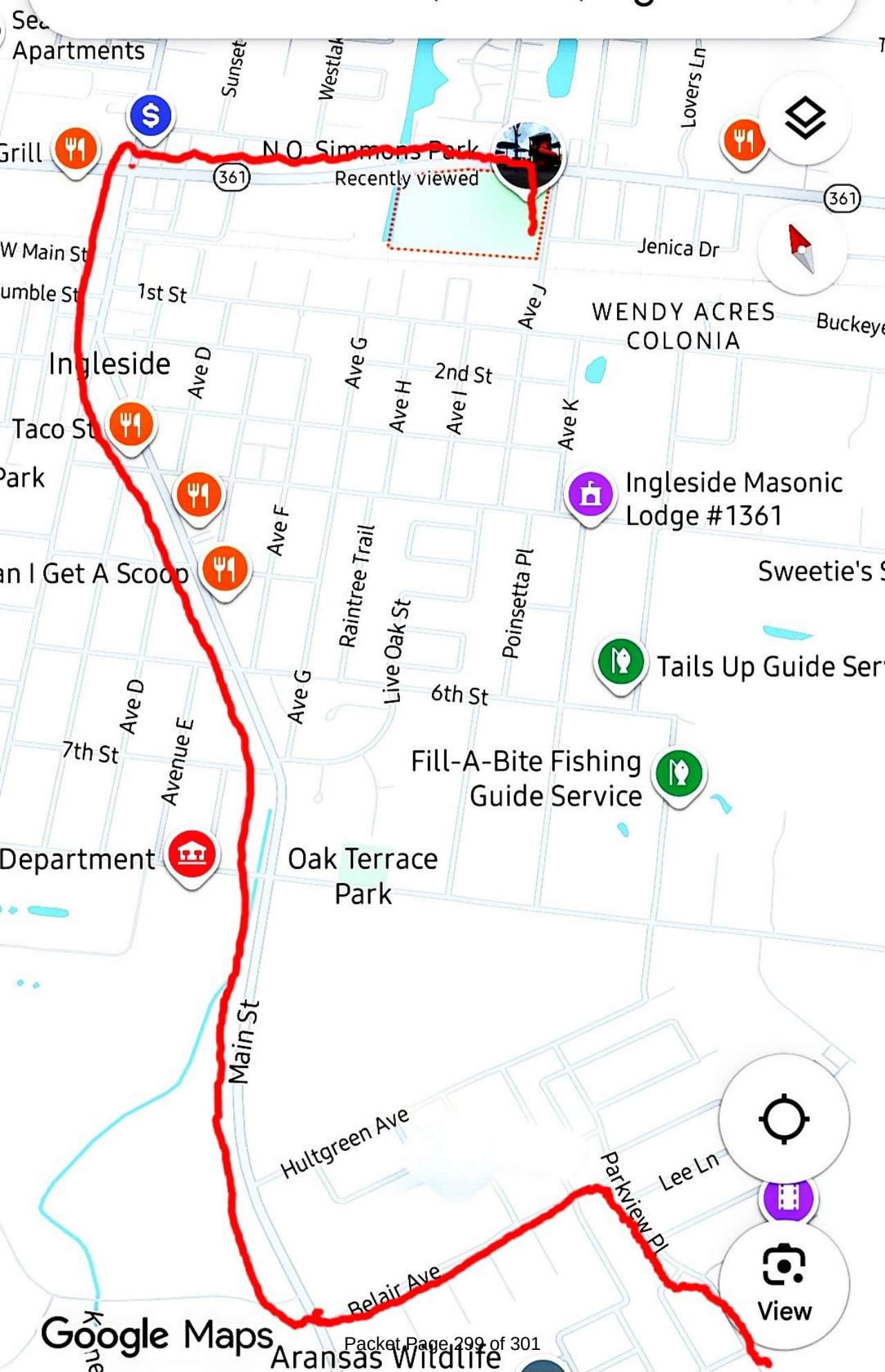
RECOMMENDATION:

Staff recommends approval.

ATTACHMENTS:

1. 4th of July parade route
2. Ingleside 4th of July Parade

N.O. Simmons Park, TX-361, Inglesi... X



City of Ingleside

Special Event Permit

Name of Organization: _____ Non-Profit? Yes ☐ No ☐

Your Name: Courtney Shane HOT Fund Application? Yes ☐ No ☒

Address: 2181 Capeheart City Ingleside Zip 78362

Phone (include area code): (210)846-1334 Email: courtneyfshane@yahoo.com

Name of Event: Ingleside 4th of July Parade Date of Event: July 4, 2025

Estimated Attendance: 150

Facility Requested:

☐ Cove Park

☐ Faith Park:

☐ Garden Center

☐ Dixie Diegel Fields

☐ Other _____

☐ Humble Community Center

☒ Live Oak Park:

☐ Disc Golf

☐ Tennis Courts

☐ Bennie Diegel Fields

☒ Other: open field near pond

☒ N.O. Simmons Park:

☐ Basketball Pavilion

☒ Parking Lot

☐ Picnic Pavilion

☐ Soccer Fields

☐ Football Fields

☐ Other: _____

☐ Whitney Lake Park

Special Requests:

☐ Handwashing Stations

☐ Ticket Booths

☐ Trash Receptacles

☒ Barricades

☐ Move Soccer goals

☐ Temporary Fencing

☐ Electricity

☐ Water

Special Use Activities (check all that apply):

☐ Extended Hours of Park Operation

☐ Overnight Camping

☐ Sale and/or Consumption of Intoxicating Beverages (limit of 48 hours)

☒ Street and/or Sidewalk Closure

☐ Other: _____

Specific time special use activity will take place: 6pm to 10pm (when ever fireworks end)

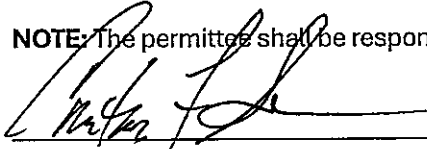
Indicate set-up and take-down times: setup begins at 5pm

Applicant Initial 

City of Ingleside

It is understood that the renter/user of Ingleside community facilities at all times indemnify, defend, and hold harmless the City of Ingleside, Texas, its officers, employees and contractors from and against any and all claims, damages, losses and expenses of whatever nature, including attorney fees, in any manner connected with, related to, or as a result of any actions or inaction associated with the usage of rental of Ingleside facilities. You will be responsible for cleanup and any damage incurred by your event.

NOTE: The permittee shall be responsible for returning the park's grounds to their original state.



Signature of Adult Applicant



Date:

Verification Section:

Applicant must obtain the signature of the Assistant Director of Parks and Recreation to confirm the requested facility is available on the requested date/time.

Assistant Director of Parks and Recreation Signature

Date:

This Special Event Permit was authorized by the City Council on the _____ day of _____.

Note: If signed by the mayor, this document authorizes the Special Event Permit. Additional contracts may be necessary based on the facility selected. Contact the Assistant Director of Parks and Recreation to verify.

Mayor Signature

Date: