



Regular City Council Meeting
June 23, 2020
6:00 p.m.

Marcus Vajdos, Mayor
David Dominy
Joy McCormack

Allen Carpenter, Mayor Pro Tem
Tom Donaho



Notice is Hereby Given of a Regular Meeting of the City Council City of Spring Valley Village, Texas, 1025 Campbell Road, Spring Valley Village, Texas, in the Council Chambers, Tuesday, June 23, 2020, beginning at 6:00 p.m., For the Purpose of Considering and Acting upon the Following Items of Business:

In accordance with order of the Office of the Governor issued March 16, 2020, the City Council of Spring Valley Village will conduct the meeting scheduled at 6:00 p.m. on Tuesday, June 23, 2020 in the City Hall Council Chambers, located at 1025 Campbell Road, in part by telephone conference in order to advance the public health goal of limiting face-to-face meetings (also called “social distancing”) to slow the spread of the Coronavirus (COVID-19).

The meeting agenda and agenda packet are posted online at www.springvalleytx.com.

The video link to this meeting is <https://us02web.zoom.us/j/87377425806>

The public toll-free dial-in numbers to participate in the telephonic meeting are 1-346-248-7799 (Houston), 1-253-215-8782 (US), and 1-301-715-8592 (US); enter the Meeting ID: 873 7742 5806 and #.

The public will be permitted to offer public comments as provided by the agenda and as permitted by the presiding officer during the meeting.

An audio recording of the meeting will be made, and will be available to the public in accordance with the Open Meetings Act upon written request.

1. CALL THE ROLL AND ANNOUNCE A QUORUM IS PRESENT

2. INTRODUCTIONS

3. PROCLAMATIONS / ANNOUNCEMENTS / SWEARING-IN

3.1 Administer Oath of Office to Bo Bothe

3.2 Recognition to Eagle Scout Cameron Ahmed in Appreciation of his Contributions to the City of Spring Valley Village.

4. PUBLIC COMMENTS

At this time, any person with City-related business may speak to the Council. In compliance with the Texas Open Meetings Act, the City Council may not deliberate.

Comments from the public should be limited to a maximum of three (3) minutes per individual speaker.

5. CONSENT AGENDA

All matters listed under consent agenda, are considered to be routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and will be considered separately.

5.1 Minutes for City Council Meeting on May 19, 2020

5.2 Resolution No. 20-XX – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, RATIFYING THE ACTIONS OF THE MAYOR IN AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION TO THE CORONAVIRUS EMERGENCY SUPPLEMENTAL FUNDING PROGRAM TO THE OFFICE OF THE GOVERNOR ON BEHALF OF THE CITY; PROVIDING FOR INCORPORATION OF PREAMBLE; AND PROVIDING AN EFFECTIVE DATE.

OLD BUSINESS

6. **UPDATE, DISCUSSION AND POSSIBLE DIRECTION CONCERNING:** May 2020 Police Department Staff Report Regarding Activities Related to Response to COVID-19. (Chief Evans)
7. **UPDATE, DISCUSSION AND POSSIBLE DIRECTION CONCERNING:** Activities of the Village Fire Department Commissioners Meeting on May 27, 2020 and Any Special Meetings That May Have Occurred Since May 27, 2020. (Mayor Pro Tem Carpenter / Council Member Bothe)
8. **UPDATE, DISCUSSION AND POSSIBLE DIRECTION CONCERNING:** City Update Concerning COVID-19.
9. **DISCUSSION AND POSSIBLE DIRECTION CONCERNING:** Possible Options and Impacts for Converting Cul-de-sacs on Traweek and Lariat to Green Space as Part of the Loeser, Traweek, Lone Star, Lariat and West Tex Paving and Utility Improvement Project
10. **UPDATE, DISCUSSION AND POSSIBLE DIRECTION CONCERNING:** Draft Policy for Sponsorships for City Projects.

NEW BUSINESS

11. **CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Approval of Notice of Sale and Preliminary Official Statement for Tax and Revenue Certificates of Obligation, Series 2020.
12. **CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Ordinance No. 2020-XX – AN ORDINANCE OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS AMENDING CHAPTER 3, BUILDING CONSTRUCTION, OF THE CODE OF ORDINANCES OF THE CITY OF SPRING VALLEY VILLAGE BY AMENDING

SECTION 3.1503(g), MINIMUM PIPE SIZES; AMENDING SECTION 3.1503(h), PIPE CONNECTIONS TO CITY FACILITIES; AMENDING SECTION 3.1504(g), DRAINAGE AREA MAP; AND AMENDING SECTION 3.1505(c), EXCEPTIONS; PROVIDING FOR THE INCORPORATION OF PREAMBLE; PROVIDING A PENALTY IN AN AMOUNT NOT TO EXCEED \$2,000.00 FOR EACH VIOLATION OF THIS ORDINANCE WITH EACH DAY OF VIOLATION CONSTITUTING A SEPARATE VIOLATION; AND PROVIDING A REPEALER CLAUSE, A SEVERABILITY CLAUSE, A SAVINGS CLAUSE, AND AN EFFECTIVE DATE.

13. **CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Resolution No. 20-XX – A RESOLUTION OF THE CITY COUNCIL OF CITY OF SPRING VALLEY VILLAGE, TEXAS, ADOPTING THE HARRIS COUNTY MULTI-HAZARD MITIGATION ACTION PLAN UPDATE IN ITS ENTIRETY AND SPECIFICALLY SECTION 23, SPRING VALLEY VILLAGE, OF VOLUME II – PLANNING PARTNER ANNEXES; PROVIDING FOR THE INCORPORATION OF PREAMBLE; AND PROVIDING AN EFFECTIVE DATE.
14. **CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Ordinance No. 2020-XX - AN ORDINANCE OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, AMENDING THE CITY PERSONNEL MANUAL, AS ADOPTED BY ORDINANCE NUMBER 95-05 DULY PASSED AND APPROVED ON MARCH 29, 1995, BEING AMENDMENT NO. 11 TO THE PERSONNEL MANUAL, TO ADOPT A NEW SECTION 18.12, TEMPORARY EMERGENCY INCIDENT TELECOMMUTING POLICY, OF CHAPTER 18, EMERGENCY OPERATIONS PROCEDURES; PROVIDING FOR THE INCORPORATION OF PREAMBLE; AND PROVIDING A REPEALER CLAUSE, A SEVERABILITY CLAUSE, AND AN EFFECTIVE DATE.
15. **CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Ordinance No. 2020-XX – AN ORDINANCE OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, AMENDING THE CITY PERSONNEL MANUAL, AS ADOPTED BY ORDINANCE NUMBER 95-05 DULY PASSED AND APPROVED ON MARCH 29, 1995, BEING AMENDMENT NO. 12 TO THE PERSONNEL MANUAL, TO ADOPT A NEW CHAPTER 19, INFORMATION SYSTEMS ACCEPTABLE USE POLICY; PROVIDING FOR THE INCORPORATION OF PREAMBLE; AND PROVIDING A REPEALER CLAUSE, A SEVERABILITY CLAUSE, AND AN EFFECTIVE DATE.
16. **UPDATE, DISCUSSION AND POSSIBLE DIRECTION CONCERNING:** Briefing by City Administrator:
 1. Status of Hilldale, Bade & Cardwell Paving and Utility Improvements Project
 2. Status of New Production Well
 3. Status of Development of City Mobile App
 4. Update on Community Development Block Grant – MIT Grant Program
 5. Update on City Events
17. **EXECUTIVE SESSION:** The City Council Will Now Hold A Closed Executive Meeting Pursuant To The Provision Of Chapter 551, Government Code, Vernon's Texas Codes Annotated, In Accordance With The Authority Contained In:
 - 17.1 Section 551.074 – Personnel Matter – Discussion to Deliberate the Appointment,

Employment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of the City Administrator.

18. RECONVENE

19. CONSIDERATION AND POSSIBLE ACTION CONCERNING: Matters Discussed in Executive Session.

20. ADJOURNMENT

Agenda items may not necessarily be considered in the order that they appear. With regard to any item, Council may take various actions, including but not limited to rescheduling an item in its entirety or for particular action at a future date or time.

The City Council reserves the right to convene in executive session from time to time as deemed necessary during this meeting to discuss any of the matters listed in the agenda, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts & Donations), 551.074 (Personnel Matters), 551.076 (Deliberations Regarding Security Devices) or 551.087 (Deliberations Regarding Economic Development Negotiations).

I certify that a copy of the June 23, 2020 agenda of items to be considered by City Council was posted on or before the 17th day of June, 2020, at 2:30 p.m. pursuant to the Open Meetings Act, Chapter 551 of the Texas Government Code.

Attest: 
Roxanne Benitez, TRMC, CPM, CMCC
City Secretary

In compliance with the Americans with Disabilities Act, this facility is wheelchair accessible and accessible parking spaces are available. To better serve attendees, requests for accommodations or interpretive services should be made 48 hours prior to this meeting. Please contact the City Secretary's office at 713-465-8308, Fax 713-461-7969, or Email secretary@springvalleytx.com for further information.

Consent Agenda Items

**MINUTES OF THE REGULAR CITY COUNCIL MEETING
CITY OF SPRING VALLEY VILLAGE, TEXAS
TUESDAY, MAY 19, 2020 AT 6:00 P.M.
IN THE COUNCIL CHAMBERS OF CITY HALL
1025 CAMPBELL ROAD, HOUSTON, TEXAS**

1. CALL THE ROLL AND ANNOUNCE A QUORUM IS PRESENT

With a quorum of the Council Members present, the Regular Meeting of the Spring Valley Village City Council was called to order by Mayor Ramsey at 6:01 p.m.

Members Present:

Mayor Tom Ramsey
Mayor Pro Tem Allen Carpenter
Council Member David Dominy
Council Member Tom Donaho
Council Member Joy McCormack
Council Member Marcus Vajdos

Members Absent:

None

2. INTRODUCTIONS

Julie M. Robinson, City Administrator
Lloyd Evans, Police Chief (by telephone conference)
Roxanne Benitez, City Secretary
Pat Riley, Public Works Director
Michelle Yi, City Treasurer
Zachary Meadows, Director of Community Development
Matthew Hitt, Assistant to the City Administrator
David Dixon, Police Commissioner

3. PROCLAMATIONS / ANNOUNCEMENTS / SWEARING - IN

3.1 Administer Oaths of Office

- Mayor Marcus Vajdos
- Council Member Allen Carpenter
- Council Member Joy McCormack

Municipal Court Judge John J. Klevenhagen III administered the oaths to Mayor Vajdos, Council Member Carpenter, and Council Member McCormack.

At this time, Council Member Dominy made a motion to take Agenda Items 3.3 out of order, and Council Member Carpenter seconded the motion. Motion carried 5-0.

3.3 Presentation to Tom S. Ramsey

Mayor Vajdos presented Mr. Ramsey with a gift in appreciation for his years of service and accomplishments to the City.

3.2 Appoint Mayor Pro-Tem

Council Member Dominy made a motion to accept Mayor Vajdos' recommendation in appointing Council Member Allen Carpenter as Mayor Pro Tem, and Council Member Donaho seconded the motion. Motion carried 5-0.

4. PUBLIC COMMENTS

- 4.1 Rebecca Bloch-Lopez, who lives at 9205 Cardwell Drive, advised that she would have some questions regarding some of the agenda items.

5. CONSENT AGENDA

All matters listed under consent agenda, are considered to be routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and will be considered separately.

- 5.1 Minutes for City Council Meeting on April 28, 2020
- 5.2 Resolution No. 20-XX – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, RATIFYING THE ACTIONS OF THE CITY ADMINISTRATOR IN EXECUTING A PROPOSAL FOR ENGINEERING REVIEW SERVICES BY AND BETWEEN THE CITY OF SPRING VALLEY VILLAGE, TEXAS AND COBB, FENDLEY & ASSOCIATES, INC.; PROVIDING FOR INCORPORATION OF PREAMBLE; AND PROVIDING AN EFFECTIVE DATE.
- 5.3 Approval of Pay Estimate No. 4 for the New Production Well Project to W. W. Payton Corporation in the Amount of \$171,900.

Council Member Donaho made a motion to approve all items on the Consent Agenda, and Council Member Dominy seconded the motion. Motion carried 5-0.

OLD BUSINESS

6. UPDATE, DISCUSSION AND POSSIBLE DIRECTION CONCERNING: April 2020 Police Department Staff Report Regarding Activities Related to Response to COVID-19. (Chief Evans)

Chief Evans briefed the Council on the Department's activities concerning the response to COVID-19, and added that there were no major crimes to report. He also advised that they plan to return to normal operations within six weeks. Chief Evans informed the Council that 300 COVID-19 tests were ordered for the employees of all the Villages, Police Departments, and Fire Department and would be available at and administered by the Village Fire Department.

At this time, Council Member Carpenter made a motion to take Agenda Item 11 out of order, and Council Member McCormack seconded the motion. Motion carried 5-0.

NEW BUSINESS

11. PRESENTATION, BRIEFING AND DISCUSSION CONCERNING: Property Values In The City Of Spring Valley Village Including, But Not Limited To, Historical Value

Trends, Property Tax Revenue Changes, And Litigated Properties For The Last Ten Years. (Roland Altinger, Harris County Appraisal District)

Roland Altinger, Chief Appraiser, and Mike Sullivan, the City's HCAD Representative, appeared before the Council. Mr. Altinger gave a PowerPoint presentation regarding property tax history and revenue changes as well as historical value trends for the City of Spring Valley Village.

At this time, Council Member Carpenter made a motion to take Agenda Items 12-17 out of order, and Council Member McCormack seconded the motion. Motion carried 5-0.

- 12. CONDUCT A PUBLIC HEARING CONCERNING:** A Preliminary and Final Re-Plat of Old Katy Rd. C.O. Reserve, A Plot Containing 1.182 Acres Of Land, Situated In Dwelling District 'A', City Of Spring Valley Village, Harris County, Texas Bearing The Address of 1015 Bade Street.

Mayor Vajdos opened the Public Hearing at 6:39 p.m.

A. Presentation of Preliminary and Final Re-Plat by Applicant

Director of Community Development Zachary Meadows advised that the purpose of applicant's request was to correct the boundaries of the property resulting from the same of a portion of the original property by metes and bounds. Mr. Meadows also advised that, other than the parking lot being re-stripped, the current property would not be re-developed.

B. Those In Favor

None.

C. Those Opposed

None.

D. Adjourn Public Hearing

Mayor Vajdos adjourned the Public Hearing at 6:41 p.m.

- 13. CONSIDERATION AND POSSIBLE ACTION CONCERNING:** A Preliminary and Final Re-Plat of Old Katy Rd. C.O. Reserve, A Plot Containing 1.182 Acres Of Land, Situated In Dwelling District 'A', City Of Spring Valley Village, Harris County, Texas Bearing The Address of 1015 Bade Street.

Council Member McCormack made a motion to approve the preliminary and final re-plat of Old Katy Rd. C.O. Reserve, a plot containing 1.182 acres of land, situated in Dwelling District 'A', City Of Spring Valley Village, Harris County, Texas bearing the address of 1015 Bade Street, and Council Member Carpenter seconded the motion. Motion carried 5-0.

- 14. CONDUCT A PUBLIC HEARING CONCERNING:** Ordinance Number 2020-XX - AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS AMENDING THE CITY'S OFFICIAL ZONING MAP TO ADD A 1.182 ACRE TRACT OF LAND BEING OUT OF LOT 17 AND THE NORTH 20.5 FEET OF LOT 1 OF THE WEST PARK SUBDIVISION, BEARING THE ADDRESS OF 1015 BADE STREET, HOUSTON, TEXAS TO THE FREEWAY PLANNED AREA

DEVELOPMENT DISTRICT (“FPADD”) AND PROVIDING A SEVERABILITY CLAUSE, A SAVINGS CLAUSE AND AN EFFECTIVE DATE.

Mayor Vajdos opened the Public Hearing at 6:44 p.m.

A. Presentation of Requested PAD Amendment by Applicant

Director of Community Development Zachary Meadows advised that the applicant’s request was to re-zone the property so that it matched the adjacent commercial properties.

B. Those In Favor

None.

C. Those Opposed

None.

D. Adjourn Public Hearing

Mayor Vajdos adjourned the Public Hearing at 6:45 p.m.

- 15. CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Ordinance Number 2020-XX - AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS AMENDING THE CITY’S OFFICIAL ZONING MAP TO ADD A 1.182 ACRE TRACT OF LAND BEING OUT OF LOT 17 AND THE NORTH 20.5 FEET OF LOT 1 OF THE WEST PARK SUBDIVISION, BEARING THE ADDRESS OF 1015 BADE STREET, HOUSTON, TEXAS TO THE FREEWAY PLANNED AREA DEVELOPMENT DISTRICT (“FPADD”) AND PROVIDING A SEVERABILITY CLAUSE, A SAVINGS CLAUSE AND AN EFFECTIVE DATE.

Mayor Vajdos read the Ordinance by caption only. Council Member Dominy made a motion to approve Ordinance No. 2020-17, and Council Member Donaho seconded the motion. Motion carried 5-0.

- 16. CONDUCT A PUBLIC HEARING CONCERNING:** Ordinance Number 2020-XX – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, AMENDING EXHIBIT A OF CHAPTER 12, PLANNING AND ZONING, OF THE CODE OF ORDINANCES OF THE CITY, EXHIBIT A BEING THE ZONING ORDINANCE OF THE CITY, BY AMENDING ORDINANCE 2014-12 PROVIDING FOR A PLANNED AREA DEVELOPMENT (“PAD”) OF APPROXIMATELY 2.38 ACRES OF LAND AT THE NORTHEAST INTERSECTION OF I-10 AND CAMPBELL ROAD WITHIN THE FREEWAY PLANNED AREA DEVELOPMENT DISTRICT BY PERMITTING NEW HEALTH CARE AND MEDICAL AND GENERAL BUSINESS OCCUPANCIES; PROVIDING FOR SEVERABILITY; PROVIDING A SAVINGS CLAUSE AND AN EFFECTIVE DATE; AND PROVIDING A PENALTY OF AN AMOUNT NOT TO EXCEED \$2,000 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF.

Mayor Vajdos opened the Public Hearing at 6:48 p.m.

A. Presentation of Requested PAD Amendment by Applicant

Christopher Ebrahimi, the property owner and who lives at 8909 Croes Drive,

advised that they wish to change the list of permitted uses for the ground floor to allow the highest and best use of the property.

B. Those In Favor

None.

C. Those Opposed

None.

D. Adjourn Public Hearing

Mayor Vajdos adjourned the Public Hearing at 6:51 p.m.

- 17. CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Ordinance Number 2020-XX – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, AMENDING EXHIBIT A OF CHAPTER 12, PLANNING AND ZONING, OF THE CODE OF ORDINANCES OF THE CITY, EXHIBIT A BEING THE ZONING ORDINANCE OF THE CITY, BY AMENDING ORDINANCE 2014-12 PROVIDING FOR A PLANNED AREA DEVELOPMENT (“PAD”) OF APPROXIMATELY 2.38 ACRES OF LAND AT THE NORTHEAST INTERSECTION OF I-10 AND CAMPBELL ROAD WITHIN THE FREEWAY PLANNED AREA DEVELOPMENT DISTRICT BY PERMITTING NEW HEALTH CARE AND MEDICAL AND GENERAL BUSINESS OCCUPANCIES; PROVIDING FOR SEVERABILITY; PROVIDING A SAVINGS CLAUSE AND AN EFFECTIVE DATE; AND PROVIDING A PENALTY OF AN AMOUNT NOT TO EXCEED \$2,000 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF.

Mayor Vajdos read the Ordinance by caption only. Council Member Dominy made a motion to approve Ordinance No. 2020-18 with the following modifications that would allow the following uses as P₁ and P₂ as recommended by the Planning & Zoning Commission:

- NAICS Sector 53 – Real Estate and Rental and Leasing
- NAICS Sector 52 – Finance and Insurance
- NAICS Sector 55 – Management of Companies and Enterprises
- NAICS Sector 62 – Health care and Social Assistance,

and Council Member Carpenter seconded the motion. Motion carried 5-0.

- 7. UPDATE, DISCUSSION AND POSSIBLE DIRECTION CONCERNING:** Activities of the Village Fire Department Commissioners Meeting on April 22, 2020 and Any Special Meetings That May Have Occurred Since April 22, 2020. (Council Member Carpenter / Tom Ramsey)

Mayor Pro Tem Carpenter advised that the contract for the Village Fire Department’s building renovation was approved at a special meeting. He also advised that the Fire Department is receiving fewer calls than usual.

- 8. UPDATE, DISCUSSION AND POSSIBLE DIRECTION CONCERNING:** Activities of the Planning and Zoning Commission Meeting of May 12, 2020. (City Attorney Loren Smith)

Mayor Vajdos provided the update in City Attorney Smith's absence, and added that agenda item numbers 12-17 were discussed and recommended for approval at the May 12 Planning & Zoning Commission meeting. He also advised that a PAD amendment for 9210 Old Katy Road as well as the preliminary and final re-plat of 1213 Tamy Lane were not approved by the Planning & Zoning Commission, but would be presented again at future Planning & Zoning Commission and City Council meetings.

9. CONSIDERATION AND POSSIBLE ACTION CONCERNING: Potential Modifications to City's Current Residential Property Tax Exemptions.

City Administrator Julie Robinson advised that during the April 28, 2020 Council Meeting, Council discussed the potential modifications to the Over 65 and Disabled exemptions and requested that Staff research the ability of the City to place a maximum assessed property value applicability limit on both the Over 65 and Disabled property tax exemptions. Ms. Robinson advised that, based on the Texas Tax Code, Council did not have the ability to enact a maximum assessed property value applicability limit on either of the Over 65 and Disabled property tax exemptions, and added that if the Council wished to modify the Over 65 and Disabled residential property tax exemptions, the City must notify the Harris Central Appraisal District prior to May 31. Following discussion, it was the consensus of the City Council to make no changes to the Over 65 and Disabled property tax exemptions.

10. UPDATE, DISCUSSION AND POSSIBLE DIRECTION CONCERNING: City Update Concerning COVID-19.

City Administrator Julie Robinson advised that she is talking with Chief Evans by telephone on almost a daily basis to discuss City operations. She also advised that she anticipated that City Hall would re-open to the public on Monday, June 1 and that City Hall employees had been given the option of returning sooner. Ms. Robinson advised that, in preparation of the City Hall re-opening, the entire building was sanitized with a disinfectant fogging and social distancing signage was placed in the City Hall. Ms. Robinson also advised that Staff was currently working on a telecommuting policy and added that hurricane season starts on June 1. Chief Evans advised that he is in the assessment process for hurricane season and has had several conference calls regarding COVID-19 and the upcoming hurricane season.

NEW BUSINESS

18. CONSIDERATION AND POSSIBLE ACTION CONCERNING: Approval Of A Resolution Authorizing Publication Of Notice Of Intent To Issue Certificates Of Obligation.

City Administrator Julie Robinson advised that this item was discussed at the April 28, 2020 City Council meeting. Drew Masterson, with Masterson Advisors, advised that the issuing rates for certificates of obligation had increased. Neil Thomas, with Norton Rose Fulbright, advised that, if this item was approved, the approval to issue certificates of obligation would be held at the July 14, 2020 City Council meeting. Following discussion, Council Member Donaho made a motion to approve the resolution authorizing the notice publication of intent to issue certificates of obligation, and Council Member McCormack seconded the motion. Motion carried 5-0.

- 19. DISCUSSION AND DIRECTION CONCERNING:** Possible Options and Impacts for Converting Cul-de-sacs on Traweek and Lariat to Greenspace as Part of the Loeser, Traweek, Lone Star, Lariat and West Tex Paving and Utility Improvement Project.

Public Works Director Pat Riley advised that Council requested that Staff evaluate possible options for replacing the cul-de-sacs on Traweek and Lariat with greenspace as part of the upcoming street construction project during the February 24, 2020 City Council meeting. Mr. Riley and City Administrator Julie Robinson outlined a couple of options and the associated impacts for the Council. There was discussion concerning the size of the existing cul-de-sacs and the City's subdivision requirements as well as the impact on emergency vehicles in the event that the pavement area is reduced. There was also discussion concerning the possibility of abandoning right-of-way to increase greenspace. Of greater concern, though, was discussion concerning the use of Lariat as access for the Village Fire Department to the commercial development at 9090 Katy Freeway when that development occurred.

As a result of the discussion, it was determined that, contingent on Staff's discussion with Village Fire Department, Lariat might provide the most opportunity to remove the cul-de-sac and replace it with some type of greenspace. Additionally, on Traweek, the cul-de-sac would most likely remain but the diameter would be reduced.

Ms. Robinson advised that Staff would conduct additional research on this item, and particularly have discussions with Village Fire Department about access, and return with their findings at the June City Council meeting.

- 20. CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Resolution Number 20-XX – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, APPOINTING THE PRESIDING JUDGE, ALTERNATE JUDGES, PROSECUTING ATTORNEYS AND COURT ADMINISTRATOR TO THE SPRING VALLEY VILLAGE MUNICIPAL COURT; AND PROVIDING AN EFFECTIVE DATE.

Mayor Vajdos read the Resolution by caption only. Council Member McCormack made a motion to approve Resolution Number 20-17, and Council Member Carpenter seconded the motion. Motion carried 5-0.

- 21. CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Receipt of Report On The Village Fire Department FY 2019 Annual Audit And Approving The FY 2019 Intra-Budgetary Transfers Based On The FY 2019 Audit.

Council Member McCormack made a motion to approve the Village Fire Department FY 2019 Annual Audit and FY 2019 Intra-budgetary transfers based on the FY 2019 Audit, and Council Member Dominy seconded the motion. Motion carried 5-0.

- 22. CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Proposed FY 2021 Village Fire Department Budget In The Amount Of \$6,961,314.00 With The City Of Spring Valley Village's Annual Assessment Being \$1,131,213.52 (16.25%).

Council Member Donaho made a motion to approve the FY 2021 Village Fire Department Budget in the amount of \$6,961,314.00 with the City of Spring Valley Village's annual assessment being \$1,131,213.52 (16.25%), and Council Member Carpenter seconded the motion. Motion carried 5-0.

23. **CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Alternate Board Member Appointment to the Village Fire Department Board of Commissioners.

Following discussion, Council Member McCormack made a motion to appoint Spring Valley Village resident Bo Bothe as an Alternate Board Member to the Village Fire Department Board of Commissioners, and Council Member Carpenter seconded the motion. Motion carried 5-0.

24. **CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Appointment of An Individual to Fill The Unexpired Term of Council Seat Formerly Held by Marcus Vajdos.

Following discussion, Council Member Carpenter made a motion to appoint Bo Bothe to fill the unexpired term of the Council seat formerly held by Marcus Vajdos, and Council Member Donaho seconded the motion. Motion carried 5-0.

25. **CONSIDERATION AND POSSIBLE ACTION CONCERNING:** City Council Liaison Appointment to the Planning & Zoning Commission.

Council Member McCormack made a motion to appoint Council Member David Dominy as the City Council Liaison to the Planning & Zoning Commission and Council Member Tom Donaho as the Alternate, and Council Member Donaho seconded the motion. Motion carried 5-0.

26. **BRIEFING AND DISCUSSION CONCERNING:** Quarterly Investment Report For Period Ending March 31, 2020.

City Treasurer Michelle Yi presented the Quarterly Investment Report for the period ending March 31, 2020.

27. **UPDATE, DISCUSSION AND POSSIBLE DIRECTION CONCERNING:** Briefing by City Administrator:

1. Status of Hilldale, Bade & Cardwell Paving and Utility Improvements Project

Public Works Director Pat Riley provided an update for the Council and advised that the project should be completed very soon.

2. Status of New Production Well

Public Works Director Pat Riley advised that the CMU (concrete masonry unit) building was currently in design and added that a change order would be submitted for approval at a future Council meeting.

3. Status of Green Valley Drive and Winningham Lane Paving and Utility Improvements Project

Public Works Director Pat Riley advised that project design was 95% complete, and City Administrator Julie Robinson advised that bid documents are currently being reviewed..

28. **ADJOURNMENT**

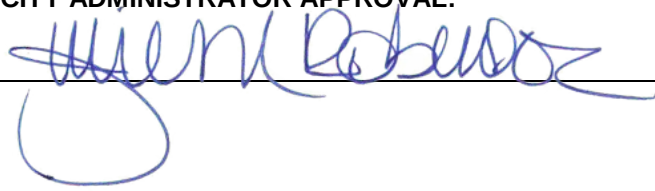
Council Member Carpenter made a motion to adjourn the meeting at 8:36 p.m., and Council Member Donaho seconded the motion. Motion carried 5-0.

Signed: _____
Marcus Vajdos
Mayor

Attest: _____
Roxanne Benitez, TRMC, CPM, CMCC
City Secretary

**Spring Valley Village City Council
Agenda Item Data Sheet**

MEETING DATE: June 23, 2020

TOPIC:	Resolution No. 20-XX A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, RATIFYING THE ACTIONS OF THE MAYOR IN AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION TO THE CORONAVIRUS EMERGENCY SUPPLEMENTAL FUNDING PROGRAM TO THE OFFICE OF THE GOVERNOR ON BEHALF OF THE CITY; PROVIDING FOR INCORPORATION OF PREAMBLE; AND PROVIDING AN EFFECTIVE DATE.
BACKGROUND:	On May 29, 2020, Mayor Vajdos executed a letter authorizing the submission of a grant application to the Coronavirus Emergency Supplemental Funding ("CESF") Program to the Office of the Governor on behalf of the City of Spring Valley Village seeking reimbursement of the Police Department's expenditures related to the City of Spring Valley Village's response to the COVID-19 Pandemic and further designating Police Chief Loyd Evans as the City's authorized official for the grant application. This Resolution would formally ratify Mayor Vajdos' actions and provide formal consent by the City Council to comply with all CESF Program requirements.
RECOMMENDATION:	Staff recommends approval of the Resolution.
ATTACHMENTS:	• Resolution No. 20-XX
FUNDING ISSUES:	☒ Not applicable – no dollars are being spent or received. ☐ Full amount already budgeted in Acct/Project# _____ ☐ Not budgeted, if approved, the following will be included in the next Budget Amendment: ☐ \$_____ from Acct/Project# _____ will be transferred to Acct/Project# _____ ☐ \$_____ from unassigned fund balance will be used and added to Acct/Project# _____ ☐ \$_____ will be added to Revenue Acct# ____-____ and \$_____ added to Expenditure Acct/Project# _____
FINANCE VERIFICATION OF FUNDING: 	
SUBMITTING STAFF MEMBER: Police Chief Loyd Evans	CITY ADMINISTRATOR APPROVAL: 

RESOLUTION NO. 20-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, RATIFYING THE ACTIONS OF THE MAYOR IN AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION TO THE CORONAVIRUS EMERGENCY SUPPLEMENTAL FUNDING PROGRAM TO THE OFFICE OF THE GOVERNOR ON BEHALF OF THE CITY; PROVIDING FOR INCORPORATION OF PREAMBLE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on May 29, 2020, the Mayor executed a letter authorizing the submission of a grant application to the Coronavirus Emergency Supplemental Funding ("CESF") Program to the Office of the Governor on behalf of the City of Spring Valley Village seeking reimbursement of the Police Department's expenditures related to the City of Spring Valley Village's response to the COVID-19 Pandemic and further designating Police Chief Loyd Evans as the City's authorized official for the grant application (hereinafter called "Letter"), a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference; and

WHEREAS, the City Council of the City of Spring Valley Village finds it in the best interest of the citizens of the City of Spring Valley Village that the CESF Program be operated for the remainder of 2020; and

WHEREAS, the City Council agrees to provide applicable matching funds for the said project as required by the CESF Program grant application; and

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

WHEREAS, the City Council formally designates Police Chief Loyd Evans as the City's authorized official, and such authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the City; and

WHEREAS, upon review and consideration of the Letter and all matters attendant and related thereto, the City Council hereby finds and determines that: (1) it is in the best interests of the City of Spring Valley Village and its citizens to submit grant application to the Coronavirus Emergency Supplemental Funding ("CESF") Program to the Office of the Governor on behalf of the City of Spring Valley Village; and (2) that the actions of the Mayor in executing the Letter should be ratified in all respects.

NOW, THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, THAT:

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

Section 2. The actions of the Mayor taken for and on behalf of the City in executing the Letter are ratified in all respects.

Section 3. This Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED on this the 23rd day of June, 2020.

Marcos Vajdos, Mayor
City of Spring Valley Village, Texas

ATTEST:

Roxanne Benitez, City Secretary
City of Spring Valley Village, Texas

EXHIBIT “A”
TO
RESOLUTION NUMBER 20-XX



EST. 1955

SPRING VALLEY VILLAGE

May 29, 2020

RE: Submission of Grant Application for the Coronavirus Emergency Supplemental Funding Program by City of Spring Valley Village
Grant Number: 4165901

To Whom It May Concern:

The City of Spring Valley Village is submitting a Grant Application for the Coronavirus Emergency Supplemental Funding ("CESF") Program to the Office of the Governor, and I have authorized this submission on behalf of the City.

Due to the Memorial Day Weekend, the City Council's May meeting was moved up by a week. As a result, the Resolution formally approving submission of the grant application for the CESF Program was inadvertently left off of the agenda for the Council meeting. However, the Council was apprised by Chief of Police Loyd Evans and City Administrator Julie Robinson during our May 19, 2020 meeting that the City would be submitting a Grant Application to the CESF Program seeking reimbursement of the Police Department's expenditures related to our response to the COVID-19 pandemic. The formal Resolution will be on the City Council's agenda for the June 22, 2020 meeting for approval, and I anticipate that it will be approved by the Council.

On behalf of the City of Spring Valley Village, I designate Chief of Police Loyd Evans as the City's authorized official, and Chief Evans is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the City. The City of Spring Valley Village understands and will fully comply with all of the requirements of the CESF Program.

The City of Spring Valley Village appreciates your consideration of its Grant Application. Should you have any questions or require additional information in order to consider the City's Grant Application, please do not hesitate to contact Chief Evans at (713) 465-8323, City Administrator Julie Robinson at (713) 465-5306, or me at (713) 465-8308.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Vajdos", is written over a horizontal line.

Marcus Vajdos
Mayor

c: Spring Valley Village City Council

**Spring Valley Village City Council
Agenda Item Data Sheet**

MEETING DATE: June 23, 2020

TOPIC:	Possible Options and Impacts for Converting Cul-de-sacs on Traweek and Lariat to Green Space as Part of the Loeser, Traweek, Lone Star, Lariat and West Tex Paving and Utility Improvement Project
---------------	--

BACKGROUND:	During the May 19, 2020 meeting, the Council discussed a couple of options and the associated impacts for converting the cul-de-sacs on Traweek and Lariat to green space. There was discussion concerning the size of the existing cul-de-sacs and the City's subdivision requirements as well as the impact on emergency vehicles in the event that the pavement area is reduced. There was also discussion concerning the possibility of abandoning right-of-way to increase greenspace. Of greater concern, though, was discussion concerning the use of Lariat as access for the Village Fire Department to the commercial development at 9090 Katy Freeway when that development occurred.
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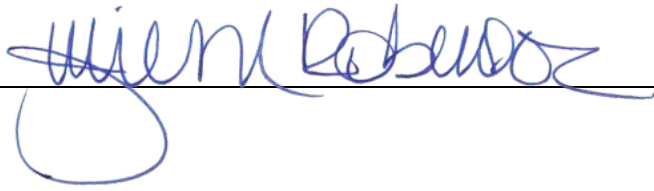
On June 10, 2020, City Administrator Julie Robinson, Director of Community Development Zachary Meadows and I met with Fire Marshal Rusty Kattner to discuss the Village Fire Department's needs related to access from Lariat to the commercial development at 9090 Katy Freeway. Mr. Kattner confirmed that fire access from Lariat was accounted for in the 9090 Katy Freeway development. Mr. Kattner also advised that since both Lariat and Traweek are dead end streets, from a Fire Code standpoint, if the pavement distance from W. Tex is less than 150 feet, then the cul-de-sacs are not required.

Using Google Earth, we were able to identify approximately where 150 feet of pavement on Lariat would extend adjacent to the parking garage for 9090 Katy Freeway, and Mr. Kattner advised that that amount of pavement would be acceptable for providing fire access to the structure. Therefore, the City could install 150 feet of pavement in the reconstruction of Lariat and eliminate the cul-de-sac completely.

Additionally, based on the Fire Code, the City could install 125 feet of pavement in the reconstruction of Traweek which would still allow access by the residents and eliminate the cul-de-sac completely. A graphic from Google Earth of these locations is provided with this agenda item.

For both streets, there is no need to abandon the City's right-of-way in order to accomplish the pavement length or the elimination of the cul-de-sac.

**Spring Valley Village City Council
Agenda Item Data Sheet**

	While it is anticipated that there will be some cost savings to the project depending on how Council wishes to proceed, there will be a small increase to the engineering fee to redesign the drainage (approximately \$4,000) and there would be additional costs for any landscaping and irrigation of the greenspace.
RECOMMENDATION:	Based on this new information, Staff requests direction from Council concerning how it wishes to proceed with the pavement length and cul-de-sacs on Lariat and Traweek.
ATTACHMENTS:	- Graphic from Google Earth Reflecting Pavement Lengths for Lariat and Traweek - Copy of Appendix D, Fire Apparatus Access Roads, of the 2015 International Fire Code
FUNDING ISSUES:	☐ Not applicable – no dollars are being spent or received. ☐ Full amount already budgeted in Acct/Project# _____ ☒ Not budgeted, if approved, the following will be included in the next Budget Amendment: ☐ \$_____ from Acct/Project# _____ will be transferred to Acct/Project# _____ ☒ \$4,000 from unassigned fund balance will be used and added to Acct/Project# <u>25-50-5545</u> ☐ \$_____ will be added to Revenue Acct# ____-____ and \$_____ added to Expenditure Acct/Project# _____
FINANCE VERIFICATION OF FUNDING:	
	
SUBMITTING STAFF MEMBER: Pat Riley, Director of Public Works	CITY ADMINISTRATOR APPROVAL: 

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APPENDIX D

FIRE APPARATUS ACCESS ROADS

The provisions contained in this appendix are not mandatory unless specifically referenced in the adopting ordinance.

SECTION D101 GENERAL

D101.1 Scope. Fire apparatus access roads shall be in accordance with this appendix and all other applicable requirements of the *International Fire Code*.

SECTION D102 REQUIRED ACCESS

D102.1 Access and loading. Facilities, buildings or portions of buildings hereafter constructed shall be accessible to fire department apparatus by way of an *approved* fire apparatus access road with an asphalt, concrete or other *approved* driving surface capable of supporting the imposed load of fire apparatus weighing at least 75,000 pounds (34 050 kg).

SECTION D103 MINIMUM SPECIFICATIONS

D103.1 Access road width with a hydrant. Where a fire hydrant is located on a fire apparatus access road, the minimum road width shall be 26 feet (7925 mm), exclusive of shoulders (see Figure D103.1).

D103.2 Grade. Fire apparatus access roads shall not exceed 10 percent in grade.

Exception: Grades steeper than 10 percent as *approved* by the fire chief.

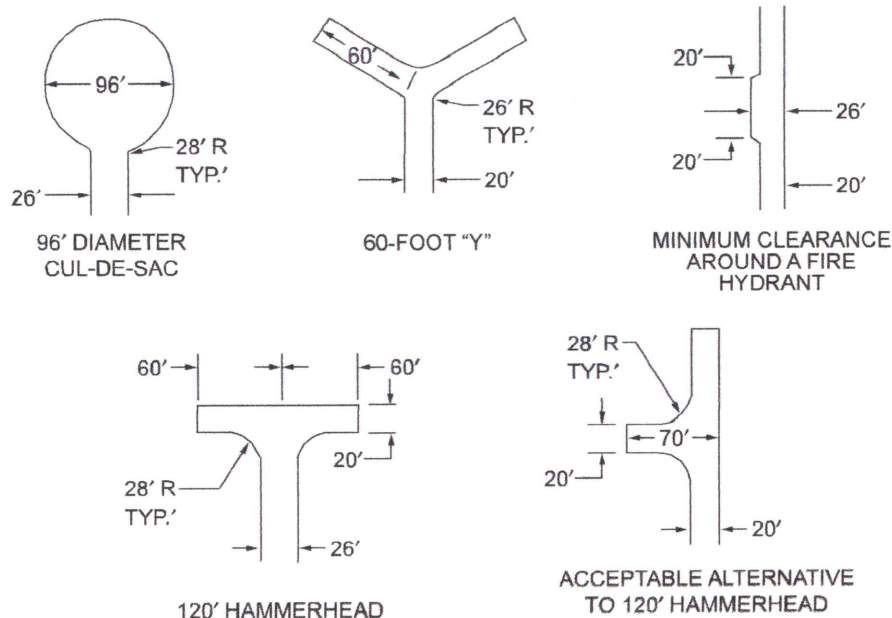
D103.3 Turning radius. The minimum turning radius shall be determined by the *fire code official*.

D103.4 Dead ends. Dead-end fire apparatus access roads in excess of 150 feet (45 720 mm) shall be provided with width and turnaround provisions in accordance with Table D103.4.

**TABLE D103.4
REQUIREMENTS FOR DEAD-END
FIRE APPARATUS ACCESS ROADS**

LENGTH (feet)	WIDTH (feet)	TURNAROUNDS REQUIRED
0-150	20	None required
151-500	20	120-foot Hammerhead, 60-foot "Y" or 96-foot diameter cul-de-sac in accordance with Figure D103.1
501-750	26	120-foot Hammerhead, 60-foot "Y" or 96-foot diameter cul-de-sac in accordance with Figure D103.1
Over 750		Special approval required

For SI: 1 foot = 304.8 mm.



For SI: 1 foot = 304.8 mm.

**FIGURE D103.1
DEAD-END FIRE APPARATUS ACCESS ROAD TURNAROUND**

Spring Valley Village City Council Agenda Item Data Sheet

MEETING DATE: June 23, 2020

TOPIC:	Revised Draft Policy for Sponsorships for City Projects
BACKGROUND:	During the April 28, 2020 meeting, the City Council provided feedback to Staff regarding the draft Policy for Sponsorships for City Facilities, Equipment, Services and Projects. Based on that feedback, the following changes were made to the draft Policy: - Removed restriction on allowing for sponsorships from religious organizations. - Removed language making the policy applicable only to City Park projects to broaden the applicability of the policy to any City project. - Removed language allowing for City Administrator approval of certain sponsorships. All sponsorship requests will be submitted to the Council for consideration. - Revised the language to provide that, once submitted, a potential sponsorship will be presented to the City Council for consideration with a recommendation from City Staff concerning possible sponsorship benefits appropriate for the project. This recommendation would take into consideration any differentiation between sponsorships from individuals vs. corporations/organizations. Staff requests any additional direction from the Council concerning changes to the draft policy prior to finalizing it. In the event there are no additional changes, then a final version will be submitted for consideration at the July Council meeting.
RECOMMENDATION:	Staff requests any further direction from the Council concerning additional changes to the draft sponsorship policy.
ATTACHMENTS:	- Clean Version of Revised Draft Policy on Sponsorships for City Projects - Redlined Version of Revised Draft Policy on Sponsorships for City Facilities, Equipment, Services and Projects
FUNDING ISSUES:	☒ Not applicable – no dollars are being spent or received. ☐ Full amount already budgeted in Acct/Project# _____ ☐ Not budgeted, if approved, the following will be included in the next Budget Amendment: ☐ \$ _____ from Acct/Project# _____ will be transferred to Acct/Project# _____ ☐ \$ _____ from unassigned fund balance will be used and added to Acct/Project# _____ ☐ \$ _____ will be added to Revenue Acct# ____-____ and \$ _____ added to Expenditure Acct/Project# _____
FINANCE VERIFICATION OF FUNDING:	
SUBMITTING STAFF MEMBER:	CITY ADMINISTRATOR APPROVAL:
Julie M. Robinson, City Administrator	

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Effective Date: _____

Approved: _____

CITY OF SPRING VALLEY VILLAGE ADMINISTRATIVE POLICIES AND PROCEDURES

TOPIC: Sponsorships for City Projects

Purpose

This policy sets the standards, guidelines and approval criteria for solicitation, consideration and acceptance of sponsorships for City Projects. This policy does not apply to City events. This policy is designed to protect the mission, image and values of the City of Spring Valley Village, its equipment, facilities, services, and projects. No sponsorship shall be approved that will compromise or damage the public trust or conflict with or compromise the City's reputation, mission, image, values or aesthetic interests.

Spring Valley Village will neither seek nor accept sponsorships from political organizations. The approval of a sponsorship does not constitute an endorsement by the City of the sponsor, its organization, products, or services. The City will not make any statements that directly or indirectly advocate or endorse a sponsor, their products, or services.

No materials or communications, including, but not limited to print, video, internet, broadcast, or display items developed to promote or communicate the sponsorship using City's name, marks, or logo, may be issued without written approval from the City Administrator or designee(s).

This policy is also designed to:

- Ensure a transparent process for considering sponsorship opportunities;
- Provide the City of Spring Valley Village with full and final decision making authority on any sponsorship opportunity, thus protecting its integrity and the integrity of its facilities and services; and
- Provide a clear process for sponsorships for consistent application by City staff, the Council, potential sponsors, and the public and understand the various sponsorship opportunities available.

Definition of Sponsorship

“Sponsorship” is financial support from an outside person or entity, including other governmental or quasi-governmental organizations, (collectively “outside entity”) to associate the outside entity’s name, logo, products or services with the City. Sponsorship is a business relationship in which the City and the outside entity exchange financial remuneration for the public display of an agreed-upon sponsorship recognition message.

Possible Sponsorship Opportunities

The City of Spring Valley Village will consider sponsorships of various City projects. Generally such sponsorships are used to help with the cost of the project to which they are given.

All sponsorships must be made to the City of Spring Valley Village, and all sponsorship requests must be approved by the City Council. In the event a potential sponsorship is submitted to the City for a project, it will be presented to the City Council for consideration with a recommendation from City Staff concerning possible sponsorship benefits appropriate for the project.

Evaluation Criteria

The following criteria shall be considered by the City in evaluating sponsorship requests:

- The extent and prominence of the sponsorship.
- The importance of the sponsorship to the mission, values and image of the City.
- The level of support proposed to be provided by the sponsor.
- The cooperation necessary and degree of support from other City departments to implement the sponsorship.
- The value of the resources that is provided to the City in fulfilling its overall mission.
- Other factors that might affect or undermine the public trust or public confidence in the City’s impartiality or interfere with the efficient delivery of City services or operations, including, but not limited to, the existence of, or possibility for, conflicts of interest between the sponsor and City officers, employees, or City affiliates; the potential for the sponsorship to tarnish the City’s reputation or standing among its citizens, or the potential to otherwise impair the ability of City

to govern its citizens, or distract the City and its officers and employees from its mission.

Sponsorship Agreement

Upon approval of a sponsorship request, the sponsor and City shall enter into a Sponsorship Agreement.

DRAFT

DIVIDER PAGE



Effective Date: _____
Approved: _____

CITY OF SPRING VALLEY VILLAGE ADMINISTRATIVE POLICIES AND PROCEDURES

TOPIC: Sponsorships for City ~~Facilities, Equipment, Services and~~ Projects

Purpose

This policy sets the standards, guidelines and approval criteria for solicitation, consideration and acceptance of sponsorships for City ~~Facilities, Equipment, Services, and~~ Projects. ~~This policy does not apply to City events.~~ This policy is designed to protect the mission, image and values of the City of Spring Valley Village, its equipment, facilities, services, and projects. No sponsorship shall be approved that will compromise or damage the public trust or conflict with or compromise the City's reputation, mission, image, values or aesthetic interests.

Spring Valley Village will neither seek nor accept sponsorships from political ~~or religious~~ organizations. The approval of a sponsorship does not constitute an endorsement by the City of the sponsor, its organization, products, or services. The City will not make any statements that directly or indirectly advocate or endorse a sponsor, their products, or services.

No materials or communications, including, but not limited to print, video, internet, broadcast, or display items developed to promote or communicate the sponsorship using City's name, marks, or logo, may be issued without written approval from the City Administrator or designee(s).

This policy is also designed to:

- Ensure a transparent process for considering sponsorship opportunities;
- Provide the City of Spring Valley Village with full and final decision making authority on any sponsorship opportunity, thus protecting its integrity and the integrity of its facilities and services; and
- Provide a clear process for sponsorships for consistent application by City staff, the Council, potential sponsors, and the public and understand the various sponsorship opportunities available.

Definition of Sponsorship

"Sponsorship" is financial support from an outside person or entity, including other governmental or quasi-governmental organizations, (collectively "outside entity") to associate the outside entity's name, logo, products or services with the City. Sponsorship is a business relationship in which the City and the outside entity exchange financial remuneration for the public display of an agreed-upon sponsorship recognition message.

Possible Sponsorship Opportunities

The City of Spring Valley Village will consider sponsorships ~~of equipment for the Spring Valley Village City Park, including playground equipment, picnic tables, park benches, or other projects within the City Park as they arise of various City projects.~~ Generally such sponsorships are used to help with the cost of the project to which they are given.

All sponsorships must be made to the City of Spring Valley Village, and all sponsorship requests must be approved by the City Council. In the event a potential sponsorship is submitted to the City for a project, it will be presented to the City Council for consideration with a recommendation from City Staff concerning possible sponsorship benefits appropriate for the project.

~~As other City facilities, equipment, services and projects become available, the City Administrator will make a recommendation to the City Council concerning appropriate amounts for those areas.~~

Sponsorships of \$5,000 and Greater

~~With a minimum monetary sponsorship of \$5,000 or more, a sponsor may request to have a City facility, piece of equipment, service or project named in recognition of their sponsorship. Sponsorship recognition, including signage and other visible advertising, will be considered on a case-by-case basis, consistent with this policy.~~

~~All sponsorships must be made to the City of Spring Valley Village, and all sponsorship requests must be approved by the City Council.~~

~~Spring Valley Village will not guarantee the naming rights for a facility, piece of equipment, service or project for more than ten years. The City of Spring Valley Village reserves the right to choose the wording, size, placement, and style of recognition plaques.~~

Sponsorships Less than \$5,000

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~~The City Administrator is authorized to accept any monetary sponsorship of less than \$5,000 on behalf of the City if the sponsorship is deemed appropriate and shall deposit such monies with the City Treasurer. Generally, sponsorships of less than \$5,000 shall be recognized by a plaque or something similar. The City of Spring Valley Village reserves the right to choose the wording, size, placement, and style of recognition plaques.~~

Evaluation Criteria

The following criteria shall be considered by the City in evaluating sponsorship requests:

- The extent and prominence of the sponsorship.
- The importance of the sponsorship to the mission, values and image of the City.
- The level of support proposed to be provided by the sponsor.
- The cooperation necessary and degree of support from other City departments to implement the sponsorship.
- The value of the resources that is provided to the City in fulfilling its overall mission.
- Other factors that might affect or undermine the public trust or public confidence in the City's impartiality or interfere with the efficient delivery of City services or operations, including, but not limited to, the existence of, or possibility for, conflicts of interest between the sponsor and City officers, employees, or City affiliates; the potential for the sponsorship to tarnish the City's reputation or standing among its citizens, or the potential to otherwise impair the ability of City to govern its citizens, or distract the City and its officers and employees from its mission.

Sponsorship Agreement

Upon approval of a sponsorship request, the sponsor and City shall enter into a Sponsorship Agreement.

**Spring Valley Village City Council
Agenda Item Data Sheet**

MEETING DATE: June 23, 2020

TOPIC:	CONSIDERATION AND POSSIBLE ACTION CONCERNING: Approval of Notice of Sale and Preliminary Official Statement for Tax and Revenue Certificates of Obligation, Series 2020.
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BACKGROUND:	The Notice of Sale and Preliminary Official Statement are required to publicly offer the \$7,785,000 Tax and Revenue Certificates of Obligation, Series 2020, currently scheduled for approval in July 2020. The documents are securities offering documents, and should be reviewed and approved by council.
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RECOMMENDATION:	Staff recommends approval of the Notice of Sale and Preliminary Official Statement for Tax and Revenue Certificates of Obligation, Series 2020.
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ATTACHMENTS:	• Copy of Draft Preliminary Official Statement for Tax and Revenue Certificates of Obligation, Series 2020 • Copy of Draft Notice of Sale and Bidding Instructions
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FUNDING ISSUES:	☒ Not applicable – no dollars are being spent or received. ☐ Full amount already budgeted in Acct/Project# _____ ☐ Not budgeted, if approved, the following will be included in the next Budget Amendment: ☐ \$_____ from Acct/Project# _____ will be transferred to Acct/Project# _____ ☐ \$_____ from unassigned fund balance will be used and added to Acct/Project# _____ ☐ \$_____ will be added to Revenue Acct# ____-____ and \$_____ added to Expenditure Acct/Project# _____
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FINANCE VERIFICATION OF FUNDING:	
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SUBMITTING STAFF MEMBER:	CITY ADMINISTRATOR APPROVAL:
Drew Masterson, Masterson Advisors	 

DIVIDER PAGE

PRELIMINARY OFFICIAL STATEMENT

DATED _____, 2020

**Ratings: S&P: “_____”
See (“OTHER INFORMATION -
RATINGS” herein)**

NEW ISSUE - BOOK-ENTRY-ONLY

In the opinion of Bond Counsel, interest on the Certificates is excludable from gross income for federal income tax purposes under existing law, subject to the matters described under “TAX MATTERS – TAX EXEMPTION” herein.

**THE CERTIFICATES WILL BE DESIGNATED AS “QUALIFIED TAX-EXEMPT OBLIGATIONS”
FOR FINANCIAL INSTITUTIONS.**

**\$7,785,000*
CITY OF SPRING VALLEY VILLAGE, TEXAS
(Harris County)
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION
SERIES 2020**

Dated Date: August 1, 2020

Due: February 15, as shown on the inside cover

Interest Accrual Date: Date of Delivery

PAYMENT TERMS . . . Interest on the \$7,785,000* City of Spring Valley Village, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2020 (the “Certificates”) will accrue from the date of initial delivery (expected August 4, 2020) to the purchaser thereof (the “Delivery Date”) and will be payable February 15 and August 15 of each year commencing February 15, 2021, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Certificates will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company (“DTC”), pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Certificates may be acquired in denominations of \$5,000 or integral multiples thereof. No physical delivery of the Certificates will be made to the owners thereof. Principal of, premium, if any, and interest on the Certificates will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Certificates. See “The Certificates - Book-Entry-Only System” herein. The initial Paying Agent/Registrar is The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (see “THE CERTIFICATES - PAYING AGENT/REGISTRAR”).

AUTHORITY FOR ISSUANCE . . . The Certificates are issued pursuant to the Constitution and general laws of the State of Texas (the “State”), including particularly Subchapter C of Chapter 271, Texas Government Code (the “Act”), as amended, and constitute direct obligations of the City, payable from an annual ad valorem tax levied, within the limits prescribed by law, on all taxable property within the City, as provided in the ordinance authorizing the issuance of the Certificates (the “Ordinance”) and from a limited pledge of the surplus revenues of the City’s waterworks and sewer system, See “THE CERTIFICATES – AUTHORITY FOR ISSUANCE”).

PURPOSE . . . Proceeds from the sale of the Certificates will be used for the purpose of paying contractual obligations to fund design, acquisition, construction, equipping, and improvement of (i) streets and roadways and related improvements, and for the purchase of materials, supplies, machinery, land, and rights-of-way related thereto; (ii) drainage improvements, and for the purchase of materials, supplies, machinery, land, and rights-of-way related thereto; and (iii) certain other costs related and incidental thereto and the issuance costs of the Certificates.

SEE MATURITY SCHEDULE ON THE INSIDE COVER

OPTIONAL REDEMPTION . . . The City reserves the right, at its option, to redeem Certificates having stated maturities on and after February 15, 2029, in whole or from time to time in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2028, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. (See “THE CERTIFICATES – OPTIONAL REDEMPTION”).

MANDATORY SINKING FUND REDEMPTION. . . In addition to the foregoing optional redemption provision, if principal amounts designated in the serial maturity schedule on the inside cover page hereof are combined to create Term Certificates, each such Term Certificate shall be subject to mandatory sinking fund redemption commencing on February 15 of the first year which has been combined to form such Term Certificate and continuing on February 15 in each year thereafter until the stated maturity date of that Term Certificate, and the amount required to be redeemed in any year shall be equal to the principal amount for such year set forth in the serial maturity schedule above. Term Certificates to be redeemed in any year by mandatory sinking fund redemption shall be redeemed at par and shall be selected by lot from and among the Term Certificates then subject to redemption. The City, at its option, may credit against any mandatory sinking fund redemption requirement Term Certificates of the maturity then subject to redemption which have been purchased and canceled by the City or have been redeemed and not theretofore applied as a credit against any mandatory sinking fund redemption requirement.

LEGALITY . . . The Certificates are offered for delivery when, as and if issued and received by the initial purchaser (the “Initial Purchaser”) and subject to the approving opinions of the Attorney General of Texas and of Norton Rose Fulbright US LLP, Bond Counsel, Houston, Texas (see Appendix C, “FORM OF BOND COUNSEL’S OPINION”).

DELIVERY . . . It is expected that the Certificates will be available for delivery through the Depository Trust Company on August 4, 2020.

BIDS DUE JULY 14, 2020, AT 10:00 A.M., CST

*Preliminary, subject to change. (see THE SALE - "ADJUSTMENT OF PRINCIPAL AMOUNTS" in the accompanying Notice of Sale)

\$7,785,000*
CITY OF SPRING VALLEY VILLAGE, TEXAS
(Harris County)

COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION
SERIES 2020

MATURITY SCHEDULE*

Due Feb. 15	Principal Amount*	Interest Rate	Yield ⁽¹⁾	CUSIP ⁽²⁾
2022	\$ 290,000	%	%	
2023	305,000			
2024	310,000			
2025	320,000			
2026	325,000			
2027	345,000			
2028	355,000			
2029 ⁽³⁾	370,000			
2030 ⁽³⁾	385,000			
2031 ⁽³⁾	400,000			
2032 ⁽³⁾	415,000			
2033 ⁽³⁾	430,000			
2034 ⁽³⁾	450,000			
2035 ⁽³⁾	465,000			
2036 ⁽³⁾	485,000			
2037 ⁽³⁾	505,000			
2038 ⁽³⁾	525,000			
2039 ⁽³⁾	545,000			
2040 ⁽³⁾	560,000			

* Preliminary, subject to change. (see THE SALE - "ADJUSTMENT OF PRINCIPAL AMOUNTS" in the accompanying Notice of Sale)

- (1) The initial reoffering prices or yields on the Certificates are furnished by the Initial Purchaser and represent the initial offering prices or yields to the public, which may be changed by the Initial Purchaser at any time.
- (2) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the City, the Financial Advisor, nor Bond Counsel shall be responsible for the selection or correctness of CUSIP numbers shown herein.
- (3) The City reserves the right, at its option, to redeem Certificates having stated maturities on and after February 15, 2029, in whole or from time to time in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2028, or any date thereafter, at the par value thereof plus accrued interest from the most recent interest payment date to the date of redemption.

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission (the "Rule"), this document as the same may be supplemented or corrected by the City from time-to-time, may be treated as an Official Statement with respect to the Certificates described herein "deemed final" by the City as of the date hereof (or of any such supplement or correction) except for the omission of no more than the information provided by subsection (b)(1) of the Rule.

This Official Statement, which includes the cover page and the Appendices hereto, does not constitute an offer to sell or the solicitation of an offer to buy in any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale.

No dealer, broker, salesperson or other person has been authorized to give information or to make any representation other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon.

The information set forth herein has been obtained from the City and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as the promise or guarantee of the Financial Advisor. This Official Statement contains, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized.

The information and expressions of opinion contained herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or other matters described.

None of the City, the Financial Advisors, or the Initial Purchasers make any representation or warranty with respect to the information contained in the Official Statement regarding the Depository Trust Company ("DTC") or its Book-Entry-Only System as described under "THE CERTIFICATES- BOOK-ENTRY-ONLY SYSTEM" as such information has been provided by DTC.

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The cover page hereof, inside cover page, this page, the appendices included herein and any addenda or amendment hereto, are part of the Official Statement.

OFFICIAL STATEMENT SUMMARY

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

- THE CITY**.....The City of Spring Valley Village, Texas (the “City”) is a political subdivision and municipal corporation of the State of Texas, located in Harris County, Texas. The City covers approximately two square miles (see “INTRODUCTION - DESCRIPTION OF CITY”).
- THE CERTIFICATES**The Certificates are issued as \$7,785,000* Combination Tax and Revenue Certificates of Obligation, Series 2020. The Certificates are issued as serial Certificates maturing February 15, 2022 through and including February 15, 2040, unless the Initial Purchaser designates one or more maturities as Term Certificates (see “THE CERTIFICATES—DESCRIPTION OF THE CERTIFICATES”).
- PAYMENT OF INTEREST**Interest on the Certificates accrues from the date of delivery and is payable February 15, 2021, and each February 15 and August 15 thereafter until maturity or prior redemption (see “THE CERTIFICATES - DESCRIPTION OF THE CERTIFICATES” and “THE CERTIFICATES - OPTIONAL REDEMPTION”).
- AUTHORITY FOR
ISSUANCE**.....The Certificates are issued pursuant to the general laws of the State, including particularly Subchapter C of Chapter 271, Texas Local Government Code and an ordinance passed by the City Council of the City (see “THE CERTIFICATES - AUTHORITY FOR ISSUANCE”).
- SECURITY FOR THE
CERTIFICATES**The Certificates constitute direct obligations of the City, payable from the levy and collection of an annual ad valorem tax, within the limits prescribed by law, on all taxable property within the City and a limited pledge of a subordinate lien on the net revenues of the City’s waterworks and sewer system (see “THE CERTIFICATES - SECURITY AND SOURCE OF PAYMENT”).
- OPTIONAL REDEMPTION**.....The City reserves the right, at its option, to redeem Certificates having stated maturities on and after February 15, 2029, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2028, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see “THE CERTIFICATES—OPTIONAL REDEMPTION”). Additionally, the Certificates may be subject to mandatory redemption in the event the Initial Purchaser elects to aggregate one or more maturities as a Term Certificate. (See “THE CERTIFICATES—MANDATORY SINKING FUND REDEMPTION.”)
- QUALIFIED TAX-EXEMPT
OBLIGATIONS**The City will designate the Certificates as “Qualified Tax-Exempt Obligations” for financial institutions (see “TAX MATTERS -QUALIFIED TAX-EXEMPT OBLIGATIONS”).
- TAX EXEMPTION**In the opinion of Bond Counsel, interest on the Certificates is excludable from gross income for federal income tax purposes under existing law, subject to the matters described under “TAX MATTERS - TAX EXEMPTION” herein. See “TAX MATTERS - TAX EXEMPTION” for a discussion of the opinion of Bond Counsel.
- USE OF PROCEEDS**Proceeds from the sale of the Certificates will be used for the purpose of paying contractual obligations to fund design, acquisition, construction, equipping, and improvement of (i) streets and roadways and related improvements, and for the purchase of materials, supplies, machinery, land, and rights-of-way related thereto; (ii) drainage improvements, and for the purchase of materials, supplies, machinery, land, and rights-of-way related thereto; and (iii) certain other costs related and incidental thereto and the issuance costs of the Certificates.
- RATINGS**.....The Certificates and presently outstanding tax supported debt of the City are rated “____” by S&P Global Ratings, a Standard & Poor’s Financial Services LLC business (“S&P”) without regard to credit enhancement (see “OTHER INFORMATION - RATINGS”).
- BOOK-ENTRY-ONLY
SYSTEM**The definitive Certificates will be initially registered and delivered only to Cede & Co., the nominee of DTC pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Certificates may be acquired in denominations of \$5,000 or integral multiples thereof. No physical delivery of the Certificates will be made to the beneficial owners thereof. Principal of, premium, if any, and interest on the Certificates will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Certificates (see “THE CERTIFICATES - BOOK-ENTRY-ONLY SYSTEM”).
- PAYMENT RECORD** The City has never defaulted in payment of its general obligation tax debt.

* Preliminary, subject to change. (See THE SALE - "ADJUSTMENT OF PRINCIPAL AMOUNTS" in the accompanying Notice of Sale).

SELECTED FINANCIAL INFORMATION

Fiscal Year End 9/30	Estimated City Population ⁽¹⁾	Taxable Assessed Valuation ⁽²⁾	Per Capita Taxable Assessed Valuation	G.O. Tax Debt Outstanding at End of Year	Per Capita G.O. Tax Debt	Ratio Tax Debt to Taxable Assessed Valuation	Percent of Total Tax Collections
2015	4,142	\$ 837,504,901	\$ 202,198	\$ 13,475,000	\$ 3,253	1.61%	97.95%
2016	4,191	978,676,056	233,519	13,075,000	3,120	1.34%	99.43%
2017	4,328	1,084,622,094	250,606	12,565,000	2,903	1.16%	99.08%
2018	4,328	1,185,870,072	274,000	12,035,000	2,781	1.01%	99.65%
2019	4,328	1,235,151,696	285,386	18,225,000	4,211	1.48%	97.83%
2020	4,333	1,151,034,042	265,644	25,075,000 ⁽³⁾	5,787 ⁽³⁾	2.18% ⁽³⁾	97.67%

(1) Source: The City.

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

(3) Includes the Certificates. Preliminary, subject to change.

GENERAL FUND CONSOLIDATED STATEMENT SUMMARY

	Fiscal Year Ended September 30,				
	2019	2018	2017	2016	2015
Total Revenue	9,037,391	8,274,077	7,421,720	7,107,526	7,808,782
Total Expenditures	6,470,704	5,447,839	5,126,543	5,033,312	4,825,082
Other Financing Sources (Uses):	(1,925,684)	(1,568,306)	(2,191,260)	(1,378,677)	(2,061,690)
Beginning Fund Balance	7,465,952	6,208,020	6,104,103	5,408,566	4,486,556
Increase (Decrease) in Fund Balance	641,003	1,257,932	103,917	695,537	922,010
Ending General Fund Balance	<u>8,106,955</u>	<u>7,465,952</u>	<u>6,208,020</u>	<u>6,104,103</u>	<u>5,408,566</u>

CITY OFFICIALS, STAFF AND CONSULTANTS

ELECTED OFFICIALS

City Council	Position	Length of Service	Term Expires	Occupation
Marcus Vajdos	Mayor	9 years	2022	Accountant
Allen Carpenter	Mayor Pro Tem	8 years	2022	IT Manager
Tom Donaho	Council Member	3 years	2021	Attorney
David Dominy	Council Member	2 years	2021	Real Estate
Joy McCormack	Council Member	2 years	2022	Jedhi LLC Manager

SELECTED ADMINISTRATIVE STAFF

Name	Position	Years of Service to the City	Years of Experience
Julie Robinson	City Administrator	3 years	25 years
Roxanne Benitez	City Secretary	5.5 years	20 years
Michelle Yi	City Treasurer	8 years	18 years
Loyd R. Evans	Chief of Police	16 years	4 years ⁽¹⁾
Pat Riley	Public Works Director	1 year	25 years

(1) Overall law enforcement experience of more than 20 years.

CONSULTANTS AND ADVISORS

Auditor..... Belt Harris Pechacek, LLP

Bond Counsel and Disclosure Counsel..... Norton Rose Fulbright US LLP
Houston, Texas

Financial Advisor Masterson Advisors LLC
Houston, Texas

For additional information regarding the City, please contact either:

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PRELIMINARY OFFICIAL STATEMENT
RELATING TO
\$7,785,000*
CITY OF SPRING VALLEY VILLAGE, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION
SERIES 2020

INTRODUCTION

This Official Statement, which includes the cover page, Schedule, and Appendices hereto, provides certain information regarding the issuance of the \$7,785,000* City of Spring Valley Village, Texas Combination Tax and Revenue Certificates of Obligation, Series 2020 (the "Certificates"). Capitalized terms used in this Official Statement, except as otherwise indicated herein, have the same meanings assigned to such terms in the ordinance authorizing the issuance of the Certificates (the "Ordinance"), to be adopted on July 14, 2020.

There follows in this Official Statement descriptions of the Certificates and certain information regarding the City of Spring Valley Village, Texas (the "City") and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from the City's Financial Advisor, Masterson Advisors LLC, Houston, Texas, by electronic mail or upon payment of reasonable handling, mailing, and delivery charges.

DESCRIPTION OF THE CITY

The City is a political subdivision and municipal corporation of the State, duly organized and existing under the laws of the State, the City was incorporated in 1955. The City operates under a Mayor/Council form of government with a City Council comprised of the Mayor and five Councilmembers. The term of office is two years with the terms of the Mayor and two of the Councilmembers' terms expiring in even-numbered years and the other terms of the three Councilmembers expiring in odd-numbered years. The City Manager is the chief administrative officer for the City. The 2010 Census population for the City was 3,715. The City covers approximately two square miles.

HURRICANE HARVEY

The Texas Gulf Coast sustained widespread wind and rain damage and flooding as a result of Hurricane Harvey's landfall along the Texas Gulf Coast on August 25, 2017, and historic levels of rainfall during the succeeding four days. The center of the City is located approximately 30 miles from the Texas Gulf Coast. Land located in this area is susceptible to high winds, heavy rain and flooding caused by hurricanes, tropical storms and other tropical disturbances. The City and its facilities did not sustain any significant or major damage due to Hurricane Harvey. According to the City, no homes or commercial properties within the City experienced any flooding due to Hurricane Harvey.

Hurricane Harvey, or future tropical storms, could have an adverse impact on the region's economy, including an impact on business activity and development in the region. The City cannot predict what impact future tropical storms will have on the assessed value of homes or commercial properties within the City.

INFECTIOUS DISEASE OUTLOOK (COVID-19)

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

Pursuant to Chapter 418 of the Texas Government Code, the Governor has broad authority to respond to disasters, including suspending any regulatory statute prescribing the procedures for conducting state business or any order or rule of a state agency that would in any way prevent, hinder, or delay necessary action in coping with this disaster and issuing executive orders that have the force and effect of law. The Governor has issued a number of executive orders relating to COVID-19 preparedness and mitigation. These include, for example, the issuance of an Executive Order on March 31, 2020, which, among other things, orders the closure of schools throughout the state through May 4, 2020, unless otherwise extended, modified, rescinded, or superseded by the Governor. In addition, Harris County, within which the City is located, has issued a "shelter in place" order for most citizens except when engaged in specified essential businesses and government functions. Many of the federal, state and local actions and policies under the aforementioned disaster declarations are focused on slowing the spread of COVID-19 by limiting instances where the public can congregate or interact with each other, which affects economic growth within Texas.

* Preliminary, subject to change. (See THE SALE - "ADJUSTMENT OF PRINCIPAL AMOUNTS" in the accompanying Notice of Sale).

Since the disaster declarations were made, the Pandemic has negatively affected travel, commerce, and financial markets locally and globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide and within Texas. Stock values and crude oil prices, in the U.S. and globally, have seen declines attributed to COVID-19 concerns. Texas may be particularly at risk from any global slowdown, given the prevalence of international trade in the state and the risk of contraction in the oil and gas industry and spillover effects into other industries.

The pandemic has had a particularly negative effect on sales tax revenues in the Houston region, and while such revenues are not pledged to payment of the Certificates, decreases in sales tax revenues could adversely affect the operations of the City generally. Such adverse economic conditions, if they continue, could result in declines in the demand for residential and commercial property and could reduce or negatively affect property values within the City. The Bonds are secured by an unlimited ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Bonds as well as the City's share of operations and maintenance expenses payable from ad valorem taxes.

The City continues to monitor the spread of COVID-19 and is working with local, state, and national agencies to address the potential impact of COVID-19 upon the City. While the potential impact of COVID-19 on the City cannot be quantified at this time, the continued outbreak of COVID-19 could have an adverse effect on the City's operations and financial condition. The financial and operating data contained herein are the latest available, but are as of dates and for periods prior to the economic impact of the Pandemic and measures instituted to slow it. Accordingly, they are not necessarily indicative of the economic impact of the Pandemic on the City's financial condition.

THE CERTIFICATES

DESCRIPTION OF THE CERTIFICATES

The Certificates are dated August 1, 2020 and mature on February 15 in each of the years and in the amounts shown on the inside cover page hereof. Interest will be computed on the basis of a 360-day year of twelve 30-day months, and will be payable on February 15 and August 15, commencing February 15, 2021. The definitive Certificates will be issued only in fully registered form in any integral multiple of \$5,000 for any one maturity and will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. **No physical delivery of the Certificates will be made to the owners thereof.** Principal of, premium, if any, and interest on the Certificates will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Certificates. See "BOOK-ENTRY-ONLY SYSTEM" herein.

AUTHORITY FOR ISSUANCE

The Certificates are issued pursuant to the Constitution and general laws of the State of Texas (the "State") including particularly Subchapter C of Chapter 271, Texas Local Government Code, and as provided in the Ordinance.

SECURITY AND SOURCE OF PAYMENT

All taxable property within the City is subject to an annual ad valorem tax levied, within the limits prescribed by law, sufficient to provide for the payment of principal of and interest on the Certificates. The Certificates are also payable from and secured by a limited pledge of a subordinate lien on the net revenues of the City's waterworks and sewer system.

USE OF PROCEEDS

Proceeds from the sale of the Certificates will be used for the purpose of paying contractual obligations to fund design, acquisition, construction, equipping, and improvement of (i) streets and roadways and related improvements, and for the purchase of materials, supplies, machinery, land, and rights-of-way related thereto; (ii) drainage improvements, and for the purchase of materials, supplies, machinery, land, and rights-of-way related thereto; and (iii) certain other costs related and incidental thereto and the issuance costs of the Certificates.

Par Amount of Certificates	
Net Premium	
Total Sources of Funds	_____
	=====
Deposit to Construction Fund	
Costs of Issuance	
Initial Purchaser's Discount	
Total Uses of Funds	_____
	=====

TAX RATE LIMITATION

All taxable property within the City is subject to the assessment, levy and collection by the City of a continuing, direct annual ad valorem tax sufficient to provide for the payment of principal of and interest on all ad valorem tax debt within the limits prescribed by law. The City operates under the general laws of the State of Texas as authorized by Article XI, Section 4 of the Texas Constitution, which limits the maximum tax rate to \$1.50 per \$100 Assessed Valuation for all City purposes. Administratively, the Attorney General of the State of Texas will permit allocation of \$1.00 of the \$1.50 maximum tax rate for all General Obligation Debt, based on 90% tax collection.

OPTIONAL REDEMPTION

The City reserves the right, at its option, to redeem Certificates having stated maturities on and after February 15, 2029, in whole or from time to time in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2028, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. If less than all of the Certificates are to be redeemed, the City shall determine the Certificates, or portions thereof, within such maturity to be redeemed. If a Certificate (or any portion of the principal sum thereof) shall have been called for redemption and notice of such redemption shall have been given, such Certificate (or the principal amount thereof to be redeemed) shall become due and payable on such redemption date and interest thereon shall cease to accrue from and after the redemption date, provided funds for the payment of the redemption price and accrued interest thereon are held by the Paying Agent/Registrar on the redemption date.

MANDATORY SINKING FUND REDEMPTION

In addition to the foregoing optional redemption provision, if principal amounts designated in the serial maturity schedule on the inside cover page are combined to create Term Certificates, each such Term Certificate shall be subject to mandatory sinking fund redemption commencing on February 15 of the first year which has been combined to form such Term Certificate and continuing on February 15 in each year thereafter until the stated maturity date of that Term Certificate, and the amount required to be redeemed in any year shall be equal to the principal amount for such year set forth in the serial maturity schedule above. Term Certificates to be redeemed in any year by mandatory sinking fund redemption shall be redeemed at par and shall be selected by lot from and among the Term Certificates then subject to redemption. The City, at its option, may credit against any mandatory sinking fund redemption requirement Term Certificates of the maturity then subject to redemption which have been purchased and canceled by the City or have been redeemed and not theretofore applied as a credit against any mandatory sinking fund redemption requirement.

AMENDMENTS

The Ordinance constitutes a contract with the registered owners entered into upon the initial purchase of the Certificates, is binding on the City and its successors and assigns whether or not so expressed, and may not be amended or repealed by the City so long as any Certificate remains Outstanding except as permitted in the Ordinance.

The City may amend the Ordinance without the consent of or notice to any registered owners in any manner not detrimental to the interests of the registered owners, including the curing of any ambiguity, inconsistency or formal defect or omission therein. In addition, the City may, with the written consent of the holders of a majority in aggregate principal amount or Maturity Amount, as the case may be, of the Certificates then outstanding, amend, add to, or rescind any of the provisions of the Ordinance; except that, without the consent of the registered owners of all of the Certificates then outstanding, no such amendment, addition, or rescission may (1) extend the time or times of payment of the principal of and interest on the Certificates, reduce the principal amount or Maturity Amount, as the case may be, thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Certificates, (2) give any preference to any Certificate over any other Certificate, (3) modify the provisions of the proviso to the definition of the term "Outstanding", or (4) modify any of the provisions of this Section, except to increase the percentage provided hereby or to provide that certain other provisions of the Ordinance cannot be modified or waived.

Any consent to any amendment hereof by the registered owner of any Certificate binds every future registered owner of the same Certificate and the registered owner of every Certificate issued upon transfer or in lieu thereof or in exchange therefor, in respect of anything done or suffered to be done by the City in reliance thereon, whether or not notation of such action is made upon such Certificate.

NOTICE OF REDEMPTION

Not less than 30 days prior to a Redemption Date, the City will 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 registered owner of a Certificate to be redeemed in whole or in part at the address of the registered owner 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 will be conclusively presumed to have been duly given irrespective of whether received by the registered owner. All notices of redemption will state:

- (1) the redemption date,
- (2) the redemption price,

- (3) the principal amount and identification (by City and Certificate name, CUSIP number, stated maturity, interest rate, Dated Date, and, in the case of partial redemption, the Certificate numbers and respective principal amounts) of Certificates to be redeemed,
- (4) that on the redemption date the redemption price of each of the certificates to be redeemed will become due and payable and that interest thereon will cease to accrue from and after said date, and
- (5) that the certificates to be redeemed are to be surrendered for payment of the redemption price at the Place of Payment, and the address of such Place of Payment.

ANY NOTICE SO MAILED SHALL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN, WHETHER OR NOT THE REGISTERED OWNER RECEIVES SUCH NOTICE. NOTICE HAVING BEEN SO GIVEN AND SUBJECT, IN THE CASE OF AN OPTIONAL REDEMPTION, TO ANY RIGHTS OR CONDITIONS RESERVED BY THE CITY IN THE NOTICE, THE CERTIFICATES CALLED FOR REDEMPTION SHALL BECOME DUE AND PAYABLE ON THE SPECIFIED REDEMPTION DATE, AND NOTWITHSTANDING THAT ANY CERTIFICATE OR PORTION THEREOF HAS NOT BEEN SURRENDERED FOR PAYMENT, INTEREST ON SUCH CERTIFICATE OR PORTION THEREOF SHALL CEASE TO ACCRUE.

DEFEASANCE

Any Certificate is deemed paid and is no longer considered to be Outstanding within the meaning of the Ordinance when payment of the principal of and interest on such Certificate to the stated maturity thereof has been made or has been provided for by deposit with the Paying Agent/Registrar for such payment (or with any other bank or trust company which has agreed to hold the same for such purpose) (1) money sufficient to make such payment, (2) Governmental Obligations certified by an independent public accounting firm of national reputation to be of such maturities and interest payment dates and to bear such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient to make such payment, or (3) a combination of money and Governmental Obligations together so certified sufficient to make such payment, provided that all the expenses pertaining to the Certificates with respect to which such deposit is made have been paid or the payment thereof provided for to the satisfaction of the Paying Agent/Registrar (and to such other bank or trust company).

If such deposit is made with respect to some but not all of the Certificates then Outstanding, the City will designate the stated maturities of Certificates with respect to which such deposit is made. If such deposit is sufficient so to provide for the payment of the principal of and interest on some but not all Outstanding Certificates of a particular stated maturity so designated, the Paying Agent/Registrar will select the Outstanding Certificates of such stated maturity with respect to which such deposit is made by such random method as the Paying Agent/Registrar deems fair and appropriate and which may provide for the selection of portions (equal to and leaving unredeemed an authorized denomination) of Certificates a denomination larger than \$5,000.

Upon such deposit as described above, such Certificates will no longer be regarded to be outstanding or unpaid. Provided, however, the City has reserved the option, to be exercised at the time of the defeasance of the Certificates, to call for redemption at an earlier date those Certificates which have been defeased to their maturity date, if the City (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Certificates for redemption, (ii) gives notice of the reservation of that right to the owners of the Certificates immediately following the making of the firm bank and financial arrangements, and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

When a Certificate is deemed paid it is no longer entitled to the benefits of the Ordinance, except for the purposes of any such payment from such money or Governmental Obligations and for the provisions of the Ordinance relating to exchange and tax exemption.

“Governmental Obligations” means (1) direct obligations of, or obligations the timely payment of the principal of and interest on which are fully and unconditionally guaranteed by, the United States of America, or (2) obligations authorized under Texas law from time to time for discharge and final payment of political or governmental obligations which, at the time of deposit have been assigned ratings in the highest rating category by a nationally recognized investment rating firm, but in the case of both Clauses (1) and (2) only if such obligations may not be called for redemption prior to maturity.

BOOK-ENTRY ONLY SYSTEM

This section describes how ownership of the Certificates is to be transferred and how the principal of, premium, if any, and interest on the Certificates are to be paid to and credited by The Depository Trust Company, New York, New York, (“DTC”) while the Certificates are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The City, the Financial Advisor, and the Initial Purchaser believe the source of such information to be reliable, but none of the City, the Financial Advisor nor the Initial Purchaser take any responsibility for the accuracy or completeness thereof.

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

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

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

Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC's records. The ownership interest of each actual purchaser of each Certificate ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmation providing details of the transaction, as well as periodic statements of their holdings from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Certificates, except in the event that use of the book-entry system for the Certificates is discontinued.

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Beneficial Owners of Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Certificates, such as redemptions, tenders, defaults, and proposed amendments to the Certificate documents. For example, Beneficial Owners of Certificates may wish to ascertain that the nominee holding the Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

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

Principal, interest, and redemption payments on the Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent/Registrar, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Principal, interest and redemption payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

*USE OF CERTAIN TERMS IN OTHER SECTIONS OF THIS OFFICIAL STATEMENT...*In reading this Official Statement it should be understood that while the Certificates are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Certificates, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System and (ii) except as described above, notices that are to be given to registered owners under the Ordinance will be given only to DTC.

*EFFECT OF TERMINATION OF BOOK-ENTRY-ONLY SYSTEM...*In the event that the Book-Entry-Only System is discontinued by DTC or the use of the Book-Entry-Only System is discontinued by the City, printed bonds will be issued to the holders and the Certificates will be subject to transfer, exchange, and registration provisions as set forth in the Ordinance and summarized under "THE CERTIFICATES - TRANSFER, EXCHANGE AND REGISTRATION" below.

PAYING AGENT/REGISTRAR

The initial Paying Agent/Registrar is The Bank of New York Mellon Trust Company, N.A., Dallas, Texas. In the Ordinance, the City retains the right to replace the Paying Agent/Registrar. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Certificates are duly paid and any successor Paying Agent/Registrar shall be a commercial bank or trust company organized under the laws of the State of Texas or other entity duly qualified and legally authorized to serve as and perform the duties and services of Paying Agent/Registrar for the Certificates. Upon any change in the Paying Agent/Registrar for the Certificates, the City agrees to promptly cause a written notice thereof to be sent to each registered owner of the Certificates by United States mail, first class, postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

TRANSFER, EXCHANGE AND REGISTRATION

Upon surrender for transfer of any Certificates at the place of payment, 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 of the same stated maturity, of any authorized denominations, and of a like aggregate principal amount. New Certificates registered and delivered in an exchange or transfer will be delivered by the Paying Agent/Registrar at the place of payment or sent by United States mail at the registered owner's written request, risk, and expense.

At the option of the registered owner, Certificates may be exchanged for other Certificates of the same stated maturity, of any authorized denominations, and of like aggregate principal amount, upon surrender of the Certificates to be exchanged at the place of payment. Whenever any Certificates are so surrendered for exchange, the City shall execute, and the Paying Agent/Registrar shall register and deliver, the Certificates which the registered owner of Certificates making the exchange is entitled to receive.

All Certificates issued in any transfer or exchange of Certificates shall be delivered to the registered owners at the principal corporate trust office of the Paying Agent/Registrar or sent by United States Mail, first class, postage prepaid to the registered owners, and, upon the registration and delivery thereof, the same shall be the valid obligations of the City, evidencing the same obligations to pay, and entitled to the same benefits under the Ordinance, as the Certificates surrendered in such transfer or exchange.

Every Certificate presented or surrendered for transfer or exchange must be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed, by the registered owner thereof or his attorney duly authorized in writing.

No service charge may be made to the registered owner for any registration, transfer, or exchange of Certificates, but the City or the Paying Agent/Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Certificates.

Neither the City nor the Paying Agent/Registrar is required (1) to transfer or exchange any Certificate during a period beginning 45 days

prior to a redemption date and ending at the close of business on the day of mailing of a notice of redemption or (2) thereafter to transfer or exchange in whole or in part any Certificate so selected for redemption.

RECORD DATE FOR INTEREST PAYMENT

The record date for the interest payable on the Certificates on any interest payment date means the close of business on the last business day of the preceding month ("Record Date").

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

CERTIFICATE HOLDERS' REMEDIES

The Ordinance does not establish specific events of default with respect to the Certificates or provide for the appointment of a trustee to represent the interests of the bondholders upon any failure of the City to perform in accordance with the terms of the Ordinance, or upon any other condition. If the City defaults in any payment due on the Certificates, or if the City defaults in the observance or performance of any of the covenants, conditions, or obligations set forth in the Ordinance, any registered owner is entitled to seek a writ of mandamus or mandatory injunction from a court of proper jurisdiction to compel the City to levy, assess and collect an annual ad valorem tax sufficient to pay principal of and interest on the Certificates as they become due or to perform other material covenants, conditions or obligations contained in the Ordinance. In general, Texas courts have held that a writ of mandamus may be issued to require a public official to perform legally imposed ministerial duties necessary for the performance of a valid contract; and, Texas law provides that, following their approval by the Attorney General and issuance, the Certificates are valid and binding obligations for all purposes according to their terms. However, the enforcement of any such remedy may be difficult and time consuming and a registered owner could be required to enforce such remedy on a periodic basis. Such rights are in addition to any other rights the registered owners of the Certificates may be provided by the laws of the State of Texas with respect to the Certificates.

Under Texas law there is no right to the acceleration of maturity of the Certificates upon the failure of the City to observe any covenant under the Ordinance. A registered owner of Certificates could file suit against the City if a default occurred in the payment of principal of or interest on any such Certificates; however, a suit for monetary damages could be vulnerable to the defense of sovereign immunity and any judgment could not be satisfied by execution against any property of the City.

The City is also eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code ("Chapter 9"). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, the pledge of taxes in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or bondholders of an entity, which has sought protection under Chapter 9.

Therefore, should the City avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of another federal or state court); and, the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Bond Counsel will note that all opinions relative to the enforceability of the Ordinance and the Certificates are qualified with respect to the customary rights of debtors relative to their creditors and may be limited by general principles of equity which permit the exercise of judicial discretion.

TAX INFORMATION

AD VALOREM TAX LAW

The appraisal of property within the City is the responsibility of the Harris County Appraisal District (the "Appraisal District"). Excluding agricultural and open-space land, which may be taxed on the basis of productive capacity, the Appraisal District is required under the Property Tax Code to appraise all property within the Appraisal District on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining market value of property, different methods of appraisal may be used, including the cost method of appraisal, the income method of appraisal and market data comparison method of appraisal, and the method considered most appropriate by the chief appraiser is to be used. State law further limits the appraised value of a residence homestead for a tax year to an amount not to exceed the lesser of (1) the market value of the property, or (2) the sum of (a) 10% of the appraised value of the property for the last year in which the property was appraised for taxation times the number of years since the property was last appraised, plus (b) the appraised value of the property for the last year in which the property was appraised plus (c) the market value of all new improvements to the property.

The value placed upon property within the Appraisal District is subject to review by an Appraisal Review Board, consisting of three members appointed by the Board of Directors of the Appraisal District. The Appraisal District is required to review the value of property within the Appraisal District at least every three years. The City may require annual review at its own expense, and is entitled to challenge the determination of appraised value of property within the City by petition filed with the Appraisal Review Board.

Reference is made to the Texas Property Tax Code, for identification of property subject to taxation; property exempt or which may be exempted from taxation, if claimed; the appraisal of property for ad valorem taxation purposes; and the procedures and limitations applicable to the levy and collection of ad valorem taxes.

Article VIII of the State Constitution ("Article VIII") and State law provide for certain exemptions from property taxes, the valuation of agricultural and open-space lands at productivity value, and the exemption of certain personal property from ad valorem taxation.

Under Section 1-b, Article VIII, and State law, the governing body of a political subdivision, at its option, may grant: (1) An exemption of not less than \$3,000 of the market value of the residence homestead of persons 65 years of age or older and the disabled from all ad valorem taxes thereafter levied by the political subdivision; (2) An exemption of up to 20% of the market value of residence homesteads. The minimum exemption under provision (2) is \$5,000.

Effective January 1, 2014, a partially disabled veteran or the surviving spouse of partially disabled veterans is entitled to an exemption from taxation in an amount equal to the partially disabled veteran's disability rating if the residence homestead was donated by a charitable organization. Also effective January 1, 2014, the surviving spouse of a member of the armed forces who was killed in action is entitled to an exemption of the total appraised value of the surviving spouse's residence homestead if the surviving spouse has not remarried since the service member's death and said property was the service member's residence homestead at the time of death. Such exemption may be transferred to a subsequent residence homestead of the surviving spouse, if the surviving spouse has not remarried, in an amount equal to the exemption received on the prior residence in the last year in which such exemption was received.

In the case of residence homestead exemptions granted under Section 1-b, Article VIII, ad valorem taxes may continue to be levied against the value of homesteads exempted where ad valorem taxes have previously been pledged for the payment of debt if cessation of the levy would impair the obligation of the contract by which the debt was created.

State law and Section 2, Article VIII, mandate an additional property tax exemption for disabled veterans or the surviving spouse or children of a deceased veteran who died while on active duty in the armed forces; the exemption applies to either real or personal property with the amount of assessed valuation exempted ranging from \$5,000 to a maximum of \$12,000. In addition State law mandates a complete exemption for the residential homestead of disabled veterans determined to be 100% disabled by the U.S. Department of Veterans Affairs, and the surviving spouse of a deceased veteran who had received a disability rating of 100% is entitled to receive a residential homestead exemption equal to the exemption received by the deceased spouse until such surviving spouse remarries.

Under Article VIII and State law, the governing body of a county, municipality or junior college district, may freeze the total amount of ad valorem taxes levied on the residence homestead of a disabled person or persons 65 years of age or older to the amount of taxes imposed in the year such residence qualified for such exemption. Also, upon receipt of a petition signed by five percent of the registered voters of the county, municipality or junior college district, an election must be held to determine by majority vote whether to establish such a limitation on taxes paid on residence homesteads of persons 65 years of age or who are disabled. Upon providing for such exemption, such freeze on ad valorem taxes is transferable to a different residence homestead and to a surviving spouse living in such homestead who is disabled or is at least 55 years of age. If improvements (other than maintenance or repairs) are made to the property, the value of the improvements is taxed at the then current tax rate, and the total amount of taxes imposed is increased to reflect the new improvements with the new amount of taxes then serving as the ceiling on taxes for the following years. Once established, the tax rate limitation may not be repeated or rescinded.

Article VIII provides that eligible owners of both agricultural land (Section 1-d) and open-space land (Section 1-d-1), including open-space land devoted to farm or ranch purposes or open-space land devoted to timber production, may elect to have such property appraised for property taxation on the basis of its productive capacity. The same land may not be qualified under both Section 1-d and 1-d-1.

Nonbusiness personal property, such as automobiles or light trucks, are exempt from ad valorem taxation unless the governing body of a political subdivision elects to tax this property. Boats owned as nonbusiness property are exempt from ad valorem taxation.

Article VIII, Section 1-j, provides for "freeport property" to be exempted from ad valorem taxation. Freeport property is defined as goods detained in Texas for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication. Decisions to continue to tax may be reversed in the future; decisions to exempt freeport property are not subject to reversal.

Article VIII, Section 1-n of the Texas Constitution provides for the exemption from taxation of "goods in transit." "Goods in transit" is defined by a provision in the Tax Code, which is effective for tax years 2008 and thereafter, as personal property acquired or imported into Texas and transported to another location in the State or outside of the State within 175 days of the date the property was acquired or imported into Texas. The exemption excludes oil, natural gas, petroleum products, aircraft and special inventory, including motor vehicle, vessel and out board motor, heavy equipment and manufactured housing inventory. The Tax Code provision permits local governmental entities, on a local option basis, to take official action by January 1 of the year preceding a tax year, after holding a public hearing, to tax goods in transit during the following tax year. A taxpayer may receive only one of the freeport exemptions or the goods in transit exemptions for items of personal property.

The City and the other taxing bodies within its territory may agree to jointly create tax increment financing zones, under which the tax values on property in the zone are “frozen” at the value of the property at the time of creation of the zone. The City also may enter into tax abatement agreements to encourage economic development. Under the agreements, a property owner agrees to construct certain improvements on its property. The City in turn agrees not to levy a tax on all or part of the increased value attributable to the improvements until the expiration of the agreement. The abatement agreement could last for a period of up to 10 years.

Cities are also authorized, pursuant to Chapter 380, Texas Local Government Code (“Chapter 380”) to establish programs to promote state or local economic development and to stimulate business and commercial activity in the City. In accordance with a program established pursuant to Chapter 380, the City may make loans or grant of public fund for economic development purposes, however, no obligations secured by ad valorem taxes may be issued for such purposes unless approved by voters of the City.

EFFECTIVE TAX RATE AND ROLLBACK TAX RATE

By each September 1 or as soon thereafter as practicable, the City Council adopts a tax rate per \$100 taxable value for the current year. The City Council will be required to adopt the annual tax rate for the City before the later of September 30 or the 60th day after the date the certified appraisal roll is received by the City. If the City Council does not adopt a tax rate by such required date the tax rate for that tax year is the lower of the effective tax rate calculated for that tax year or the tax rate adopted by the City for the preceding tax year. The tax rate consists of two components: (1) a rate for funding of maintenance and operation expenditures, and (2) a rate for debt service.

Under the Property Tax Code, the City must annually calculate and publicize its “effective tax rate” and “rollback tax rate”. Effective 2005, a tax rate cannot be adopted by the City Council that exceeds the lower of the rollback tax rate or the effective tax rate until two public hearings have been held on the proposed tax rate following notice of such public hearings (including the requirement that notice be posted on the City’s website if the City owns, operates or controls an internet website and public notice be given by television if the City has free access to a television channel) and the City Council has otherwise complied with the legal requirements for the adoption of such tax rate. If the adopted tax rate exceeds the rollback tax rate the qualified voters of the City by petition may require that an election be held to determine whether or not to reduce the tax rate adopted for the current year to the rollback tax rate.

“Effective tax rate” means the rate that will produce last year’s total tax levy (adjusted) from this year’s total taxable values (adjusted). “Adjusted” means lost values are not included in the calculation of last year’s taxes and new values are not included in this year’s taxable values.

“Rollback tax rate” means the rate that will produce last year’s maintenance and operation tax levy (adjusted) from this year’s values (adjusted) multiplied by 1.08 plus a rate that will produce this year’s debt service from this year’s values (unadjusted) divided by the anticipated tax collection rate.

The Property Tax Code provides that certain cities and counties in the State may submit a proposition to the voters to authorize an additional one-half cent sales tax on retail sales of taxable items. If the additional tax is levied, the effective tax rate and the rollback tax rate calculations are required to be offset by the revenue that will be generated by the sales tax in the current year.

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

PROPERTY ASSESSMENT AND TAX PAYMENT

Property within the City is generally assessed as of January 1 of each year. Business inventory may, at the option of the taxpayer, be assessed as of September 1. Oil and gas reserves are assessed on the basis of a valuation process which uses an average of the daily price of oil and gas for the prior year. Taxes become due October 1 of the same year, and become delinquent on February 1 of the following year. Taxpayers 65 years old or older are permitted by State law to pay taxes on homesteads in four installments with the first due on February 1 of each year and the final installment due on August 1.

Penalties and Interest. . . Charges for penalty and interest on the unpaid balance of delinquent taxes are made as follows:

Month	Cumulative Penalty	Cumulative Interest	Total
February	6 %	1 %	7%
March	7	2	9
April	8	3	11
May	9	4	13
June	10	5	15
July	12	6	18

After July, penalty remains at 12%, and interest increases at the rate of 1% each month. In addition, if an account is delinquent in July, a 15% attorney's collection fee is added to the total tax penalty and interest charge. Under certain circumstances, taxes which become delinquent on the homestead of a taxpayer 65 years old or older incur a penalty of 8% per annum with no additional penalties or interest assessed. In general, property subject to the City's lien may be sold, in whole or in parcels, pursuant to court order to collect the amounts due. Federal law does not allow for the collection of penalty and interest against an estate in bankruptcy. Federal bankruptcy law provides that an automatic stay of action by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

City Application of Tax Code . . . The City (grants an exemption to the appraised value of the residence homestead of persons 65 years of age or older of \$20,000; the disabled are also granted an exemption of \$20,000;

The City has granted an additional exemption of 20% of the appraised value of residence homesteads; minimum exemption of \$5,000.

See TABLE 1 for a listing of the amounts of the exemptions described above.

The City has not adopted the tax freeze for citizens who are disabled or are 65 years of age or older, which became a local option and subject to local referendum on January 1, 2004.

Ad valorem taxes are not levied by the City against the exempt value of residence homesteads for the payment of debt.

The City does not tax nonbusiness personal property; and Spring Branch ISD collects taxes for the City.

The City does not permit split payments, and discounts are not allowed.

The City does not tax freeport property.

The City does tax goods-in-transit.

The City does collect an additional one-half (1/2) cent sales tax for participation in the Houston Metropolitan Transit Authority.

The City has not adopted a tax abatement policy.

TAX INCREMENT REINVESTMENT ZONE

The City has not created a tax increment reinvestment zone.

TABLE 1 – VALUATION, EXEMPTION AND GENERAL OBLIGATION DEBT

2019/2020 Market Valuation Established by Harris County Appraisal District ⁽¹⁾ (excluding totally exempt property)	1,571,091,332
Less Exemptions/Reductions at 100% Market Value:	
Homestead Exemptions	244,075,562
Over 65 Exemption	8,164,986
Disabled Persons	60,000
Disabled Veterans	1,211,380
Other Exempt Properties	166,541,105
Under \$500 Exemption	4,257
	<u>420,057,290</u>
2019/2020 Taxable Assessed Valuation	1,151,034,042
General Obligation Debt Payable from Ad Valorem Taxes (as of 3/31/2020)	
Outstanding General Obligation Debt	\$ 17,290,000
The Certificates *	<u>7,785,000</u>
Total Outstanding Debt	<u>25,075,000</u>
Less: General Obligation Interest and Sinking Fund (as of 9/30/2019)	<u>\$ (25,842)</u>
Net General Obligation Debt Payable from Ad Valorem Taxes	\$ 25,100,842
Ratio Net General Obligation Debt to Taxable Assessed Valuation	2.181%

2020 Estimated Population - 4,333
Per Capita Taxable Assessed Valuation - \$265,644
Per Capita Net Funded Debt - \$5,793

* Preliminary, subject to change.

(1) As reported by the Harris County Appraisal District, net of exemptions. Subject to change due to protest and arbitration process.

TABLE 2 – TAXABLE ASSESSED VALUATION BY CATEGORY

Category	Taxable Appraised Value, Fiscal Year Ending September 30,					
	2020		2019		2018	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 1,349,685,406	85.91%	\$ 1,284,565,798	86.95%	\$ 1,233,380,388	86.71%
Real, Residential, Multi-Family	1,025,501	0.07%	930,505	0.06%	929,695	0.07%
Real, Vacant Lots/Tracts	18,789,076	1.20%	22,021,338	1.49%	26,911,668	1.89%
Real, Commercial	150,949,991	9.61%	136,520,331	9.24%	127,616,169	8.97%
Real and Tangible Personal, Utilities	12,076,421	0.77%	11,602,774	0.79%	11,433,668	0.80%
Tangible Personal, Commercial	36,683,337	2.33%	19,839,686	1.34%	20,777,919	1.46%
Tangible Personal, Industrial	1,881,600	0.12%	1,038,135	0.07%	1,361,672	0.10%
Real Property Inventory	-	0.00%	775,120	0.05%	-	0.00%
Total Appraised Value Before Exemptions	\$ 1,571,091,332	100.00%	\$ 1,477,293,687	100.00%	\$ 1,422,411,179	100.00%
Less: Total Exemptions/Reductions	420,057,290		242,141,991		236,541,107	
Taxable Assessed Value	<u>\$ 1,151,034,042</u>		<u>\$ 1,235,151,696</u>		<u>\$ 1,185,870,072</u>	

Category	Taxable Appraised Value, Fiscal Year Ending September 30,			
	2017		2016	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 1,146,172,845	87.72%	\$ 1,056,566,553	89.08%
Real, Residential, Multi-Family	1,059,499	0.08%	1,100,000	0.09%
Real, Vacant Lots/Tracts	20,219,114	1.55%	22,897,005	1.93%
Real, Commercial	104,087,202	7.97%	69,250,409	5.84%
Real and Tangible Personal, Utilities	11,484,003	0.88%	10,289,952	0.87%
Tangible Personal, Commercial	21,312,396	1.63%	24,695,444	2.08%
Tangible Personal, Industrial	1,350,100	0.10%	1,249,657	0.11%
Real Property Inventory	890,558	0.07%	71,220	0.01%
Total Appraised Value Before Exemptions	\$ 1,306,575,717	100.00%	\$ 1,186,120,240	100.00%
Less: Total Exemptions/Reductions	221,953,623		207,444,184	
Taxable Assessed Value	<u>\$ 1,084,622,094</u>		<u>\$ 978,676,056</u>	

NOTE: Valuations shown are certified taxable assessed values reported by the Harris County Appraisal District to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal District updates records.

TABLE 3 – VALUATION AND GENERAL OBLIGATION DEBT HISTORY

Fiscal Year End 9/30	Estimated City Population ⁽¹⁾	Taxable Assessed Valuation ⁽²⁾	Per Capita Taxable Assessed Valuation	G.O. Tax Debt Outstanding at End of Year	Per Capita G.O. Tax Debt	Ratio Tax Debt to Taxable Assessed Valuation ⁽³⁾
2015	4,142	\$ 837,504,901	\$ 202,198	\$ 13,475,000	\$ 3,253	1.61%
2016	4,191	978,676,056	233,519	13,075,000	3,120	1.34%
2017	4,328	1,084,622,094	250,606	12,565,000	2,903	1.16%
2018	4,328	1,185,870,072	274,000	12,035,000	2,781	1.01%
2019	4,328	1,235,151,696	285,386	18,225,000	4,211	1.48%
2020	4,333	1,151,034,042	265,644	25,075,000 ⁽³⁾	5,787 ⁽³⁾	2.18% ⁽³⁾

(1) Source: The City.

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

(3) Includes the Certificates. Preliminary, subject to change. (see THE SALE - "ADJUSTMENT OF PRINCIPAL AMOUNTS" in the accompanying Notice of Sale)

TABLE 4 – TAX RATE, LEVY AND COLLECTION HISTORY

Fiscal Year End 9/30	Tax Year	Tax Rate	General Fund	Interest and Sinking Fund	Tax Levy	% Current Collections	% Total Collections
2015	2014	\$0.48780	\$0.48780	\$ -	\$ 4,212,362	97.35%	97.95%
2016	2015	0.45000	0.35616	0.09384	4,509,649	97.41%	99.43%
2017	2016	0.43350	0.35071	0.08279	4,688,384	99.69%	99.08%
2018	2017	0.43350	0.35464	0.07886	5,140,951	99.73%	99.65%
2019	2018	0.43000	0.35627	0.07373	5,243,735	99.46%	97.83%
2020	2019	0.42500	0.35589	0.06911	4,891,895	97.19% ⁽¹⁾	97.67% ⁽¹⁾

(1) Collections as of April 30, 2020.

TABLE 5 – TEN LARGEST TAXPAYERS

Name of Taxpayer	Nature of Property	2019/2020 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
SV Physician Properties I LP	Commercial Building	\$ 31,645,042	2.75%
Campbell Project Partners LLC	Commercial Land	26,144,580	2.27%
Ten Voss Ltd.	Storage Units	22,176,328	1.93%
HD Development Properties LP	Commercial Building	19,733,317	1.71%
Spring Valley One Center Ltd.	Medical Center	17,421,476	1.51%
Memorial Design Center Ltd.	Commercial Building	14,445,346	1.25%
Southwestern Bell	Telephone Utility	9,303,539	0.81%
Altec Capital Services LLC	Commercial	8,603,448	0.75%
Managed Rehabilitation Inc.	Rehabilitation Center	7,982,312	0.69%
Wellington Fidelis Campbell I LP	Commercial	5,556,300	0.48%
		<u>\$ 163,011,688</u>	<u>14.16%</u>

General Obligation Debt Limitation. . . No general obligation debt limitation is imposed on the City under current State law. (See "TAX RATE LIMITATION").

TABLE 6 - TAX ADEQUACY

2020 Principal and Interest Requirements.....	\$ 1,361,081 ⁽¹⁾
\$0.1232 Tax Rate at 96% Collection Produces	1,361,351
Average Annual Debt Service Requirement (2020-2040).....	\$ 1,659,539 ⁽¹⁾
\$0.1502 Tax Rate at 96% Collection Produces	1,659,699
Maximum Annual Debt Service Requirement (2029).....	\$ 1,943,281 ⁽¹⁾
\$0.1759 Tax Rate at 96% Collection Produces	1,943,682

(1) Projected; includes the Certificates. Preliminary, Subject to change.

TABLE 7 – ESTIMATED OVERLAPPING DEBT

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

	Fiscal Year 2019/2020 Taxable Assessed Valuation	Total GO Debt as of 4/30/2020	Estimated % Applicable	City's Overlapping GO Debt as of 4/30/2020
City of Spring Valley Village	\$ 1,151,034,042	\$ 25,075,000	100.00%	\$ 25,075,000 ⁽¹⁾
Harris County	483,996,469,666	1,885,182,125	0.29%	5,467,028
Harris County Department of Education	484,114,300,697	6,320,000	0.29%	18,328
Harris County Flood Control District	473,807,724,947	83,075,000	0.29%	240,918
Harris County Hospital District	469,711,154,122	55,005,000	0.29%	159,515
Port of Houston Authority	473,749,431,770	572,569,397	0.29%	1,660,451
Spring Branch ISD	34,458,689,539	783,660,000	4.06%	31,816,596
Tax-Supported Direct and Overlapping Funded Debt				\$ 64,437,835
Ratio of Tax-Supported Direct and Overlapping Funded Debt to Taxable Assessed Valuation				5.60%
Per Capita Tax-Supported and Overlapping Funded Debt				\$ 14,871

(1) Projected; includes the Certificates. Preliminary, subject to change.

DEBT INFORMATION

TABLE 8 – PRO-FORMA GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS

Year End 9/30	Outstanding Debt Service			The Certificates*			Total Debt Service Requirements	% of Principal Retired
	Principal	Interest	Total	Principal	Interest ⁽¹⁾	Total		
2020	\$ 795,000	\$ 566,081	\$ 1,361,081				\$ 1,361,081	
2021	825,000	536,606	1,361,606		\$ 301,094	\$ 301,094	1,662,700	
2022	850,000	509,031	1,359,031	\$ 290,000	289,050	579,050	1,938,081	
2023	880,000	480,531	1,360,531	305,000	274,550	579,550	1,940,081	
2024	910,000	451,031	1,361,031	310,000	268,450	578,450	1,939,481	19.97%
2025	940,000	420,531	1,360,531	320,000	259,150	579,150	1,939,681	
2026	970,000	389,031	1,359,031	325,000	251,150	576,150	1,935,181	
2027	1,000,000	356,531	1,356,531	345,000	234,900	579,900	1,936,431	
2028	1,035,000	324,506	1,359,506	355,000	224,550	579,550	1,939,056	
2029	1,070,000	292,931	1,362,931	370,000	210,350	580,350	1,943,281	45.98%
2030	1,095,000	260,456	1,355,456	385,000	195,550	580,550	1,936,006	
2031	1,135,000	227,006	1,362,006	400,000	180,150	580,150	1,942,156	
2032	1,170,000	191,922	1,361,922	415,000	164,150	579,150	1,941,072	
2033	1,205,000	155,263	1,360,263	430,000	147,550	577,550	1,937,813	
2034	1,240,000	116,513	1,356,513	450,000	130,350	580,350	1,936,863	76.61%
2035	1,285,000	75,481	1,360,481	465,000	112,350	577,350	1,937,831	
2036	400,000	48,100	448,100	485,000	93,750	578,750	1,026,850	
2037	415,000	34,856	449,856	505,000	74,350	579,350	1,029,206	
2038	425,000	21,206	446,206	525,000	54,150	579,150	1,025,356	
2039	440,000	7,150	447,150	545,000	33,150	578,150	1,025,300	
2040				560,000	16,800	576,800	576,800	100.00%
	<u>\$ 18,085,000</u>	<u>\$ 5,464,766</u>	<u>\$ 23,549,766</u>	<u>\$ 7,785,000</u>	<u>\$ 3,515,544</u>	<u>\$ 11,300,544</u>	<u>\$ 34,850,309</u>	

* Preliminary, subject to change. (See THE SALE - "ADJUSTMENT OF PRINCIPAL AMOUNTS" in the accompanying Notice of Sale.)

(1) Interest on the Certificates has been calculated at an estimated rate for the purpose of illustration.

TABLE 9 – INTEREST AND SINKING FUND BUDGET PROJECTIONS

Tax Supported Debt Service Requirements, Fiscal Year Ending September 30, 2020 ⁽¹⁾		\$ 1,361,081
Interest and Sinking Fund Balance, September 30, 2019	\$ (25,842)	
Budgeted Interest and Sinking Fund Tax Levy	907,119	
Budgeted Delinquent Taxes and Penalties & Interest	4,000	
Budgeted Transfer from General Fund	475,804	1,361,081
Estimated Balance, September 30, 2020		<u>\$ -</u>

(1) Projected; includes the Certificates. Preliminary, subject to change.

TABLE 10 – AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS

The City does not have any authorized but unissued general obligation bonds.

ANTICIPATED ISSUANCE OF GENERAL OBLIGATION DEBT

The City does not anticipate issuing any additional general obligation debt within the next 12 months.

TABLE 11 – OTHER OBLIGATIONS

The City has no outstanding other obligations .

PENSION FUND

The City provides pension benefits for all of its full-time employees through the Texas Municipal Retirement System (“TMRS”), a State-wide administered pension plan. The City makes annual contributions to the plan equal to the amounts accrued for pension expense. (For more detailed information concerning the retirement plan, see APPENDIX B, “Excerpts from the City’s Annual Financial Report” - Note #IV - C.)

OTHER POST EMPLOYMENT BENEFITS

The City does not offer post-employment benefits other than supplemental death benefits as provided in the insurance plan operated by TMRS. See APPENDIX B, “Excerpts from the City’s Annual Financial Report” - Note #IV –D.)

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FINANCIAL INFORMATION

TABLE 12 – GENERAL FUND REVENUES AND EXPENDITURES HISTORY

	Fiscal Year Ended September 30,				
	2019	2018	2017	2016	2015
Revenues:					
Property Taxes	\$ 4,269,760	\$ 4,196,077	\$ 3,798,654	\$ 3,590,002	\$ 4,159,264
Sales Taxes	1,535,394	1,430,561	1,262,647	1,197,292	1,191,356
Franchise and Local Taxes	370,171	326,582	339,607	353,381	339,321
Fines & Forfeitures	615,636	745,884	460,809	540,494	752,084
Licenses and Permits	355,933	196,591	260,442	265,706	397,023
Charges for Services	324,432	-			
Hilshire Police Contract	470,898	447,764	419,293	397,915	381,883
Investment Income	235,101	123,964	52,053	18,382	17,268
Intergovernmental	746,199	702,846	620,005	661,046	438,493
Other Revenue	113,867	103,808	208,210	83,308	132,090
Total	\$ 9,037,391	\$ 8,274,077	\$ 7,421,720	\$ 7,107,526	\$ 7,808,782
Expenditures:					
General Government	1,849,486	1,509,517	1,427,121	1,287,658	1,337,875
Public Safety	4,194,816	3,623,776	3,393,780	3,351,917	3,201,065
Public Works	426,402	314,546	305,642	393,737	286,142
Total	\$ 6,470,704	\$ 5,447,839	\$ 5,126,543	\$ 5,033,312	\$ 4,825,082
Excess of Revenues over Expenditures	\$ 2,566,687	\$ 2,826,238	\$ 2,295,177	\$ 2,074,214	\$ 2,983,700
Other Financing Sources (Uses):					
Operating Transfers In	\$ -	\$ -	\$ -	\$ -	\$ 75,000
Operating Transfers Out	(1,932,884)	(1,603,399)	(2,192,011)	(1,382,997)	(2,142,000)
Proceeds from Sale of Assets	7,200	35,093	751	4,320	5,310
Total Other Financing Sources	\$ (1,925,684)	\$ (1,568,306)	\$ (2,191,260)	\$ (1,378,677)	\$ (2,061,690)
Excess of Revenues and Other Sources Over (Under) Expenditures & Other Uses	641,003	1,257,932	103,917	695,537	922,010
Beginning Fund Balance	7,465,952	6,208,020	6,104,103	5,408,566	4,486,556
Ending General Fund Balance	\$ 8,106,955	\$ 7,465,952	\$ 6,208,020	\$ 6,104,103	\$ 5,408,566

Source: The City's audited financial statements.

TABLE 13 – MUNICIPAL SALES TAX HISTORY

The City has adopted the Municipal Sales and Use Tax Act, VATCS, Tax Code, Chapter 321, which grants the City the power to impose and levy a 1% Local Sales and Use Tax within the City; the proceeds are credited to the General Fund and are not pledged to the payment of the Bonds. Collections and enforcements are effected through the offices of the Comptroller of Public Accounts, State of Texas, who remits the proceeds of the tax, after deduction of a 2% service fee, to the City monthly.

Year End 9/30	Total Collected ⁽¹⁾	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita ⁽²⁾
2015	\$ 1,191,356	28.28%	0.1423	\$ 288
2016	1,197,292	26.55%	0.1223	286
2017	1,262,647	26.93%	0.1164	292
2018	1,430,561	27.83%	0.1206	331
2019	1,535,394	29.28%	0.1243	355

(1) Does not include the sales tax for Houston Metropolitan Transit Authority.

(2) Based on population estimates provided by the City.

The sales tax breakdown for the City is as follows:

State Sales and Use Tax	6.25%
City Sales and Use Tax	1.00%
Houston METRO Sales Tax	<u>1.00%</u>
TOTAL	8.25%

FINANCIAL POLICIES

Basis of Accounting . . . The accounts of the City are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

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

Debt Service Fund Balance . . . The City will establish a Debt Service Fund in connection with the issuance of the Bonds. Such Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Budgetary Procedures . . . In late August of each year, each department submits a request for appropriation so that a budget may be prepared. The Mayor and City Council review the requests and make necessary changes. The City Administrator and the City Treasurer prepare the proposed budget. In September, a public hearing for the proposed budget is held. After the hearing, a vote is taken for adoption of the budget. An ordinance is passed by Council to legally enact the budget. Amendments to the budget must be approved by City Council.

INVESTMENTS

The City invests its investable funds in investments authorized by Texas law in accordance with investment policies approved by the City Council of the City. Both state law and the City's investment policies are subject to change.

Legal Investments . . . Under Texas law, the City is authorized to invest in (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, (2) direct obligations of the State of Texas or its agencies and instrumentalities, (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States, (4) other obligations, the principal and interest of which are unconditionally guaranteed, insured, or backed by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent, (6) bonds issued, assumed, or guaranteed by the State of Israel, (7) certificates of deposit and share certificates (i) issued by a depository institution that has its main office or a branch office in the State of Texas, that are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or are secured as to principal by obligations described in clauses (1) through (6) or in any other manner and amount provided by law for City deposits, or (ii) where (a) the funds are invested by the City through (I) a broker that has its main office or a branch office in the State of Texas and is selected from a list adopted by the City as required by law or (II) a depository institution that has its main office or a branch office in the State of Texas that is selected by the City; (b) the broker or the depository institution selected by the City arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the City; (c) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States, and (d) the City appoints the depository institution selected under (a) above, a custodian as described by Section 2257.041(d) of the Texas Government Code, or a clearing broker-dealer registered with the United States Securities and Exchange Commission and operating pursuant to United States Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the City with respect to the certificates of deposit, (8) fully collateralized repurchase agreements that have a defined termination date, are fully secured by a combination of cash and obligations described in clause (1) which are pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City and are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State of Texas; (9) bankers' acceptances with a stated maturity of 270 days or less from the date of its issuance, if the short-term obligations of the accepting bank or its parent are rated at least A-1 or P-1 or the equivalent by at least one nationally recognized credit rating agency, (10) commercial paper that is rated at least A-1 or P-1 or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a U.S. or state bank, (11) no-load money market mutual funds registered with and regulated by the United States Securities and Exchange Commission that have a dollar weighted average stated maturity of 90 days or less and include in their investment objectives the maintenance of a stable net asset value of \$1 for each share, (12) no-load mutual funds registered with the United States Securities and Exchange Commission that have an average weighted maturity of less than two years, invest exclusively in obligations described in the preceding clauses, and are continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent, and (13) public funds investment pools that have an advisory board which includes participants in the pool and are continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent. Texas law also permits the City to invest bond proceeds in a guaranteed investment contract, subject to limitations as set forth in the Public Funds Investment Act, Texas Government Code, Chapter 2256 (the "PFIA").

A political subdivision such as the City may enter into securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (6) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than A or its equivalent or (c) cash invested in obligations described in clauses (1) through (6) above, clauses (10) through (12) above, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the City, held in the City's name and deposited at the time the investment is made with the City or a third party designated by the City; (iii) a loan made under the program through either a primary government securities dealer or a financial institution doing business in the State of Texas; and (iv) the agreement to lend securities has a term of one year or less.

The City may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than AAA or AAA-m or an equivalent by at least one nationally recognized rating service. The City may also contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control for a term up to two years, but the City retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the City must do so by order, ordinance, or resolution.

The City is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Investment Policies . . . Under Texas law, the City is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; and that include a list of authorized investments for City funds, maximum allowable stated maturity of any individual investment and the maximum average dollar-weighted maturity allowed for pooled fund groups. All City funds must be invested consistent with a formally adopted “Investment Strategy Statement” that specifically addresses each funds’ investment. Each Investment Strategy Statement will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield.

Under Texas law, City investments must be made “with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.” At least quarterly the investment officers of the City shall submit an investment report detailing: (1) the investment position of the City, (2) that all investment officers jointly prepared and signed the report, (3) the beginning market value, any additions and changes to market value and the ending value of each pooled fund group, (4) the book value and market value of each separately listed asset at the beginning and end of the reporting period, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it relates to: (a) adopted investment strategy statements and (b) state law. No person may invest City funds without express written authority from the City Council.

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

TABLE 14 – CURRENT INVESTMENTS

As of April 30, 2020, the City’s investable funds were invested in the following categories:

Description	Percent of Total	Book Value	Market Value
TexPool	81.82%	\$ 17,053,457	\$ 17,053,457
Certificates of Deposit	1.03%	214,928	214,928
Money Market Savings	1.16%	240,837	240,837
Bank Deposits	15.99%	3,332,837	3,332,837
Total	100.00%	\$ 20,842,059	\$ 20,842,059

TAX MATTERS

TAX EXEMPTION

The delivery of the Certificates is subject to the opinion of Bond Counsel to the effect that interest on the Certificates for federal income tax purposes (1) will be excludable from gross income, as defined in section 61 of the Code, pursuant to section 103 of the Code and existing regulations, published rulings, and court decisions, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof. A form of Bond Counsel's opinion is reproduced as APPENDIX C. The statutes, regulations, rulings, and court decisions on which such opinion is based are subject to change.

In rendering the foregoing opinions, Bond Counsel will rely upon representations and certifications of the City made in a certificate dated the date of delivery of the Certificates pertaining to the use, expenditure, and investment of the proceeds of the Certificates and will assume continuing compliance by the City with the provisions of the Ordinance subsequent to the issuance of the Certificates. The Ordinance contains covenants by the City with respect to, among other matters, the use of the proceeds of the Certificates and the facilities financed therewith by persons other than state or local governmental units, the manner in which the proceeds of the Certificates are to be invested, the periodic calculation and payment to the United States Treasury of arbitrage "profits" from the investment of proceeds, and the reporting of certain information to the United States Treasury. Failure to comply with any of these covenants may cause interest on the Certificates to be includable in the gross income of the owners thereof from the date of the issuance of the Certificates.

Bond Counsel's opinion is not a guarantee of a result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described above. No ruling has been sought from the IRS with respect to the matters addressed in the opinion of Bond Counsel, and Bond Counsel's opinion is not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on tax-exempt obligations. If an audit of the Certificates is commenced, under current procedures the IRS is likely to treat the City as the "taxpayer," and the owners of the Certificates would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Certificates, the City may have different or conflicting interests from the owners of the Certificates. Public awareness of any future audit of the Certificates could adversely affect the value and liquidity of the Certificates during the pendency of the audit, regardless of its ultimate outcome.

Except as described above, Bond Counsel expresses no other opinion with respect to any other federal, state or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Certificates. Prospective purchasers of the Certificates should be aware that the ownership of tax-exempt obligations such as the Certificates may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a financial asset securitization investment trust ("FASIT"), and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

Existing law may change to reduce or eliminate the benefit to holders of the Certificates of the exclusion of interest on the Certificates from gross income for federal income tax purposes. Any proposed legislation or administrative action, whether or not taken, could also affect the value and marketability of the Certificates. Prospective purchasers of the Certificates should consult with their own tax advisors with respect to any proposed or future changes in tax law.

TAX ACCOUNTING TREATMENT OF DISCOUNT AND PREMIUM ON CERTAIN CERTIFICATES

The initial public offering price of certain Certificates (the "Discount Certificates") may be less than the amount payable on such Certificates at maturity. An amount equal to the difference between the initial public offering price of a Discount Certificate (assuming that a substantial amount of the Discount Certificates of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Certificate. A portion of such original issue discount allocable to the holding period of such Discount Certificate by the initial purchaser will, upon the disposition of such Discount Certificate (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Certificates described above under "Tax Exemption." Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Certificate, taking into account the semiannual compounding of accrued interest, at the yield to maturity on such Discount Certificate and generally will be allocated to an initial purchaser in a different amount from the amount of the payment denominated as interest actually received by the initial purchaser during the tax year.

However, such interest may be required to be taken into account in determining the alternative minimum tax on corporations for taxable years that began before January 1, 2018, and the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding cash payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Moreover, in the event of the redemption, sale or other taxable disposition of a Discount Certificate by the initial owner prior to maturity, the amount realized by such owner in excess of the basis of such Discount Certificate in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Discount Certificate was held) is includable in gross income.

Owners of Discount Certificates should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Certificates for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Certificates. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Certificates may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Certificates (the "Premium Certificates") may be greater than the amount payable on such Certificates at maturity. An amount equal to the difference between the initial public offering price of a Premium Certificate (assuming that a substantial amount of the Premium Certificates of that maturity are sold to the public at such price) and the amount payable at maturity constitutes premium to the initial purchaser of such Premium Certificates. The basis for federal income tax purposes of a Premium Certificate in the hands of such initial purchaser must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Certificate. The amount of premium which is amortizable each year by an initial purchaser is determined by using such purchaser's yield to maturity.

Purchasers of the Premium Certificates should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Certificates for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Certificates.

QUALIFIED TAX-EXEMPT OBLIGATIONS

Section 265 of the Code provides, in general, that interest expense to acquire or carry tax-exempt obligations is not deductible from the gross income of the owner of such obligations. In addition, section 265 of the Code generally disallows 100% of any deduction for interest expense which is incurred by "financial institutions" described in such section and is allocable, as computed in such section, to tax-exempt interest on obligations acquired after August 7, 1986. Section 265(b) of the Code provides an exception to this interest disallowance rule for interest expense allocable to tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) which are designated by an issuer as "qualified tax-exempt obligations." An issuer may designate obligations as "qualified tax-exempt obligations" only if the amount of the issue of which they are a part, when added to the amount of all other tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) obligations and other than certain refunding bonds) issued or reasonably anticipated to be issued by the issuer during the same calendar year, does not exceed \$10,000,000.

The City will designate the Certificates as "qualified tax-exempt obligations" and will certify its expectation that the above-described \$10,000,000 ceiling will not be exceeded. Accordingly, it is anticipated that financial institutions which purchase the Certificates will not be subject to the 100% disallowance of interest expense allocable to interest on the Certificates under section 265(b) of the Code. However, the deduction for interest expense incurred by a financial institution which is allocable to the interest on the Certificates will be reduced by 20% pursuant to section 291 of the Code.

OTHER INFORMATION

RATING

The Certificates and presently outstanding tax supported debt of the City are rated "____" by S&P Global Ratings, a Standard and Poor's Financial Services LLC business ("S&P") without regard to credit enhancement. An explanation of the significance of such ratings may be obtained from the company furnishing the rating. The ratings reflect only the respective views of such organizations and the City makes no representation as to the appropriateness of the ratings. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by either of such rating companies, if in the judgment of either companies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Certificates.

LITIGATION

It is the opinion of the City Attorney and City Staff that there is no pending litigation against the City that would have a material adverse financial impact upon the City or its operations.

REGISTRATION AND QUALIFICATION OF CERTIFICATES FOR SALE

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

LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS

Section 1201.041 of the Public Security Procedures Act (Chapter 1201, Texas Government Code) provides that the Certificates are negotiable instruments governed by Chapter 8, Texas Business and Commerce Code, and are legal and authorized investments for insurance companies, fiduciaries, and trustees, and for the sinking funds of municipalities or other political subdivisions or public agencies of the State of Texas. With respect to investment in the Certificates by municipalities or other political subdivisions or public agencies of the State of Texas, the Public Funds Investment Act, Chapter 2256, Texas Government Code, requires that the Certificates be assigned a rating of "A" or its equivalent as to investment quality by a national rating agency. See "OTHER INFORMATION - RATINGS" herein. In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Certificates are legal investments for state banks, savings banks, trust companies with at capital of one million dollars or more, and savings and loan associations. The Certificates are eligible to secure deposits of any public funds of the State, its agencies, and its political subdivisions, and are legal security for those deposits to the extent of their market value. No review by the City has been made of the laws in other states to determine whether the Certificates are legal investments for various institutions in those states.

LEGAL OPINIONS AND NO-LITIGATION CERTIFICATE

The City will furnish a complete transcript of proceedings had incident to the authorization and issuance of the Certificates, including the unqualified approving legal opinion of the Attorney General of Texas approving the Initial Certificate and to the effect that the Certificates are valid and legally binding obligations of the City, and based upon examination of such transcript of proceedings, the approving legal opinion of Bond Counsel, to like effect and to the effect that the interest on the Certificates will be excludable from gross income for federal income tax purposes under Section 103(a) of the Code, subject to the matters described under "Tax Matters" herein. The customary closing papers, including a certificate to the effect that no litigation of any nature has been filed or is then pending to restrain the issuance and delivery of the Certificates, or which would affect the provision made for their payment or security, or in any manner questioning the validity of said Certificates will also be furnished. Bond Counsel was not requested to participate, and did not take part, in the preparation of the Notice of Sale and Bidding Instructions, the Official Bid Form and the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Certificates in the Official Statement to verify that such description conforms to the provisions of the Ordinance. The legal fee to be paid Bond Counsel for services rendered in connection with the issuance of the Certificates is contingent on the sale and delivery of the Certificates. The legal opinion will accompany the Certificates deposited with DTC or will be printed on the Certificates in the event of the discontinuance of the Book-Entry-Only System.

AUTHENTICITY OF FINANCIAL DATA AND OTHER INFORMATION

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

CONTINUING DISCLOSURE OF INFORMATION

In the Ordinance, the City has made the following agreement for the benefit of the holders and beneficial owners of the Certificates. The City is required to observe the agreement for so long as it remains obligated to advance funds to pay the Certificates. Under the agreement, the City will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to the Municipal Securities Rulemaking Board (the "MSRB"). This information will be available free of charge from the MSRB via the Electronic Municipal Market Access ("EMMA") system at www.emma.msrb.org.

ANNUAL REPORTS

The City will provide annually to the Municipal Rulemaking Board (the “MSRB”) through its Electronic Municipal Market Access system (“EMMA”), within six months after the end of each fiscal year ending in or after September 30, 2020, financial information and operating data with respect to the City of the general type included in the Official Statement provided to the Purchaser in connection with its initial approval of its purchase of the Certificate of Obligations, being the information in tables 1 through 6 and 8 through 14 and as described in Appendix B hereto. Any financial statements so to be provided will be (1) prepared in accordance with the accounting principles set forth in Appendix B to the Official Statement, or as may otherwise hereafter be established consistent with Texas law and Generally Accepted Accounting Principles, and (2) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not so provided, then the City will provide audited financial statements for the applicable fiscal year to the MSRB through EMMA, when and if audited financial statements become available but if such audited financial statements are unavailable the City will provide such financial statements on an unaudited basis within the above-described six-month period.

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

The financial information and operating data to be provided 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, if it is available from the MSRB) that theretofore has been provided to the MSRB through EMMA or filed with the United States Securities and Exchange Commission (the “SEC”), or may be provided in any other manner consistent with the SEC Rule 15c2-12 (the “Rule”).

NOTICE OF CERTAIN EVENTS

The City will notify the MSRB through EMMA of any of the following events with respect to the Certificates in a timely manner, and not more than 10 business days after occurrence of the event:

- 1) Principal and interest payment delinquencies;
- 2) Non-payment related defaults, if material;
- 3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- 4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- 5) Substitution of credit or liquidity providers, or their failure to perform;
- 6) Adverse tax opinions the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax-exempt status of the Certificates, or other material events affecting the tax status of the Certificates;
- 7) Modifications to rights of Registered Owners 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 will occur as described below;
- 13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- 14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- 15) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, 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 the financial obligation of the obligated person, any of which reflect financial difficulties.

The City will notify the MSRB through EMMA., in a timely manner, of any failure by the City to provide financial information or operating data in accordance with the Ordinance by the time required.

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 Issuer 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 of the City in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer, and (b) the City intends the words used in the immediately preceding paragraphs (15) and (16) and the definition of “Financial Obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) 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.

AVAILABILITY OF INFORMATION

The City has agreed to provide the foregoing information only as described above. Investors will be able to access continuing disclosure information filed with the MSRB free of charge at www.emma.msrb.org.

LIMITATIONS AND AMENDMENTS

The City will be obligated to observe and perform its continuing disclosure covenants while it remains the “obligated person” with respect to the Certificates within the meaning of the Rule, except that the City in any event will give the notice of any Certificate calls and defeasance that cause the City to be no longer such an “obligated person”.

These provisions are for the sole benefit of the registered owners and beneficial owners of the Certificates, and nothing, express or implied, will 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 and has not undertaken to provide any other information that may be relevant or material to a complete presentation of the financial results, condition, or prospects of the City or the State of Texas or hereby undertake to update any information except as expressly provided. 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 WILL THE CITY BE LIABLE TO THE REGISTERED OWNER OR BENEFICIAL OWNER OF ANY CERTIFICATE ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THE ORDINANCE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH WILL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations will constitute a breach of or default.

The City may amend its continuing disclosure undertaking from time to time to adapt to changed circumstances resulting 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, 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 registered owners of a majority in aggregate principal amount (or any greater amount required by any other provision of the 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 registered owners and beneficial owners of the Certificates. The City may also amend or repeal the provisions if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but in either case only to the extent that its right to do so would not prevent the Underwriter from lawfully purchasing the Certificates.

COMPLIANCE WITH PRIOR UNDERTAKINGS

The District’s comprehensive annual financial reports were not timely filed with the MSRB for fiscal years ending September 30, 2015 and 2016. The reports have since been filed, including a notice of late filing. The City has implemented procedures to ensure timely filing of all future financial information.

FINANCIAL ADVISOR

Masterson Advisors LLC is employed as Financial Advisor to the City in connection with the issuance of the Certificates. The Financial Advisor's fee for services rendered with respect to the sale of the Certificates is contingent upon the issuance and delivery of the Certificates. Masterson Advisors LLC, in its capacity as Financial Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Certificates, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

The Financial Advisor to the City has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the City and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

INITIAL PURCHASER

INITIAL PURCHASER

After requesting competitive bids for the Certificates, the City accepted the bid of _____ (the "Initial Purchaser") to purchase the Certificates at the interest rates shown on the inside cover of this Official Statement at a purchase price of par of the principal amount thereof plus a cash premium of \$ _____. The initial yield at which the Certificates will be priced and reoffered will be established by and will be the responsibility of the Initial Purchaser. The City has no control over the price at which the Certificates are subsequently sold. The Initial Purchaser can give no assurance that any trading market will be developed for the Certificates after their sale by the City to the Initial Purchaser.

FORWARD LOOKING STATEMENTS DISCLAIMER

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

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the City. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

CERTIFICATION OF THE OFFICIAL STATEMENT

At the time of payment for and delivery of the Certificates, the Initial Purchaser will be furnished a certificate, executed by a proper officer acting in his or her official capacity, to the effect that to the best of his or her knowledge and belief: (a) the descriptions and statements of or pertaining to the City contained in its Official Statement, and any addenda, supplement or amendment thereto, on the date of such Official Statement, on the date of sale of said Certificates and the acceptance of the best bid therefor, and on the date of the delivery, were and are true and correct in all material respects; (b) insofar as the City and its affairs, including its financial affairs, are concerned, such Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (c) insofar as the descriptions and statements, including financial data, of or pertaining to entities, other than the City, and their activities contained in such Official Statement are concerned, such statements, and data have been obtained from sources which the City believes to be reliable and the City has no reason to believe that they are untrue in any material respect; and (d) there has been no material adverse change in the financial condition of the City since the date of the last audited financial statements of the City.

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

APPENDIX A

GENERAL INFORMATION REGARDING THE CITY

THE CITY

The City of Spring Valley Village (the “City”) is a residential area surrounded by the City of Houston, west of Loop 610 and north of Interstate Highway 10. The City is one of the six Memorial Villages located ten miles west of downtown Houston. The City’s 2019 population was 4,333, a 16.5% increase since 2010. Some of the services that the City provides are public safety (police and fire protection), highways and streets, sanitation, water and sewer services, and general administrative services.

ECONOMY

The City continues to be a thriving community, consisting primarily of single-family residences. New housing construction in the City remains strong. Although there is little vacant land in the City, the tax base has continued to grow due to new construction of higher end homes on lots previously occupied by older homes. In fiscal year 2019, property tax revenue stays the same due to a tax rate reduction. Sales tax also increased over the prior year by 7.33%.

Harris County and the Houston Metropolitan area comprise a leading region of business development in the nation. The economy is based on petrochemicals, tourism, shipping, refining, chemicals, space exploration, medical research, manufacturing and education. The West Houston area is recognized as one of the most active centers of business and industrial development in the region. Industry in the area includes manufacturers of oil field machinery and equipment, fabricated metals, lumber, plastic and rubber products, tools and nonelectric machinery. Numerous shopping centers, malls, other retail establishments, and a wide variety of service-oriented businesses are located within the area and offer a complement to industry.

POPULATION

1990 Official Census	2000 Official Census	2010 Official Census
3,392	3,611	3,715

LABOR STATISTICS (TEXAS WORKFORCE COMMISSION)

Calendar Year	Labor Force	Total Employment	Unemployment	Rate
2015	2,232,553	2,129,050	103,503	4.64%
2016	2,246,239	2,126,642	119,597	5.32%
2017	2,268,944	2,155,485	113,459	5.00%
2018	2,286,360	2,186,339	100,021	4.37%
2019	2,317,346	2,228,703	88,643	3.83%
2020 ⁽¹⁾	2,296,832	2,139,165	157,667	6.86%

Source: Texas Workforce Commission

(1) Average as of April 30, 2020.

APPENDIX B

EXCERPTS FROM THE
CITY OF SPRING VALLEY VILLAGE, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended September 30, 2019

The information contained in this Appendix consists of excerpts from the City of Spring Valley Village, Texas Annual Financial Report for the Year Ended September 30, 2019, and is not intended to be a complete statement of the City's financial condition. Reference is made to the complete Report for further information.

APPENDIX C

FORM OF OPINION OF BOND COUNSEL

DIVIDER PAGE

BOOK-ENTRY-ONLY SYSTEM

**NOTICE OF SALE
AND
BIDDING INSTRUCTIONS**

**ON
\$7,785,000*
CITY OF SPRING VALLEY VILLAGE, TEXAS
(Harris County)
TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2020**

Sealed Bids Due Tuesday, July 14, 2020, AT 10:00 A.M., CST

**THE CERTIFICATES WILL BE DESIGNATED AS “QUALIFIED TAX-EXEMPT OBLIGATIONS”
FOR FINANCIAL INSTITUTIONS.**

THE SALE

CERTIFICATES OFFERED FOR SALE AT COMPETITIVE BIDDING . . . The City of Spring Valley Village, Texas (the “City”) is offering for sale its \$7,785,000* Tax and Revenue Certificates of Obligation, Series 2020 (the “Certificates”). Bidders may submit bids for the Certificates by any of the following methods:

- (1) Deliver bids directly to the Financial Advisor as described below in “Bids Delivered to Financial Advisor;”
- (2) Submit bids electronically as described below in “Electronic Bidding Procedures;” or
- (3) No bids will be accepted by telephone or facsimile.

BIDS DELIVERED TO THE FINANCIAL ADVISOR . . . Sealed bids, plainly marked “Bid for Certificates”, should be addressed to “Mayor and City Council, City of Spring Valley Village, Texas”, and delivered to 3 Greenway Plaza, Suite 1100, Houston, Texas 77046, prior to 10:00 A.M., CST, on the date of the bid opening. All bids must be submitted on the Official Bid Form, without alteration or interlineation.

ELECTRONIC BIDDING PROCEDURE . . . Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY. **Bidders submitting an electronic bid shall not be required to submit official bid forms.** Subscription to the i-Deal LLC's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The City will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

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

If any provisions of this Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Notice of Sale shall control. Further information about PARITY, including any fee charged, may be obtained from Parity Customer Support, 40 West 23rd Street, 5th Floor, New York, New York 10010, (212) 404-8102.

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

Masterson Advisors LLC will not be responsible for submitting any bids received after the above deadlines.

Masterson Advisors LLC assumes no responsibility or liability with respect to any irregularities associated with the submission of bids regardless of the submission option that is exercised.

* Preliminary, subject to change.

PLACE AND TIME OF BID OPENING . . . The bids for the Certificates will be publicly opened and read in the office of Masterson Advisors LLC, 3 Greenway Plaza, Suite 1100, Houston, Texas 77046, at 10:00 A.M., CST, Tuesday, July 14, 2020.

AWARD OF THE CERTIFICATES . . . The City Council will take action to award the Certificates (or reject all bids) at a meeting scheduled to convene at 6:00 P.M., CST, on July 14, 2020, and adopt an ordinance authorizing the Certificates and approving the Official Statement (the “Ordinance”).

THE CERTIFICATES

DESCRIPTION . . . The Certificates will be dated August 1, 2020. Interest will accrue from the date of initial delivery (the “Delivery Date”) expected to be August 4, 2020, and will be due on February 15, 2021, and each August 15 and February 15 thereafter until the earlier of maturity or prior redemption. The Certificates will be issued only in fully registered form in any integral multiple of \$5,000 for any one maturity. The Certificates will mature on February 15 in each year as follows:

MATURITY SCHEDULE

Maturity February 15	Principal Amount*	Maturity February 15	Principal Amount*
2022	\$ 290,000	2032	\$ 415,000
2023	305,000	2033	430,000
2024	310,000	2034	450,000
2025	320,000	2035	465,000
2026	325,000	2036	485,000
2027	345,000	2037	505,000
2028	355,000	2038	525,000
2029	370,000	2039	545,000
2030	385,000	2040	560,000
2031	400,000		

ADJUSTMENT OF PRINCIPAL AMOUNTS. . . Prior to receiving bids on the Certificates the City may, in its sole discretion, adjust the “CONDITIONS OF THE SALE” and the principal amounts set forth above (the “Maturity Schedule”). The City will give notice of any such adjustment no later than 18 hours prior to the sale.

If, after final computation of the Bids, in awarding the sale to the best bidder, the City may determine that the funds necessary to carry out the purposes for which the Certificates are to be issued is either more or less than the proceeds of the proposed sale of all of the Certificates or that the principal amounts may need to be adjusted to accommodate the desired debt structure. The City reserves the right to adjust, by no more than ten percent (10.0%) the principal amount of the Certificates (including sinking fund installments in the case of Term Certificates, if any) shown on the Maturity Schedule. All calculations will be rounded to the nearest \$5,000. The amount of Certificates maturing in each year may be increased or decreased by more than ten percent (10.0%) so long as the City adheres to the overall ten percent (10.0%) limitation on the amount of change to the total principal amount.

If the City exercises its right to adjust the principal amount of the Certificates, the City agrees that any such adjustment(s) of the affected bid shall be contingent upon the preservation of the bidder’s underwriting spread, as contemplated by the original bid. The winning bidder’s acceptance of any adjustment(s) of the principal amount of the Certificates shall be verbally confirmed by (and subject to the verbal confirmation of) the City’s financial advisor prior to the approval of the winning bid by the Commission.

There is no guarantee that adjustments and/or revisions will not be necessary in order to properly size the Certificates. Accordingly, the City reserves the right in its sole discretion to make adjustments as previously described above, even if the issue size of the Certificates does not change from the original par amount of the Certificates. In the event of any such adjustment and/or revision, no rebidding will be permitted, and the purchase price as may have been bid on the Certificates shall be adjusted accordingly.

* Preliminary, subject to change.

OPTIONAL REDEMPTION . . . The City reserves the right, at its option, to redeem Certificates having stated maturities on and after February 15, 2029, in whole or from time to time in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2028, or any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption.

SERIAL CERTIFICATES AND/OR TERM CERTIFICATES . . . Bidders may provide that all of the Certificates be issued as serial certificates or may provide that any two or more consecutive annual principal amounts be combined into one or more term certificates.

MANDATORY SINKING FUND REDEMPTION . . . If the successful bidder elects to alter the Maturity Schedule reflected above and convert the principal amounts of any Serial Certificates into Term Certificates, such Term Certificates shall be subject to mandatory redemption commencing on February 15 of the first year which has been combined to form such Term Certificate, and annually thereafter on each February 15 until the stated maturity for the Term Certificates at the redemption price of par plus accrued interest to the date of redemption. The principal amounts of the Term Certificates to be redeemed on each mandatory redemption date shall be the principal amounts that would have been due and payable in the Maturity Schedule shown above had no designation of such maturities as Term Certificates occurred. At least thirty (30) days prior to each mandatory date, the Paying Agent/Registrar shall select by lot the Term Certificates to be redeemed and cause a notice of redemption to be given in the manner provided in the Official Statement. The principal amount of the Term Certificates required to be redeemed pursuant to the operation of such mandatory redemption provisions may be reduced, at the option of the City, by the principal amount of the Term Certificates of the same maturity which at least fifty (50) days prior to a mandatory redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase and delivered to the Paying Agent/Registrar for cancellation or (ii) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

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

PAYING AGENT/REGISTRAR . . . The initial Paying Agent/Registrar shall be The Bank of New York Mellon Trust Company, N.A., Dallas, Texas. See "THE CERTIFICATES - PAYING AGENT/REGISTRAR" in the Official Statement.

SECURITY FOR THE CERTIFICATES . . . The Certificates constitute direct obligations of the City, payable from the levy and collection of an annual ad valorem tax, within the limits prescribed by law, on all taxable property within the City, and a limited pledge of a subordinate lien on the net revenues of the City's waterworks and sewer system. See "THE CERTIFICATES - SECURITY AND SOURCE OF PAYMENT" in the Official Statement.

Further details regarding the Certificates are set forth in the Preliminary Official Statement.

CONDITIONS OF THE SALE

TYPE OF BIDS AND INTEREST RATES . . . The Certificates will be sold in one block on an "All or None" basis, and at a price of not less than 100% or more than 110% of the total par value. The principal amounts listed herein were calculated with a total bid premium of _____. Bidders are invited to name the rate(s) of interest to be borne by the Certificates, provided that each rate bid must be in a multiple of 1/8th of 1% or 1/100th of 1% and the net effective interest rate must not exceed 15%. The highest rate bid may not exceed the lowest bid by more than 3% in rate. No maturity may have a dollar price less than 97.50%. No limitation is imposed upon bidders as to the number of rates or changes which may be used. All Certificates of one maturity must bear one and the same rate. No bids involving supplemental interest rates will be considered.

BASIS FOR AWARD . . . Subject to the City's right to reject any or all bids and to waive any irregularities except time of filing, the sale of the Certificates will be awarded to the bidder or syndicate account manager whose name first appears on the Official Bid Form (the "Initial Purchaser") making a bid that conforms to the specifications herein and which produces the lowest True Interest Cost rate to the City. The True Interest Cost rate is that rate which, when used to compute the total present value as of the Delivery Date of all debt service payments on the Certificates on the basis of semi-annual compounding, produces an amount equal to the sum of the par value of the Certificates plus any premium bid, if any. In the event of a bidder's error in interest cost rate calculations, the interest rates, and premium, if any, set forth in the Official Bid Form will be considered as the intended bid.

GOOD FAITH DEPOSIT . . . A Good Faith Deposit, payable to the “City of Spring Valley Village, Texas”, in the amount of \$155,700, is required. Such Good Faith Deposit shall be a bank cashier's check or certified check, which is to be retained uncashed by the City pending the Initial Purchaser's compliance with the terms of the bid and the Notice of Sale and Bidding Instructions. The Good Faith Deposit may accompany the Official Bid Form or it may be submitted separately. If submitted separately, it shall be made available to the City prior to the opening of the bids, and shall be accompanied by instructions from the bank on which drawn which authorize its use as a Good Faith Deposit by the Initial Purchaser who shall be named in such instructions. **The Good Faith Deposit of the Initial Purchaser will be returned to the Initial Purchaser unendorsed upon payment for the Certificates.** No interest will be allowed on the Good Faith Deposit. In the event the Initial Purchaser should fail or refuse to take up and pay for the Certificates in accordance with the bid, then said check shall be cashed and accepted by the City as full and complete liquidated damages. The checks accompanying bids other than the winning bid will be returned immediately after the bids are opened, and an award of the Certificates has been made.

ADDITIONAL CONDITION OF AWARD — DISCLOSURE OF INTERESTED PARTY FORM

OBLIGATION OF THE CITY TO RECEIVE INFORMATION FROM WINNING BIDDER. . . Pursuant to Texas Government Code, Section 2252.908 (the “Interested Party Disclosure Act”), if the winning bidder is not a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity, the City may not award the Certificates to that bidder unless the bidder submits a Certificate of Interested Parties Form 1295 (the “Disclosure Form”) to the City as prescribed by the Texas Ethics Commission (“TEC”). In the event that the bidder’s bid for the Certificates is the best bid received, the City, acting through its financial advisor, will promptly notify the bidder. That notification will serve as the conditional verbal acceptance of the bid and the winning bidder must promptly, not later than 2:00 p.m. (CST) on the Sale Date, file the materials described below.

PROCESS FOR COMPLETING THE DISCLOSURE FORM....The Disclosure Form can be found at <https://www.ethics.state.tx.us/forms/1295.pdf>, and reference should be made to the following information in order to complete it: (a) item 2 – Name of City (“City of Spring Valley Village, Texas”), (b) item 3 – the identification number (“2020CO”), and (c) item 3 – description of the goods or services assigned to this contract by the City (“City of Spring Valley Village, Texas, Tax and Revenue Certificates of Obligation, Series 2020”).

If the winning bidder is not a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity, the City cannot accept your bid unless and until you:

- (i) **complete the Disclosure Form electronically at the TEC’s “electronic portal”, and**
- (ii) **print, sign and deliver a copy of the Disclosure Form that is generated by the TEC’s “electronic portal.”**

These materials must be delivered electronically to the City’s Bond Counsel at neil.thomas@nortonrosefulbright.com and reginald.wilson@nortonrosefulbright.com no later than 2:00 p.m. (CST) on the Sale Date.

Time will be of the essence in submitting the form to the City, and no bid will be accepted by the City unless a completed Disclosure Form is received on time for the winning bidder and each syndicate member listed on the Official Bid Form.

Neither the City nor its consultants have the ability to verify the information included in a Disclosure Form, and neither have an obligation nor undertake responsibility for advising any bidder with respect to the proper completion of the Disclosure Form. Consequently, an entity intending to bid on the Certificates should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the City that its bid is the conditional winning bid.

ADDITIONAL CONDITION OF AWARD – COMPLIANCE WITH H.B. 89 AND S.B. 252, 85TH TEXAS LEGISLATURE. . . In *Amawi v. Pflugerville Independent School District* (1:18-cv-01091), the United States District Court for the Western District of Texas issued a preliminary injunction (the “*NBI Injunction*”) preventing the defendants, including the State of Texas, from enforcing Texas Government Code § 2270.001 *et. seq.*, or any “No Boycott of Israel” clause in any state contract while litigation proceeds. On May 7, 2019, House Bill 793, 86th Texas Legislature, Regular Session, became law, amending Texas Government Code § 2270.001 *et seq.*, now codified at Texas Government Code § 2271.001 *et seq.*, to remedy issues raised in *Amawi v. Pflugerville Independent School District*. On May 10, 2019, the Texas Attorney General filed a Motion to Stay the NBI Injunction with the United States Court of Appeals for the Fifth Circuit.

In light of the foregoing recent developments, the following representation is provided by the Initial Purchaser to avoid any uncertainty regarding the authority of the City. To the extent the sale of the Certificates that is the subject of this Notice of Sale constitutes a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, each bidder, through submittal of an executed Official Bid Form, verifies that it (including any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of the bidder) does not boycott Israel and, except to the extent required by applicable federal law, will not boycott Israel through the term of the agreement set forth in the Official Bid Form. For purposes of this verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

Pursuant to Subchapter F, Chapter 2252, Texas Government Code, to the extent applicable, each bidder, through the submittal of the Official Bid Form, represents that it (including any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of the bidder) is not a company (as defined in Section 2270.0001(2), Texas Government Code) engaged in business with Iran, Sudan, or a foreign terrorist organization (as defined in Section 2252.151(2), Texas Government Code) and that it is not on a list prepared and maintained by the Comptroller of Public Accounts of the State of Texas under Sections 2270.0201 or 2252.153, Texas Government Code.

DELIVERY OF THE CERTIFICATES AND ACCOMPANYING DOCUMENTS

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

DELIVERY OF CERTIFICATES . . . Delivery will be accomplished by the issuance of one Initial Certificate (also called the "Certificate" or "Certificates"), either in typed or printed form, in the aggregate principal amount of \$7,785,000*, payable in stated installments to the Initial Purchaser, signed by the Mayor and City Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts. Upon delivery of the Initial Certificate, it shall be immediately cancelled and one definitive Certificate for each maturity will be registered and delivered only to Cede & Co., and deposited with DTC in connection with DTC's Book-Entry-Only System. Delivery will be at the principal office of the Paying Agent/Registrar. Payment for the Certificates must be made in immediately available funds for unconditional credit to the City, or as otherwise directed by the City. The Initial Purchaser will be given six business days' notice of the time fixed for delivery of the Certificates. It is anticipated that delivery of the Certificate(s) can be made on or about August 4, 2020, and it is understood and agreed that the Initial Purchaser will accept delivery and make payment for the Certificates by 10:00 AM, CST, on August 4, 2020, or thereafter on the date the Certificate is tendered for delivery, up to and including September 3, 2020. If for any reason the City is unable to make delivery on or before September 3, 2020, the City shall immediately contact the Initial Purchaser and offer to allow the Initial Purchaser to extend its offer for an additional thirty days. If the Initial Purchaser does not elect to extend its offer within six days thereafter, then its Good Faith Deposit will be returned, and both the City and the Initial Purchaser shall be relieved of any further obligation. In no event shall the City be liable for any damages by reason of its failure to deliver the Certificates, provided such failure is due to circumstances beyond the City's reasonable control.

CONDITIONS TO DELIVERY . . . The obligation of the Initial Purchaser to take up and pay for the Certificates is subject to the Initial Purchaser's receipt of (a) the legal opinion of Norton Rose Fulbright US LLP, Houston, Texas, Bond Counsel for the City ("Bond Counsel"), (b) the no-litigation certificate, and (c) the certification as to the Official Statement, all as further described in the Preliminary Official Statement.

* Preliminary, subject to change.

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

- (a) The winning bidder shall assist the City in establishing the issue price of the Certificates and shall execute and deliver to the City by Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel. All actions to be taken by the City under this Notice of Sale to establish the issue price of the Certificates may be taken on behalf of the City by the City’s municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City’s municipal advisor.
- (b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Certificates) will apply to the initial sale of the Certificates (the “competitive sale requirements”) because:
 - (1) the City shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
 - (2) all bidders shall have an equal opportunity to bid;
 - (3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
 - (4) the City anticipates awarding the sale of the Certificates to the bidder who submits a firm offer to purchase the Certificates at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Certificates, as specified in the bid.

- (c) In the event that the competitive sale requirements are not satisfied, the City shall so advise the winning bidder. In such event, the City intends to treat the initial offering price to the public as of the sale date of each maturity of the Certificates as the issue price of that maturity (the “hold-the-offering-price rule”). The City shall promptly advise the winning bidder, at or before the time of award of the Certificates, if the competitive sale requirements were not satisfied, in which case the hold-the-offering-price rule shall apply to the Certificates. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied and the hold-the-offering-price rule applies. In the event that the competitive sale requirements are not satisfied, the issue price certificate shall be modified as necessary in the reasonable judgment of Bond Counsel and the City.
- (d) By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Certificates to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Certificates, that the underwriters will neither offer nor sell unsold Certificates of any maturity to which the hold-the-offering-price rule applies to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:
 - (1) the close of the fifth (5th) business day after the sale date; or
 - (2) the date on which the underwriters have sold at least 10% of that maturity of the Certificates to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the City when the underwriters have sold 10% of that maturity of the Certificates to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

- (e) The City acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Certificates to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Certificates to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Certificates.
- (f) By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Certificates to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Certificates to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Certificates to the public to require each broker-dealer that is a party to such third-party distribution agreement to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.
- (g) Sales of any Certificates to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this section of the Notice of Sale:
 - (1) “public” means any person other than an underwriter or a related party,
 - (2) “underwriter” means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Certificates to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Certificates to the public),
 - (3) a purchaser of any of the Certificates is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
 - (4) “sale date” means the date that the Certificates are awarded by the City to the winning bidder.

LEGAL OPINIONS . . . The Certificates are offered when, as and if issued, subject to the approval of the Attorney General of the State of Texas. Delivery of and payment for the Certificates is subject to the receipt by the Initial Purchaser of the opinion of Norton Rose Fulbright US LLP, Bond Counsel, substantially in the form reproduced in Appendix C to the Official Statement, to the effect that based upon an examination of a transcript of certified proceedings of the City relating to the authorization and issuance of the Certificates, the Certificates are validly issued under the Constitution and laws of the State of Texas and to the effect that interest on the Certificates is excludable from gross income for federal income tax purposes under existing law, subject to the matters described in "TAX MATTERS" in the Preliminary Official Statement.

QUALIFIED TAX-EXEMPT OBLIGATIONS . . . The City will designate the Certificates as “qualified tax-exempt obligations” for financial institutions. See “TAX MATTERS – QUALIFIED TAX-EXEMPT OBLIGATIONS” in the Official Statement.

CERTIFICATION OF OFFICIAL STATEMENT . . . At the time of payment for and Initial Delivery of the Certificates, the City will execute and deliver to the Initial Purchaser a certificate in the form set forth in the Official Statement under the heading “OTHER INFORMATION–CERTIFICATION OF THE OFFICIAL STATEMENT.”

CHANGE IN TAX EXEMPT STATUS . . . At any time before the Certificates are tendered for delivery, the Initial Purchaser may withdraw its bid if the interest received by private holders on obligations of the same type and character shall be declared to be includable in gross income under present federal income tax laws, either by ruling of the Internal Revenue Service or by a decision of any Federal court, or shall be declared taxable or be required to be taken into account in computing any federal income taxes, by the terms of any federal income tax law enacted subsequent to the date of this Notice of Sale.

GENERAL

FINANCIAL ADVISOR . . . Masterson Advisors LLC is employed as Financial Advisor to the City in connection with the issuance of the Certificates. The Financial Advisor's fee for services rendered with respect to the sale of the Certificates is contingent upon the issuance and delivery of the Certificates. Masterson Advisors LLC has agreed, in its Financial Advisory contract, not to bid for the Certificates, either independently or as a member of a syndicate organized to submit a bid for the Certificates.

Masterson Advisors LLC, in its capacity as Financial Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Certificates, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

BLUE SKY LAWS . . . By submission of its bid, the Initial Purchaser represents that the sale of the Certificates in states other than Texas will be made only pursuant to exemptions from registration or, where necessary, the Initial Purchaser will register the Certificates in accordance with the securities law of the states in which the Certificates are offered or sold. The City agrees to cooperate with the Initial Purchaser, at the Initial Purchaser's written request and expense, in registering the Certificates or obtaining an exemption from registration in any state where such action is necessary, provided, however, that the City shall not be obligated to execute a general or special consent to service of process in any such jurisdiction.

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

ISSUANCE OF ADDITIONAL DEBT . . . The City does not anticipate the issuance of additional general obligation debt backed by ad valorem taxes for projects in the next twelve months.

RATINGS . . . The Certificates and existing debt of the City have been rated “_____” by S&P Global Ratings, a Standard and Poor's Financial Services LLC business (“S&P”) without regard to credit enhancement. The City will pay the costs associated with the assignment of the rating from S&P. The use of any other rating on the certificates will be the responsibility of the Initial Purchaser to provide payment for such assignment.

THE OFFICIAL STATEMENT AND COMPLIANCE WITH SEC RULE 15c2-12 . . . The City has prepared the accompanying Official Statement and, for the limited purpose of complying with SEC Rule 15c2-12, deems such Official Statement to be final as of its date within the meaning of such Rule for the purpose of review prior to bidding. To the best knowledge and belief of the City, the Official Statement contains information, including financial information or operating data, concerning every entity, enterprise, fund, account, or person that is material to an evaluation of the offering of the Certificates. Representations made and to be made by the City concerning the absence of material misstatements and omissions in the Official Statement are addressed elsewhere in this Notice of Sale and in the Official Statement.

The City will furnish to the Initial Purchaser(s), acting through a designated senior representative, in accordance with instructions received from the Initial Purchaser(s), within seven (7) business days from the sale date an aggregate of 150 copies of the Official Statement reflecting interest rates and other terms relating to the initial reoffering of the Certificates. The cost of any Official Statement in excess of the number specified shall be prepared and distributed at the cost of the Initial Purchaser(s). The Initial Purchaser(s) shall be responsible for providing in writing the initial reoffering prices and other terms, if any, to the Financial Advisor by the close of the next business day after the award. Except as noted above, the City assumes no responsibility or obligation for the distribution or delivery of any copies of the Official Statement in connection with the offering or reoffering of the subject securities.

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

COMPLIANCE WITH PRIOR UNDERTAKINGS . . . The District's comprehensive annual financial reports were not timely filed with the MSRB for fiscal years ending September 30, 2015 and 2016. The reports have since been filed, including a notice of late filing. The City has implemented procedures to ensure timely filing of all future financial information.

ADDITIONAL COPIES OF NOTICE, BID FORM AND STATEMENT . . . A limited number of additional copies of this Notice of Sale, the Official Bid Form and the Official Statement, as available over and above the normal mailing, may be obtained at the offices of Masterson Advisors LLC, 3 Greenway Plaza, Suite 1100, Houston, Texas 77046, Financial Advisor to the City.

The City Council has approved the form and content of the Notice of Sale, the Official Bid Form and Official Statement, and authorized the use thereof in its initial offering of the Certificates. On the date of the sale, the City Council will, in the Ordinance authorizing the issuance of the Certificates, confirm its approval of the form and content of the Official Statement, and any addenda, supplement or amendment thereto, and authorize its use in the reoffering of the Certificates by the Initial Purchaser.

OFFICIAL BID FORM

Honorable Mayor and City Council
City of Spring Valley Village, Texas

July 14, 2020

Members of the City Council:

Reference is made to your Official Statement and Notice of Sale and Bidding Instructions, dated _____, 2020 of \$7,785,000* CITY OF SPRING VALLEY VILLAGE, TEXAS TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2020 (the "Certificates"), both of which constitute a part hereof.

For your legally issued Certificates, as described in said Notice of Sale and Bidding Instructions and Official Statement, we will pay you par plus a cash premium not less than 100% or more than 110% of the total par value for Certificates maturing and bearing interest as follows:

Maturity February 15	Principal Amount	Interest Rate	Maturity February 15	Principal Amount	Interest Rate
2022	\$ 290,000	_____ %	2032	\$ 415,000	_____ %
2023	305,000	_____	2033	430,000	_____
2024	310,000	_____	2034	450,000	_____
2025	320,000	_____	2035	465,000	_____
2026	325,000	_____	2036	485,000	_____
2027	345,000	_____	2037	505,000	_____
2028	355,000	_____	2038	525,000	_____
2029	370,000	_____	2039	545,000	_____
2030	385,000	_____	2040	560,000	_____
2031	400,000	_____			

Of the principal maturities set forth in the table above, term certificates have been created as indicated in the following table (which may include multiple term certificates, one term certificate or no term certificate if none is indicated). For those years which have been combined into a term certificate, the principal amount shown in the table above shall be the mandatory sinking fund redemption amounts in such years except that the amount shown in the year of the term certificate maturity date shall mature in such year. The term certificates created are as follows:

Term Certificate Maturity Date	Year of First Mandatory Redemption	Principal Amount of Term Certificate	Interest Rate
_____	_____	\$ _____	_____ %
_____	_____	\$ _____	_____ %
_____	_____	\$ _____	_____ %
_____	_____	\$ _____	_____ %

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

TRUE INTEREST COST _____ %

The Initial Certificates shall be registered in the name of _____, which will, upon payment for the Certificates, be cancelled by the Paying Agent/Registrar. The Certificates will then be registered in the name of Cede & Co. (DTC's partnership nominee), under the Book-Entry-Only System.

The Certificates [are/are not] being insured by _____ at a premium of \$ _____, said premium to be paid by the Initial Purchaser. Any rating fees associated with the use of insurance will be the responsibility of the Initial Purchaser.

A bank cashier's check or certified check of the _____ Bank, _____, in the amount of \$155,700, which represents our Good Faith Deposit (is attached hereto) or (has been made available to you prior to the opening of this bid), and is submitted in accordance with the terms as set forth in the Official Statement and Notice of Sale and Bidding Instructions.

* Preliminary, subject to change.

We agree to accept delivery of the Certificates utilizing the Book-Entry-Only System through DTC and make payment for the Initial Certificate in immediately available funds in the Corporate Trust Division, The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, not later than 10:00 AM, CST, on August 4, 2020, or thereafter on the date the Certificates are tendered for delivery, pursuant to the terms set forth in the Notice of Sale and Bidding Instructions. It will be the obligation of the purchaser of the Certificates to complete the DTC Eligibility Questionnaire.

The undersigned agrees to complete, execute, and deliver to the City, at least six business days prior to delivery of the Certificates, a certificate relating to the "issue price" of the Certificates in the form and to the effect accompanying the Notice of Sale and Bidding Instructions, with such changes thereto as may be acceptable to or required by the City.

The undersigned further agrees, if the City receives fewer than three bids for the Certificates, that it will neither offer nor sell the Certificates of any maturity to any person at a price that is higher than the initial offering price to the public for the Certificates of that maturity during the period starting on the Sale Date and ending on the earlier of (i) the close of the 5th business day after the Sale Date, or (ii) the date on which the winning bidder has sold at least 10% of the Certificates of that maturity to the public at a price no higher than the initial offering price to the public. Masterson Advisors LLC will advise the winning bidder the number of bids received by the City on the Sale Date.

The undersigned acknowledges that if the undersigned is not exempt as a publicly traded entity under Section 2252.908 of the Texas Government Codes, the City may not accept this bid until it has received from the bidder the Certificate of Interested Parties Form 1295 (the "Disclosure Form") and Certification of Filing that is generated by the Texas Ethics Commission's (the "TEC") electronic portal in accordance with Section 2252.908 of the Texas Government Code, and the TEC's rules promulgated thereunder. **The undersigned understands that the City will not accept the enclosed bid unless the Disclosure Form and Certification of Filing is received by 2:00 p.m. (CST) on the Sale Date.**

In *Amawi v. Pflugerville Independent School District* (1:18-cv-01091), the United States District Court for the Western District of Texas issued a preliminary injunction (the "*NBI Injunction*") preventing the defendants, including the State of Texas, from enforcing Texas Government Code § 2270.001 *et. seq.*, or any "No Boycott of Israel" clause in any state contract while litigation proceeds. On May 7, 2019, House Bill 793, 86th Texas Legislature, Regular Session, became law, amending Texas Government Code § 2270.001 *et seq.*, now codified at Texas Government Code § 2271.001 *et seq.*, to remedy issues raised in *Amawi v. Pflugerville Independent School District*. On May 10, 2019, the Texas Attorney General filed a Motion to Stay the NBI Injunction with the United States Court of Appeals for the Fifth Circuit. In light of the foregoing recent developments, the following representation is provided by the Initial Purchaser to avoid any uncertainty regarding the authority of the City. By submission of a bid, the bidder represents that, to the extent this bid form constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the bidder, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the bidder is a company (as defined in Section 2252.151(2), Texas Government Code) listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code.

By submission of a bid, the bidder represents and verifies that, to the extent this bid form constitutes a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, solely for purposes of compliance with Chapter 2270 of the Texas Government Code, and subject to applicable Federal law including without limitation, 50 U.S.C. Section 4607, neither the bidder, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the bidder: (i) boycotts Israel, or (ii) will boycott Israel through the term of this bid form, which shall begin as of the time accepted by the City and shall end as of the end of the "underwriting period" provided by 17 CFR 240.15c2-12. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code.

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

Respectfully submitted,

Syndicate Members:

Name of Initial Purchaser or Manager

Authorized Representative

Phone Number

Signature

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by the City of Spring Valley Village, Texas, subject to and in accordance with the Notice of Sale and Bidding Instructions, this the 14th day of July 2020.

/s/

Mayor
City of Spring Valley Village, Texas

ATTEST:

/s/

City Secretary

**ISSUE PRICE CERTIFICATE
(FEDERAL TAX COMPETITIVE BIDDING
REQUIREMENTS MET)**

\$7,785,000*

CITY OF SPRING VALLEY VILLAGE, TEXAS
TAX AND REVENUE CERTIFICATES OF OBLIGATION
SERIES 2020

The undersigned, on behalf of _____ (the “Purchaser”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Certificates”) of the City of Spring Valley Village, Texas (the “Issuer”).

1. ***Reasonably Expected Initial Offering Price.***

(a) As of the Sale Date, the reasonably expected initial offering prices of the Certificates to the Public by the Purchaser are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Certificates used by the Purchaser in formulating its bid to purchase the Certificates. Attached as Schedule B is a true and correct copy of the bid provided by the Purchaser to purchase the Certificates.

(b) The Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Purchaser constituted a firm offer to purchase the Certificates.

2. ***Defined Terms.***

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

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Certificates. The Sale Date of the Certificates is July 14, 2020.

(d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Certificates to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Certificates to the Public).

* Preliminary, subject to change.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the tax certificate with respect to the Certificates and with respect to compliance with the federal income tax rules affecting the Certificates, and by Bond Counsel in connection with rendering their opinion that the interest on the Certificates is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that they may give to the Issuer from time to time relating to the Certificates.

Name of Underwriter or Manager

By: _____

Name: _____

Title: _____

Dated: _____, 2020_

Spring Valley Village City Council
Agenda Item Data Sheet

MEETING DATE: June 23, 2020

TOPIC: Ordinance No. 2020-XX

AN ORDINANCE OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS AMENDING CHAPTER 3, BUILDING CONSTRUCTION, OF THE CODE OF ORDINANCES OF THE CITY OF SPRING VALLEY VILLAGE BY AMENDING SECTION 3.1503(g), MINIMUM PIPE SIZES; AMENDING SECTION 3.1503(h), PIPE CONNECTIONS TO CITY FACILITIES; AMENDING SECTION 3.1504(g), DRAINAGE AREA MAP; AND AMENDING SECTION 3.1505(c), EXCEPTIONS; PROVIDING FOR THE INCORPORATION OF PREAMBLE; PROVIDING A PENALTY IN AN AMOUNT NOT TO EXCEED \$2,000.00 FOR EACH VIOLATION OF THIS ORDINANCE WITH EACH DAY OF VIOLATION CONSTITUTING A SEPARATE VIOLATION; AND PROVIDING A REPEALER CLAUSE, A SEVERABILITY CLAUSE, A SAVINGS CLAUSE, AND AN EFFECTIVE DATE.

BACKGROUND: The Drainage Criteria Manual was adopted by City Council on December 12, 2017 by Ordinance Number 2017-29, and subsequently codified as Article 3.1500, Drainage Criteria, of Chapter 3, Building and Construction, of the Code of Ordinances of the City of Spring Valley Village.

As CobbFendley started to review drainage plan submittals for the City a couple of months ago and based on some recent drainage issues, it became apparent that certain provisions of the drainage criteria regulations needed to be revised to address existing drainage issues within the City and provide clarity with regard to residential drainage systems. The proposed revisions are:

- (1) The addition of language to Section 3.1503(g), Minimum Pipe Sizes, to allow for minor extensions of existing 4" drainage systems lawfully constructed prior to the adoption of the drainage criteria regulations in 2017. Extensions would still be required to meet the City's current regulations and demonstrate system capacity.
- (2) A change to Section 3.1503(h), Pipe Connections to City Facilities, to require drainage systems to connect to existing inlets/structures if they are present in front of the property. Currently, this is allowed but not required, consequently allowing contractors to make curb connections when it is not necessary to do so. Fewer curb penetrations will reduce water in curbs due to on-site drainage and reduce issues with unsightly curb breaks at pipe penetrations.

**Spring Valley Village City Council
Agenda Item Data Sheet**

	(3) Many of the older subdivision lots are very flat from front to back, not providing a sheet flow path to the City drainage system around the house. A revision to Subsection (2), Design Storm Runoff, of Section 3.1504(g), Drainage Area Map, is proposed to correct this situation by requiring an increase of the design storm from a 2-year event to a 100-year event for properties with no provisions to sheet flow the 100-year event to the City's system. This will help prevent a home from flooding from the backyard. (4) A revision to Section 3.1505(c), Exceptions, is also proposed to allow alternative methods of design not contemplated within the Drainage Criteria to be considered and may be approved by the City Engineer on a case-by-case basis. In the event that the City Engineer still denies a plan, the applicant could still pursue an exception to the Drainage Criteria Manual to the City Council. This would provide needed flexibility for the City Engineer to work with property owners to develop drainage solutions that work for both the property owner and the City. Charles Eastland with CobbFendley will be available for the meeting to answer any questions the Council may have concerning these proposed revisions to the Drainage Criteria regulations.
RECOMMENDATION:	Staff recommends approval of the Ordinance.
ATTACHMENTS:	• Ordinance No. 2020-XX • Redlined Version of Section 3.1503 (g) and (h) • Redlined Version of Section 3.1504 (g) • Redlined Version of Section 3.1505 (c)
FUNDING ISSUES:	☒ Not applicable – no dollars are being spent or received. ☐ Full amount already budgeted in Acct/Project# _____ ☐ Not budgeted, if approved, the following will be included in the next Budget Amendment: ☐ \$_____ from Acct/Project# _____ will be transferred to Acct/Project# _____ ☐ \$_____ from unassigned fund balance will be used and added to Acct/Project# _____ ☐ \$_____ will be added to Revenue Acct# ____-____ and \$_____ added to Expenditure Acct/Project# _____
FINANCE VERIFICATION OF FUNDING:	
SUBMITTING STAFF MEMBER: Zachary Meadows, Director of Community Development	CITY ADMINISTRATOR APPROVAL:

ORDINANCE NUMBER 2020-XX

AN ORDINANCE OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS AMENDING CHAPTER 3, BUILDING CONSTRUCTION, OF THE CODE OF ORDINANCES OF THE CITY OF SPRING VALLEY VILLAGE BY AMENDING SECTION 3.1503(g), MINIMUM PIPE SIZES; AMENDING SECTION 3.1503(h), PIPE CONNECTIONS TO CITY FACILITIES; AMENDING SECTION 3.1504(g), DRAINAGE AREA MAP; AND AMENDING SECTION 3.1505(c), EXCEPTIONS; PROVIDING FOR THE INCORPORATION OF PREAMBLE; PROVIDING A PENALTY IN AN AMOUNT NOT TO EXCEED \$2,000.00 FOR EACH VIOLATION OF THIS ORDINANCE WITH EACH DAY OF VIOLATION CONSTITUTING A SEPARATE VIOLATION; AND PROVIDING A REPEALER CLAUSE, A SEVERABILITY CLAUSE, A SAVINGS CLAUSE, AND AN EFFECTIVE DATE.

WHEREAS, the City of Spring Valley Village, Texas, is a Type A General Law city having authority to utilize police power regulations for the health, safety and welfare of the citizens of the City; and

WHEREAS, by Ordinance Number 2017-29, duly passed and approved on December 12, 2017, the City Council adopted engineering standards and practices governing the design and construction of drainage facilities in order to meet the needs created by new development and redevelopment in the City, and such Ordinance was codified as Section 3.1500, Drainage Criteria, of Chapter 3, Building Construction, of the Code of Ordinances of the City; and

WHEREAS, since the adoption of the drainage criteria regulations and based on drainage scenarios encountered since 2017, the City has identified certain criteria that should be revised to address and resolve various drainage issues that exist within the City; and

WHEREAS, the City Council of the City of Spring Valley Village hereby finds that Section 3.1503(g), Minimum Pipe Sizes, Section 3.1503(h), Pipe Connections to City Facilities, Section 3.1504(g), Drainage Area Map, and Section 3.1505(c), Exceptions, of Chapter 3, Building and Construction, of the Code of Ordinances should be amended to establish revised design standards for use in the preparation of drainage plans within the City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, THAT:

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

Section 2. Section 3.1503(g), Minimum Pipe Sizes, of Article 3.1500, Drainage Criteria, of Chapter 3, Building and Construction, of the Code of Ordinances of the City of Spring Valley Village is hereby amended to read in its entirety as follows:

(g) Minimum Pipe Sizes. The minimum pipe size for residential on-site conditions (private) shall be 6 inches and for use in any public rights of way shall be 24 inches. For extensions to existing 4-inch systems, lawfully constructed prior to this drainage criteria, the existing system shall be allowed to remain if demonstrated to meet design capacity requirements. Any new extensions shall be constructed in accordance with current criteria.

Section 3. Section 3.1503(h), Pipe Connections to City Facilities., Article 3.1500, Drainage Criteria, of Chapter 3, Building and Construction, of the Code of Ordinances of the City of Spring Valley Village is hereby amended to read in its entirety as follows:

(h) Pipe Connections to City Facilities. Discharges from the on-site collection system shall be connected to a City facility (i.e. street, roadside ditch, or drainage structure). Pipe connections to the street through a curb opening shall be provided as per the details shown in Exhibit 1. For properties with a storm sewer inlet or other drainage structure in its frontage, pipe discharges shall be connected directly to the inlet or other drainage structure. Such connections shall be cored and made watertight.

Section 4. Section 3.1504(g), Drainage Area Map, of Article 3.1500, Drainage Criteria, of Chapter 3, Building and Construction, of the Code of Ordinances of the City of Spring Valley Village is hereby amended to read in its entirety as follows:

(g) Drainage Area Map. A drainage area map and supporting data sheets shall be included with the construction plans or in a separate drainage study. The drainage area map shall include:

1. Drainage areas, including off-site areas that drain to the project area.
2. Design storm runoff. The design rainfall event to use is the 2-year event for storm sewer outfall and conveyance. All lot flow should be directed to the on-site collection system prior to outfall into a City system. In the event that it is impractical to sheet flow the 100-year event to the City system, the underground system shall be designed to accommodate the 100-year event.

Section 5. Section 3.1505(c), Exceptions, of Article 3.1500, Drainage Criteria, of Chapter 3, Building and Construction, of the Code of Ordinances of the City of Spring Valley Village is hereby amended to read in its entirety as follows:

(c) Exceptions.

1. The design criteria set forth in this Article is intended to provide the design of the most commonly encountered drainage and flood control systems in

the City of Spring Valley Village. The City recognizes that there may be situations not specifically addressed by this Manual which may merit minor variations from the criteria set forth within. The City Engineer may permit alternative methods of design or exceptions to the criteria on a case-by-case basis.

2. In the event that the City Engineer will not grant an exception to the design requirements set forth within, the City Council of the City, upon application and hearing, shall have the power and authority to allow an exception from the requirements of this section upon a finding that the strict application of the requirements of this section will affect a hardship of the property and that the proposed design complies with the spirit and intent of this section and provides protection to the neighboring properties at least equivalent to that provided by this section. The city council shall require that sufficient evidence or proof be submitted to substantiate any claims that may be made regarding such applications.

Section 6. This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of said Ordinances except those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances or parts thereof in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided, however, that any complaint, action, claim or lawsuit that has been initiated or has arisen under or pursuant to any of the Ordinances or sections thereof that have been specifically repealed on the date of adoption of this Ordinance shall continue to be governed by the provisions of such Ordinance or section thereof and for that purpose the Ordinance or section thereof shall remain in full force and effect.

Section 7. If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any person or circumstance, is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of the Ordinance, and the City Council hereby declares it would have passed such remaining portions of the Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

Section 8. All rights and remedies of the City of Spring Valley Village are expressly saved as to any and all violations of the provisions of any Ordinances affecting and which have accrued at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such Ordinances, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the courts.

Section 9.

9.01 Any person who intentionally, knowingly, recklessly or with criminal negligence violates any of the provisions of this Ordinance shall be deemed guilty of a Class C misdemeanor and, upon conviction, shall be fined in a sum not to exceed Two Thousand Dollars (\$2000) for each offense, and a separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.

9.02 If the City Council of the City of Spring Valley Village determines that a violation of this Ordinance creates a threat to the public safety, the City of Spring Valley Village may bring suit in district court to enjoin the person, firm, partnership, corporation, or association from engaging in the prohibited activity. The City of Spring Valley Village is not required to give bond as a condition to the issuance of injunctive relief.

Section 10. This Ordinance shall be in full force and effect from and after its date of passage, in accordance with the law.

DULY PASSED AND APPROVED on this the _____ day of _____, 2020.

Marcus Vajdos, Mayor
City of Spring Valley Village, Texas

ATTEST:

Roxanne Benitez, City Secretary
City of Spring Valley Village, Texas

DIVIDER PAGE

§ 3.1503 - Design Requirements

- (g) Minimum Pipe Sizes . The minimum pipe size for residential on-site conditions (private) shall be six (6) inches and for use in any public rights-of-way shall be twenty-four (24) inches. Extensions to existing 4-inch systems, lawfully constructed prior to this drainage criteria, the existing system shall be allowed to remain if demonstrated to meet design capacity requirements. Any new extensions shall be constructed in accordance with current criteria.
- (h) Pipe Connections to City Facilities . Discharges from the on-site collection system shall be connected to a city facility (i.e. street, roadside ditch, or drainage structure). Pipe connections to the street through a curb opening shall be provided as per the details shown in Exhibit 1. For properties with a storm sewer inlet or other drainage structure in its frontage, Ppipe discharges ~~may also~~shall be connected directly to a nearby inlet or other drainage ~~structure, and such~~structure. Such connections shall be cored and made watertight.

DIVIDER PAGE

§ 3.1504 - Administration

(g) Drainage Area Map. A drainage area map and supporting data sheets shall be included with the construction plans or in a separate drainage study. The drainage area map shall include:

1. Drainage areas, including off-site areas that drain to the project area.
2. Design Storm Runoff. The design rainfall event to use is the 2-year event for storm sewer outfall and conveyance. All lot flow should be directed to the on-site collection system prior to outfall into a city system. In the event that it is impractical to sheet flow the 100-year event to the City system, the underground system shall be designed to accommodate the 100-year event.

DIVIDER PAGE

§ 3.1505 - Duty to Maintain and Penalties for Non-compliance

(c) Exceptions.

1. The design criteria set forth in this Article is intended to provide the design of the most commonly encountered drainage and flood control systems in the City of Spring Valley Village. The City recognizes that there will may be situations not covered specifically addressed by this Manual, which may merit minor variations from the criteria set forth within. The City Engineer may permit alternative methods of design or exceptions to the criteria on a case-by-case basis.
2. In the event that the City Engineer will not grant an exception to the design requirements set forth within, ¶the eCity eCouncil of the eityCity, upon application and hearing, shall have the power and authority to allow an exception from the requirements of this section upon a finding that the strict application of the requirements of this section will affect a hardship of the property and that the proposed design complies with the spirit and intent of this section and provides protection to the neighboring properties at least equivalent to that provided by this section. The city council shall require that sufficient evidence or proof be submitted to substantiate any claims that may be made regarding such applications.

**Spring Valley Village City Council
Agenda Item Data Sheet**

MEETING DATE: June 23, 2020

TOPIC:	Resolution Number 20-XX A RESOLUTION OF THE CITY COUNCIL OF CITY OF SPRING VALLEY VILLAGE, TEXAS, ADOPTING THE HARRIS COUNTY MULTI-HAZARD MITIGATION ACTION PLAN UPDATE IN ITS ENTIRETY AND SPECIFICALLY SECTION 23, SPRING VALLEY VILLAGE, OF VOLUME II – PLANNING PARTNER ANNEXES; PROVIDING FOR THE INCORPORATION OF PREAMBLE; AND PROVIDING AN EFFECTIVE DATE.
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BACKGROUND:	In September of 2018, a coalition of Harris County cities and special districts embarked on a planning process to prepare for and lessen the impacts of specified natural hazards by updating the Harris County Multi-Hazard Mitigation Action Plan. Responding to federal mandates in the Disaster Mitigation Act of 2000 (Public Law 106-390), the partnership was formed to pool resources and to create a uniform hazard mitigation strategy that can be consistently applied to the defined planning area and used to ensure eligibility for specified grant funding success. This effort represents the second comprehensive update to the prior hazard mitigation plan, approved by the Federal Emergency Management Agency (FEMA) in June of 2015. The 38 member coalition of partners involved in this program includes Harris County, the Cities of; Baytown, Bellaire, Bunker Hill Village, Deer Park, El Lago, Friendswood, Galena Park, Hedwig Village, Hillshire Village, Humble, Hunters Creek Village, Jersey Village, Katy, La Porte, Missouri City, Morgan's Point, Nassau Bay, Pasadena, Piney Point Village, Seabrook, Shoreacres, Spring Valley Village, Stafford, Taylor Lake Village, Tomball, Webster, West University Place and 10 special purpose districts. The planning area for the hazard mitigation plan was defined as the Harris County Operational Area. The result of the organizational effort will be a FEMA and Texas Department of Emergency Management (TDEM) approved multi-jurisdictional, multi-hazard mitigation plan. Mitigation is defined in this context as any sustained action taken to reduce or eliminate long-term risk to life and property from a hazard event. Mitigation planning is the systematic process of learning about the hazards that can affect the community, setting clear goals, identifying appropriate actions and following through with an effective mitigation strategy. Mitigation encourages long-
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ACTIONS TAKEN

APPROVAL ☐ YES ☐ NO	READING PASSED	OTHER
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**Spring Valley Village City Council
Agenda Item Data Sheet**

term reduction of hazard vulnerability and can reduce the enormous cost of disasters to property owners and all levels of government. Mitigation can also protect critical community facilities, reduce exposure to liability, and minimize post-disaster community disruption.

The hazard identification and profiling in the hazard mitigation plan addresses the following hazards of concern within the planning area:

1. Dam or Levee failure
2. Drought
3. Earthquake
4. Flood
5. Hurricane and Coastal Storm
6. Mass Movements
7. Severe weather
8. Tsunami
9. Wildfire
10. Climate Change

With the exception of dam failure, this plan does not provide a full risk assessment of human-caused hazards. However, brief, qualitative discussions of the following hazards of interest are included: Energy Pipeline Failure and Toxic Release/Hazardous Materials.

A Core Planning Team consisting of local officials from Harris County Office of Homeland Security and Emergency Management (HCOHSEM) and a contract consultant have taken the lead in developing the hazard mitigation plan. All participating local jurisdictions have been responsible for assisting in the development of the hazard and vulnerability assessments and the mitigation action strategies for their respective jurisdictions and organizations. The Plan presents the accumulated information in a unified framework to ensure a comprehensive and coordinated plan covering the entire Harris County Operational Area planning area. Each jurisdiction has been responsible for the review and approval of their individual sections of the Plan.

Additionally, the plan has been aligned with the goals, objectives and priorities of the State's multi-hazard mitigation plan.

ACTIONS TAKEN

APPROVAL ☐ YES ☐ NO	READING PASSED	OTHER
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**Spring Valley Village City Council
Agenda Item Data Sheet**

A 32 member Steering Committee (SC) composed of representative stakeholders was formed early in the planning process to guide the development of the Plan. In addition, residents were asked to contribute by sharing local knowledge of their individual area's vulnerability to natural hazards based on past occurrences. Public involvement has been solicited via a comprehensive public outreach campaign that included two rounds of public meetings, web-based information, a questionnaire, and multiple social media updates.

Why adopt this Plan?

Once the hazard mitigation plan is adopted by all of the jurisdictional partners and approved by FEMA, the partnership will collectively and individually become eligible to apply for hazard mitigation project funding under the suite of hazard mitigation grants provided under FEMA's Hazard Mitigation Assistance (HMA) program.

Where do we go from here?

Upon adoption of Volume I and City of Spring Valley Village Annex of Volume II of the Harris County Multi-Hazard Mitigation Action Plan Update (HMP) and subsequent approval of said plan by TDEM and FEMA Region VI, the City of Spring Valley Village will be eligible to apply for specified grants. The grant funds are made available to states and local governments and can be used to implement the long-term hazard mitigation measures specified within the City of Spring Valley Village's annex of the HMP before and after a major disaster declaration. The HMP is considered a living document such that, as awareness of additional hazards develop and new strategies and projects are created to offset or prevent losses due to natural disasters, the HMP will be evaluated and revised on a continual 5-year time frame.

In order for Harris County to submit the HMP to FEMA within the required timeframes, the City must approve the entire HMP as well as its specific section (Section 23) of Volume II, Planning Partner Annexes, of the HMP no later than July 13, 2020. Therefore, it is important that the Council take action during the June 23, 2020 meeting. Additionally, due to the size of the entire HMP (1,440 pages in total), the document has not been included in the Council packet, but a hyperlink to Volume 1 and Volume 2 is provided below in the Attachments.

RECOMMENDATION: Staff recommends approval of the Resolution.

ACTIONS TAKEN

APPROVAL	READING PASSED	OTHER
☐ YES ☐ NO		

**Spring Valley Village City Council
Agenda Item Data Sheet**

ATTACHMENTS:	- Resolution Number 20-XX - Executive Summary of the Multi-Hazard Mitigation Action Plan Provided by Harris County and Tetrattech <u>Harris County Multi-Hazard Mitigation Action Plan Volume 1 (Area Wide Elements) April 2020</u> <u>Harris County Multi-Hazard Mitigation Action Plan Volume 2 (Planning Partner Annexes) April 2020</u> - Section 23, Spring Valley Village, of Harris County Multi-Hazard Mitigation Action Plan - Volume 2 – Planning Partner Annexes
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FUNDING ISSUES:	☒ Not applicable – no dollars are being spent or received. ☐ Full amount already budgeted in Acct/Project# _____ ☐ Not budgeted, if approved, the following will be included in the next Budget Amendment: ☐ \$_____ from Acct/Project# _____ will be transferred to Acct/Project# _____ ☐ \$_____ from unassigned fund balance will be used and added to Acct/Project# _____ ☐ \$_____ will be added to Revenue Acct# ____-____ and \$_____ added to Expenditure Acct/Project# _____
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FINANCE VERIFICATION OF FUNDING:	
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SUBMITTING STAFF MEMBER: Matthew Hitt, Assistant to the City Administrator	CITY ADMINISTRATOR APPROVAL: 
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ACTIONS TAKEN		
APPROVAL ☐ YES ☐ NO	READING PASSED	OTHER

RESOLUTION NO. 20-XX

A RESOLUTION OF THE CITY COUNCIL OF CITY OF SPRING VALLEY VILLAGE, TEXAS, ADOPTING THE HARRIS COUNTY MULTI-HAZARD MITIGATION ACTION PLAN UPDATE IN ITS ENTIRETY AND SPECIFICALLY SECTION 23, SPRING VALLEY VILLAGE, OF VOLUME II – PLANNING PARTNER ANNEXES; PROVIDING FOR THE INCORPORATION OF PREAMBLE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, all of Harris County has exposure to natural hazards that increase the risk to life, property, environment and the County's economy; and

WHEREAS, pro-active mitigation of known hazards before a disaster incident can reduce or eliminate long-term risk to life and property; and

WHEREAS, the Disaster Mitigation Act of 2000 (Public Law 106-390) established new requirements for pre- and post-disaster hazard mitigation programs; and

WHEREAS, a coalition of Harris County, Cities, Villages, and Special Districts ("Coalition") with like planning objectives has been formed to pool resources and create consistent mitigation strategies within the Harris County Operational Area planning area; and

WHEREAS, over the last 18 months, the Coalition has completed a planning process that engages the public, assesses the risk and vulnerability to the impacts of natural hazards, develops a mitigation strategy consistent with a set of uniform goals and objectives, and creates a plan for implementing, evaluating and revising this strategy.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, THAT:

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

Section 2. The City Council hereby adopts in its entirety the Harris County Multi-Hazard Mitigation Action Plan Update ("HMP") including Volumes I and II, and specifically adopting Section 23, City of Spring Valley Village, of Volume II, Planning Partner Annexes of the HMP.

Section 3. The City of Spring Valley Village will use the adopted and approved portions of the HMP to guide pre- and post-disaster mitigation of the hazards identified.

Section 4. The City of Spring Valley Village will coordinate the strategies identified in the HMP with other planning programs and mechanisms under its jurisdictional authority.

Section 5. The City of Spring Valley Village will continue its support of the Steering Committee and continue to participate in the Planning Partnership as described by the HMP.

Section 6. The City of Spring Valley Village will help to promote and support the mitigation successes of all HMP Planning Partners.

DULY PASSED AND APPROVED on this the 23rd day of June, 2020.

Marcos Vajdos, Mayor
City of Spring Valley Village, Texas

ATTEST:

Roxanne Benitez, City Secretary
City of Spring Valley Village, Texas

DIVIDER PAGE

EXECUTIVE SUMMARY

Hazard mitigation planning for Harris County identifies ways to reduce risk from foreseeable natural hazards that may impact the county. Harris County prepared an initial hazard mitigation plan in 2015, with cities and special purpose jurisdictions in the county participating as partners in the plan. Since the completion of that plan, the County has continued to experience major growth in residential, commercial and infrastructure development.

Over the last five years, 70,390 development permits were issued in Harris County, and the number of residential properties increased by 13 percent. Over the last decade, population outside the Sam Houston Tollway grew faster than the area inside the tollway, adding to development across the county. Current and future development in hazard prone areas may increase risks, impacts and vulnerabilities of people and property in the county.

To address these changes, and to meet federal requirements for keeping hazard mitigation plans current, Harris County has completed the 2020 *Harris County Multi-Hazard Mitigation Action Plan*—the first update to the initial 2015 plan. In preparing it, Harris County again partnered with local cities and special-purpose jurisdictions—38 planning partners in all. Such multi-jurisdictional planning allows these partners to pool resources and eliminate redundant activities within an area that has uniform risk exposure and vulnerabilities.

This hazard mitigation plan reduces risk for those who live in, work in, and visit Harris County. The resources and background information in the plan are applicable across the county, and the plan’s goals and recommendations lay groundwork for local mitigation activities and partnerships.

COMMUNITY INVOLVEMENT IN THE HAZARD MITIGATION PLAN UPDATE

This planning effort was led by a core planning team of staff from the Harris County Office of Homeland Security and Emergency Management (HCOHSEM) and consultant Tetra Tech, Inc. The broader Harris County community participated in the development of the update through the following activities:

- **Defining Stakeholders**—The team identified stakeholders to engage during the update. “Stakeholder” was defined as any person or entity that owns or operates facilities that would benefit from the mitigation actions of this plan or has a capability to support hazard mitigation actions.
- **Establishing the Planning Partnership**—The team identified eligible local governments to engage through this plan update process. Over 50 eligible local governments were identified by this screening process for additional outreach. Ultimately, 38 participated as full planning partners (see Table ES-1).
- **Forming the Steering Committee**—Harris County established a 32-member Steering Committee that represents the entire planning partnership to oversee the planning process.
- **Reviewing Previous Hazard Mitigation Plan and Existing Programs**—The planning team and Steering Committee reviewed the 2015 hazard mitigation plan, as well as all laws, ordinances and programs in effect within the county that can affect hazard mitigation actions.
- **Public Outreach**—The update effort included a website describing update activities, a survey distributed throughout the county to gather public input, the use of social media and informational bulletins to report on update activities, and public meetings to explain the update process and gather feedback. More than 1,600 people completed surveys, and thousands attended the various public outreach events.

Table ES-1. Hazard Mitigation Planning Partners Covered Under This Plan

Harris County	City of Humble	City of Seabrook	Houston Independent School District
City of Baytown	City of Hunters Creek Village	City of Shoreacres	Huffman Independent School District
City of Bellaire	City of Jersey Village	City of Spring Valley Village	Pasadena Independent School District

City of Bunker Hill Village	City of Katy	City of Stafford	Houston Community College
City of Deer Park	City of La Porte	City of Taylor Lake Village	Lone Star College
City of El Lago	City of Missouri City	City of Tomball	University of Houston
City of Friendswood	City of Morgan's Point	City of Webster	Harris County Emergency Services District 12
City of Galena Park	City of Nassau Bay	City of West University Place	Texas Medical Center
City of Hedwig Village	City of Pasadena	Harris County Flood Control District	Harris County Hospital District (dba Harris Health System)
City of Hilshire Village	City of Piney Point Village		

PLANNING AREA, HAZARDS OF CONCERN, AND RISK ASSESSMENT

The planning area for this hazard mitigation plan update was defined to consist of the unincorporated county, incorporated cities, and special-purpose districts within the greater Harris County metropolitan area, as well as portions of neighboring counties where any individual planning partners have jurisdiction. The Steering Committee considered the full range of natural hazards that could affect the planning area and then identified those that present the greatest concern.

Risk assessment is the process of estimating the potential loss of life, personal injury, economic injury, and property damage resulting from identified hazards. The risk assessments in this plan describe the risks associated with each identified hazard of concern. The following steps were used to assess the risk of each hazard:

- **Identify and profile each hazard**
- **Determine “exposure” to each hazard**—Exposure was assessed by overlaying hazard maps with an inventory of structures, facilities, and systems to decide which of them would be exposed to each hazard.
- **Assess the “vulnerability” of exposed facilities**—Vulnerability of exposed structures and infrastructure was evaluated by interpreting the probability of occurrence of each event and assessing potential damage to structures, facilities, and systems that are exposed to each hazard.

Table ES-2 summarizes the findings of the risk assessment.

RISK RANKING

This update includes a risk ranking protocol for each planning partner, in which “risk” was calculated by multiplying probability by impact on people, property and the economy. The risk estimates were generated using methodologies promoted by the Federal Emergency Management Agency. The Steering Committee reviewed, discussed and approved the methodology and results. The countywide ranking results are listed in Table ES-3. All planning partners ranked risk for their own jurisdictions following the same methodology.

MISSION STATEMENT, GOALS AND OBJECTIVES

Table ES-4 lists the mission statement, goals and objectives for this hazard mitigation plan update, as established by the Steering Committee.

Table ES-2. Key Findings from Risk Assessment of Hazard of Concern

Hazard of Concern	Key Risk Assessment Findings	
	Exposure	Vulnerability
Coastal erosion	Risk not assessed because no historical damage values could be identified for losses due to erosion within the planning area.	
Dam or levee failure (failure of the Conroe Dam)	• 0.5% of total planning area population • Structures valued at 0.5% of planning area total • 1.2% of all planning area critical facilities	• Damage equal to 0.07% of total planning area property value
Drought	• Entire planning area exposed	• No quantitative loss estimates
Earthquake (500-year probabilistic event)	• Entire planning area exposed	• 2 households displaced • Damage equal to 0.5% of total planning area property value

Hazard of Concern	Key Risk Assessment Findings	
	Exposure	Vulnerability
Flooding (1% annual chance event)	8.9% of total planning area population - Structures valued at 8.9% of planning area total 23.0% of all planning area critical facilities	170,000 persons displaced - Damage equal to 0.8% of total planning area property value 1.4 million tons of debris to be removed - Critical facilities structure damage equal to 9.9% of total value for exposed facilities - Critical facilities content damage equal to 33.4% of total value for exposed facilities
Hurricane, coastal storm (20-year probabilistic event)	Entire planning area exposed	1,083 households displaced - Damage equal to 0.2% of total planning area property value 240,000 tons of debris to be removed - Minor damage to 4% of critical facilities - Moderate damage to 5.5% of critical facilities - Severe damage to 0.4% of critical facilities
Mass movements	Exposure and vulnerability are low to none, based on the lack of historical occurrence of these types of hazards and the planning area's proactive approach to mitigating subsidence issues starting in 1999.	
Severe weather	Entire planning area exposed	No quantitative loss estimates
Tsunami	Exposure and vulnerability are low to none, based on the lack of historical occurrence of tsunami	
Wildfire (Moderate, high or very high wildfire ignition density zone)	0.7% of total planning area population - Structures valued at 1.0% of planning area total 0.4% of all planning area critical facilities	No quantitative loss estimates

Table ES-3. Hazard Risk Ranking

Hazard Ranking	Hazard Event	Total Score	Category ^a
1	Hurricane and Coastal Storms	51	High
	Severe Weather	51	High
2	Flood	36	High
3	Wildfire	24	Medium
4	Earthquake	16	Medium
5	Coastal Erosion	6	Low
	Drought	6	Low
	Dam Failure	6	Low
	Mass Movements	6	Low
	Tsunami	6	Low

a. Scores of 30 or greater are rated as "high," scores of 15 to 29 are "medium," and scores of less than 15 are "low"

Table ES-4. Mission Statement, Goals and Objectives

Mission Statement	Goals	Objectives
Develop and maintain a comprehensive pre- and post-disaster hazard mitigation program. The Mission Statement is guided by the effective use of technology and data, improved communications and warning, the purchase of necessary equipment, sound planning, the adoption of codes, enhanced transportation networks, expanded education and outreach efforts, strengthened public facilities and infrastructure, the utilization/enhancement of natural resources, the consideration of future hazard conditions and the implementation of projects designed to reduce the vulnerability of individuals, families, households, businesses, infrastructure and critical facilities to the negative effects of natural and human-caused hazards.	1. Expand warning systems and local warning capabilities among departments and between jurisdictions. 2. Improve and coordinate data collection efforts to fully maximize the intent of the efforts and to improve the mitigation capabilities of the county and all jurisdictions. 3. Enhance education strategies to improve the dissemination of information to the public regarding hazards, including the steps that can be taken to reduce their impact. 4. Improve the capabilities of local government officials to reduce or eliminate hazards that cause loss of life, inflict injuries, cause property damage and to improve the protection of natural resources. 5. Work to improve and coordinate existing local plans, codes and regulations to reduce the impacts of natural hazards. 6. Implement property protection measures to reduce the effects of natural hazards throughout the county, including measures that reduce or eliminate repetitive loss occurrences. 7. Investigate and implement a range of structural projects that will reduce the effects of natural hazards on public and private property throughout the county. 8. Investigate and implement a range of nature-based solutions and utilize and enhance natural resources and their ability to reduce the impacts from natural hazards	1. Improve and expand systems that provide warning and emergency communications to the whole community 2. Implement wildfire mitigation and watershed protection strategies through local, state, tribal, federal and private partnerships. 3. Improve understanding of the locations, potential impacts, and linkages among threats, hazards, vulnerability, and measures needed to protect life safety and health. 4. Reduce the impacts of hazards on individuals with disabilities and others with access and functional needs. 5. Coordinate state and local efforts to reduce greenhouse gas emissions and implement climate adaptation strategies through hazard mitigation plans and actions. 6. Control access and provide buffers to maximize resource protection where possible. 7. Encourage all state, regional and local hazard mitigation projects and planning programs to protect the environment and promote implementation of sustainable mitigation and climate resilience actions. 8. Support hazard mitigation measures that promote and enhance natural processes and minimize adverse impacts on the ecosystem. 9. Encourage all cities, counties, special districts, Councils of Governments and tribal organizations to develop, adopt, and implement local hazard mitigation principles that may be integrated with local comprehensive plan safety elements, local coastal plans, facilities master plans, and other local plan initiatives. 10. Advance community resilience through preparation, adoption, and implementation of state, regional and local multi-hazard mitigation plans and projects. 11. Encourage projects that simultaneously reduce risk while increasing resilience and sustainability. 12. Manage new and existing development in high hazard areas, especially those known to be repetitively damaged. 13. Support the protection of vital and essential records, and strengthening or replacement of buildings, infrastructure, and lifelines to minimize post-disaster disruption and facilitate short-term and long-term recovery. 14. Through the enforcement of relevant federal, State and local regulations, sustain life and property protection measures for all communities and structures located in the greater Harris County region. 15. Promote disaster resistant development.

MITIGATION ACTION PLANS

Catalogs of hazard mitigation best practices were developed that present a broad range of action alternatives to be considered for use by the planning partners. One catalog was developed for each hazard of concern. The alternatives include actions that will mitigate current risk from hazards and actions that will help reduce risk from changes in the impacts of these hazards resulting from climate change.

Hazard mitigation actions recommended in this plan were selected from an analysis of the alternatives presented in the catalogs. Each planning partner selected appropriate mitigation actions to establish an individual mitigation action plan for its jurisdiction. Actions were selected based on an analysis of the planning partner's ability to implement the action and general feasibility. The combined action plans of the 38 planning partners include a total of 750 actions for mitigating hazard risks in the Harris County planning area. The planning partners have prioritized the actions in their action plans and can begin to implement the highest-priority actions over the next five years.

PLAN IMPLEMENTATION AND MAINTENANCE

The effectiveness of the hazard mitigation plan depends on its effective implementation and incorporation of the outlined action items as needed into each partner's existing plans, policies, and programs. Harris County will have lead responsibility for overseeing the plan implementation and maintenance strategy. Plan implementation will be a shared responsibility among all planning partnership members and agencies identified as lead agencies in the jurisdiction-specific action plans.

A formal implementation and maintenance process will ensure that the hazard mitigation plan remains an active and relevant document and that the planning partners maintain their eligibility for applicable funding sources. The plan maintenance process includes a schedule for monitoring and evaluating the plan annually and producing an updated plan every five years. The plan maintenance matrix shown in Table ES-5 provides a synopsis of responsibilities for the overall plan maintenance strategy.

Table ES-5. Plan Maintenance Matrix

Task	Approach	Timeline	Lead Responsibility	Support Responsibility
Monitoring-Progress Reporting	Preparation of status updates and action implementation tracking as part of submission for annual progress report.	January to January of each calendar year or upon full update to comprehensive plan or major disaster	Jurisdictional points of contact	Jurisdictional implementation lead
Evaluation	Annual progress reports will be evaluated by an oversight steering committee annually	Finalized progress report completed by March 1 of each year	HCOHSEM	Jurisdictional points of contacts
Update	Reconvene the planning partners, at a minimum, every 5 years to guide a full review and revision of the plan.	Every 5 years or upon full update to comprehensive plan or major disaster	HCOHSEM and oversight steering committee	Jurisdictional points of contacts
Grant Monitoring and Coordination	Monitor grant funding opportunities via agency notifications, state associations and post-disaster response	Ongoing	HCOHSEM	Jurisdictional points of contacts
Plan Integration	Create a linkage between the hazard mitigation plan and individual jurisdictions' comprehensive plans or similar plans	Ongoing as opportunities for integration become available, or according to timelines identified in individual actions plans	Jurisdictional points of contact	Jurisdictional implementation lead
Continuing Public Involvement	Keep the website maintained and receive comments through it over the course of the plan. Planning partners will maintain links to the website. County-wide progress report will be posted to the website.	Ongoing. Progress reports to be posted annually.	HCOHSEM will maintain the overall website and post the progress report annually. Each planning partner will provide a link to the website and may post individual progress reports.	HCOHSEM and jurisdictional implementation lead

23. CITY OF SPRING VALLEY VILLAGE

23.1 HAZARD MITIGATION PLAN POINT OF CONTACT

Primary Point of Contact

Julie M. Robinson, City Administrator
1025 Campbell Road
Houston, TX 77055
Telephone: 713-465-5306
e-mail Address: jrobinson@springvalleytx.com

Alternate Point of Contact

Pat Riley, Public Works Director
1025 Campbell Road
Houston, TX 77055
Telephone: 713-465-5306
e-mail Address: priley@springvalleytx.com

23.2 JURISDICTION PROFILE

23.2.1 Location

The City of Spring Valley Village is a municipality in southwestern Harris County. The current boundaries generally extend from Spring Branch Creek on the east, Katy Freeway on the south, Spring Branch Creek on the north, and on the west by Adkins and Campbell Roads. The City encompasses a total area of approximately 1.3 square miles.

23.2.2 History

In 1936 state highway maps indicated a cemetery and a church. Initially the settlement consisted of one and one-half square miles. In the mid-1950s, effort to form a Spring Branch municipality (proposed to be called the city of Spring Branch in roughly the area known today as the Memorial Villages) failed. The city incorporated in 1955 as Spring Valley. There had been two elections for incorporation. The first result was against incorporation, and state law mandated that the next election for incorporation of the same boundary would have to be held at least one year later. Some advocates of incorporation convinced Robert R. Casey, then Harris county judge, to modify the boundary of the proposed area by removing the Campbell Place area and therefore many voters who opposed incorporating. The following election, held on April 9, 1955, was in favor of incorporation. Because of the 1955 incorporation, Houston did not incorporate Spring Valley's territory into its city limits, while Houston annexed surrounding areas that were unincorporated. In 2007, the name of the city was officially changed from Spring Valley to Spring Valley Village.

23.2.3 Climate

The City of Spring Valley Village's weather is typical of the Texas Gulf Coast – mainly humid subtropical climate, with tropical influences. August is normally the warmest month with a daily average temperature of 84.6 °F. January is typically the coldest month with a daily average temperature of 53.1 °F. The normal annual precipitation measures 49.77 inches.

23.2.4 Governing Body Format

The City of Spring Valley Village is a Type-A General Law City governed by a Mayor and five Council Members all of whom are elected at large. The City consists of 7 departments: Police, Public Works/Utilities, Building and Development, Municipal Court, Finance, the City Secretary's Office, and the City Administrator's Office. Fire and EMS Services are provided by the Village Fire Department, a separate entity created and funded by the six Memorial Villages.

The City Council assumes responsibility for the adoption of this plan, and the City Administrator will oversee its implementation. Development of this annex was carried out by the members of the local mitigation planning team, whose members are listed in Table 1-1.

Table 23-1. Local Mitigation Planning Team Members

Jurisdiction	Name / Title	Phone	Email
City of Spring Valley Village	Julie Robinson, City Admin.	713-465-5306	jrobinson@springvalleytx.com
	Matthew Hitt, Assistant to City Admin.	832-910-8586	mhitt@springvalleytx.com
City of Bunker Hill Village	Karen Glynn, City Admin.	713-467-9762	KGlynn@bunkerhilltx.gov
City of Hedwig Village	Kelly Johnson, City Admin./Secretary	713-465-6009	kjohnson@hedwigtx.gov
City of Hilshire Village	Susan Blevins, City Admin./Secretary.	713-973-1779	Susan.blevins@hilshirevillagetexas.com
	Efrain Him		Efrain.him@hdrinc.com
City of Hunters Creek Village	Tom Fullen, City Admin.	713-465-2150	tfullen@cityofhunterscreek.org
City of Piney Point Village	Roger Nelson, City Admin.	713-230-8703	cityadmin@pineypt.org

23.3 CURRENT TRENDS

23.3.1 Population

According to the 2010 Census Data, the population of the City of Spring Valley Village was 3,715. The Census Bureau 2016 population estimate was 4,224. Since the 1990 Census, the population has increased by approximately 24.5%.

23.3.2 Development

While availability of undeveloped residential lots is limited, the City of Spring Valley Village continues to experience residential redevelopment of existing homes whereby smaller homes are demolished and new, larger homes are built. The City of Spring Valley Village is landlocked by other municipalities; however, there are several large undeveloped tracts of land that border I-10 and are available for commercial and/or mixed use development.

Table 23-2 summarizes development trends in the performance period since the preparation of the previous hazard mitigation plan, as well as expected future development trends.

Table 23-2. Recent and Expected Future Development Trends

Criterion	Response					
Has your jurisdiction annexed any land since the preparation of the previous hazard mitigation plan?	NO					
• If yes, give the estimated area annexed and estimated number of parcels or structures.	N/A					
Is your jurisdiction expected to annex any areas during the performance period of this plan?	NO					
• If yes, describe land areas and dominant uses.	N/A					
• If yes, who currently has permitting authority over these areas?	N/A					
Are any areas targeted for development or major redevelopment in the next five years?	YES					
• If yes, briefly describe, including whether any of the areas are in known hazard risk areas	There are several large undeveloped tracts of land that border I-10 and are available for commercial and/or mixed use development.					
How many permits for new construction were issued in your jurisdiction since the preparation of the previous hazard mitigation plan?		2014	2015	2016	2017	2018
	Single Family	23	21	27	27	24
	Multi-Family	0	0	0	0	0
	Other (commercial, mixed use, etc.)	2	3	3	2	1
	Total	25	24	30	29	25
Provide the number of new-construction permits for each hazard area or provide a qualitative description of where development has occurred.	• Special Flood Hazard Areas: 0 • Landslide: 0 • High Liquefaction Areas: 0 • Tsunami Inundation Area: 0 • Wildfire Risk Areas: 0					
Describe the level of buildout in the jurisdiction, based on your jurisdiction's buildable lands inventory. If no such inventory exists, provide a qualitative description.	With the exception of a few large tracts along I-10 that may be developed for commercial and/or mixed use development, City of Spring Valley Village is essentially built out.					

23.4 CAPABILITY ASSESSMENT

The City of Spring Valley Village performed an assessment of its existing capabilities for implementing hazard mitigation strategies. The introduction at the beginning of this volume of the hazard mitigation plan describes the components included in the capability assessment and their significance for hazard mitigation planning. This section summarizes the following findings of the assessment:

- An assessment of legal and regulatory capabilities is presented in Table 23-3.
- Development and permitting capabilities are presented in Table 23-4.
- An assessment of fiscal capabilities is presented in Table 23-5.
- An assessment of administrative and technical capabilities is presented in Table 23-6.
- An assessment of education and outreach capabilities is presented in Table 23-7.
- Information on National Flood Insurance Program (NFIP) compliance is presented in Table 23-8.
- Classifications under various community mitigation programs are presented in Table 23-9.
- The community's adaptive capacity for the impacts of climate change is presented in Table 23-10.

Findings of the capability assessment were reviewed to identify opportunities to expand, initiate or integrate capabilities to further hazard mitigation goals and objectives. Where such opportunities were identified and determined to be feasible, they are included in the action plan. The “Analysis of Mitigation Actions” table included in the action plan for this annex identifies these as community capacity building mitigation actions.

Table 23-3. Legal and Regulatory Capability

	Local Authority	Other Jurisdiction Authority	State Mandated	Integration Opportunity?
Codes, Ordinances, & Requirements				
Building Code	Yes	No	Yes	Yes
Comment: City adopted the International Building Code (IBC) 2015 Edition on February 24, 2015 by Ordinance No. 2015-03. This Ordinance has been codified in Chapter 3 of the City's Code of Ordinances.				
Zoning Code	Yes	No	Yes	Yes
Comment: The City adopted its original zoning regulations on December 15, 1981 by Ordinance No. 115, Book I, and it has been amended throughout the years. The current zoning regulations may be found in Chapter 12 of the City's Code of Ordinances.				
Subdivisions	Yes	No	Yes	No
Comment: The City adopted its original subdivision regulations on October 10, 1955, by Ordinance No. 5, Book 1, and it has been amended throughout the years. On November 25, 2008 by Ordinance No. 2008-23, the City repealed and reenacted the subdivision regulations in their entirety. The current subdivision regulations may be found in Chapter 9 of the City's Code of Ordinances.				
Stormwater Management	Yes	Yes	Yes	Yes
Comment: Texas Commission on Environmental Quality, SVV Storm Water Management Plan				
Post-Disaster Recovery	Yes	Yes	Yes	No
Comment: Harris County, Texas Department of Emergency Management, FEMA				
Real Estate Disclosure	No	No	No	No
Comment:				
Growth Management	Yes	Yes	Yes	Yes
Comment: Harris County Flood Control District				
Site Plan Review	Yes	Yes	Yes	No
Comment: Harris County Flood Control District, Village Fire Department, SVV Code of Ordinances Chapter 3				
Environmental Protection	No	Yes	No	No
Comment: Texas Commission on Environmental Quality, EPA, Harris County Public Health				
Flood Damage Prevention	Yes	No	Yes	Yes
Comment: The City adopted its current flood prevention regulations on May 22, 2007 by Ordinance No. 2007-12. The current flood damage prevention regulations may be found in Article 3.1600 of Chapter 3 of the City's Code of Ordinances.				
Emergency Management	Yes	Yes	Yes	No
Comment: Harris County, Village Fire Department				
Climate Change	No	No	No	No
Comment:				

	Local Authority	Other Jurisdiction Authority	State Mandated	Integration Opportunity?
Planning Documents				
General Plan (Comprehensive Plan) <i>Comment: The City's zoning regulations constitute its Comprehensive Plan</i>	Yes	No	Yes	Yes
Capital Improvement Plan <i>How often is the plan updated? Reviewed annually and updated as needed</i> <i>Comment: The City maintains a 5-year rolling CIP</i>	Yes	No	No	Yes
Disaster Debris Management Plan <i>Comment: The City participates in the Harris County Emergency Management Plan</i>	Yes	Yes	No	No
Floodplain or Watershed Plan <i>Comment: Harris County Flood Control District</i>	No	Yes	No	No
Stormwater Plan <i>Comment: The City was granted an MS4 permit from Texas Commission on Environmental Quality and files its annual reports with TCEQ as required by the permit.</i>	Yes	Yes	Yes	Yes
Urban Water Management Plan <i>Comment: Houston-Galveston Subsidence District Groundwater Reduction Plan, Drought Contingency Plan</i>	Yes	Yes	Yes	No
Habitat Conservation Plan <i>Comment: Texas Parks and Wildlife, Texas Commission on Environmental Quality, EPA</i>	No	Yes	No	No
Economic Development Plan <i>Comment: While the City has legal authority to develop an economic development plan, it currently does not have one</i>	Yes	No	Yes	No
Shoreline Management Plan <i>Comment:</i>	No	No	No	No
Community Wildfire Protection Plan <i>Comment:</i>	No	No	No	No
Forest Management Plan <i>Comment:</i>	No	No	No	No
Climate Action Plan <i>Comment:</i>	No	No	No	No
Comprehensive Emergency Management Plan <i>Comment: The City participates in the Harris County Emergency Management Plan</i>	Yes	Yes	Yes	No
Threat & Hazard Identification & Risk Assessment (THIRA) <i>Comment: The City participates in the Harris County Hazard Mitigation Plan</i>	Yes	Yes	Yes	No
Post-Disaster Recovery Plan <i>Comment: The City participates in the Harris County Emergency Management Plan</i>	Yes	Yes	Yes	No
Continuity of Operations Plan <i>Comment:</i>	No	No	No	No
Public Health Plan <i>Comment: Harris County Public Health Authority</i>	No	Yes	No	No

Table 23-4. Development and Permitting Capability

Criterion	Response
Does your jurisdiction issue development permits? • If no, who does? If yes, which department?	Yes
Does your jurisdiction have the ability to track permits by hazard area?	No
Does your jurisdiction have a buildable lands inventory?	No

Table 23-5. Fiscal Capability

Financial Resource	Accessible or Eligible to Use?
Community Development Block Grants	No
Capital Improvements Project Funding	Yes
Authority to Levy Taxes for Specific Purposes	Yes
User Fees for Water, Sewer, Gas or Electric Service	Yes
Incur Debt through General Obligation Bonds	Yes
Incur Debt through Special Tax Bonds	Yes
Incur Debt through Private Activity Bonds	Yes
Withhold Public Expenditures in Hazard-Prone Areas	Yes
State-Sponsored Grant Programs	Yes
Development Impact Fees for Homebuyers or Developers	No

Table 23-6. Administrative and Technical Capability

Staff/Personnel Resource	Available?	Department/Agency/Position
Planners or engineers with knowledge of land development and land management practices	Yes	City Administrator, City of Spring Valley Village Building Official, City of Spring Valley Village Director of Public Works, City of Spring Valley Village Contract Engineering Firm Contract Planning Firm
Engineers or professionals trained in building or infrastructure construction practices	Yes	Building Official, City of Spring Valley Village Fire Marshal, Village Fire Department Director of Public Works, City of Spring Valley Village Contract Engineering Firm
Planners or engineers with an understanding of natural hazards	Yes	City Administrator, City of Spring Valley Village Building Official, City of Spring Valley Village Director of Public Works, City of Spring Valley Village Contract Engineering Firm
Staff with training in benefit/cost analysis	Yes	Contract Engineering Firm
Surveyors	Yes	Contract Surveying Firm
Personnel skilled or trained in GIS applications	No	
Scientist familiar with natural hazards in local area	No	
Emergency manager	Yes	Emergency Management Coordinator, Village Fire Department City Administrator, City of Spring Valley Village
Grant writers	Yes	Contract Grant Writer
Other		

Table 23-7. Education and Outreach Capability

Criterion	Response
Do you have a public information officer or communications office?	No
Do you have personnel skilled or trained in website development?	No
Do you have hazard mitigation information available on your website? • If yes, briefly describe.	No
Do you use social media for hazard mitigation education and outreach? • If yes, briefly describe.	Yes City Website and Social Media Alerts are posted
Do you have any citizen boards or commissions that address issues related to hazard mitigation? • If yes, briefly describe.	No
Do you have any other programs already in place that could be used to communicate hazard-related information? • If yes, briefly describe.	Yes Constant Contact, City website, City social media platforms
Do you have any established warning systems for hazard events? • If yes, briefly describe.	Yes Constant Contact, City website, City social media platforms

Table 23-8. National Flood Insurance Program Compliance

Criterion	Response
What local department is responsible for floodplain management?	Building Official – City Management
Who is your floodplain administrator? (department/position)	Building Official
Are any certified floodplain managers on staff in your jurisdiction?	Yes
What is the date that your flood damage prevention ordinance was last amended?	May 22, 2007
Does your floodplain management program meet or exceed minimum requirements? • If exceeds, in what ways?	Meets
When was the most recent Community Assistance Visit or Community Assistance Contact?	Unknown
Does your jurisdiction have any outstanding NFIP compliance violations that need to be addressed? • If so, state what they are.	No
Are any RiskMAP projects currently underway in your jurisdiction? • If so, state what they are.	Unknown
Do your flood hazard maps adequately address the flood risk within your jurisdiction? • If no, state why.	Yes
Does your floodplain management staff need any assistance or training to support its floodplain management program? • If so, what type of assistance/training is needed?	No
Does your jurisdiction participate in the Community Rating System (CRS)? • If yes, is your jurisdiction interested in improving its CRS Classification? • If no, is your jurisdiction interested in joining the CRS program?	No No
How many flood insurance policies are in force in your jurisdiction? ^a • What is the insurance in force? • What is the premium in force?	797 \$ 272,270,900.00 \$313,168
How many total loss claims have been filed in your jurisdiction? ^a • How many claims are still open or were closed without payment? • What were the total payments for losses?	Unknown Total of closed paid losses: 82 \$2,103,028

a. According to FEMA statistics as of March 26, 2019

Table 23-9. Community Classifications

	Participating?	Classification	Date Classified
Community Rating System	No		
Building Code Effectiveness Grading Schedule	Yes	4 for 1 and 2 family dwellings 3 for all other construction	01/27/2010
Public Protection	Yes	(ISO) 1	2015
Storm Ready	No		
Firewise	No		

Table 23-10. Adaptive Capacity for Climate Change

Criterion	Jurisdiction Rating ^a
Technical Capacity	
Jurisdiction-level understanding of potential climate change impacts <i>Comment:</i>	Low
Jurisdiction-level monitoring of climate change impacts <i>Comment:</i>	Low
Technical resources to assess proposed strategies for feasibility and externalities <i>Comment:</i>	Low
Jurisdiction-level capacity for development of greenhouse gas emissions inventory <i>Comment:</i>	Low
Capital planning and land use decisions informed by potential climate impacts <i>Comment:</i>	Low
Participation in regional groups addressing climate risks <i>Comment:</i>	Low
Implementation Capacity	
Clear authority/mandate to consider climate change impacts during public decision-making processes <i>Comment:</i>	Low
Identified strategies for greenhouse gas mitigation efforts <i>Comment:</i>	Low
Identified strategies for adaptation to impacts <i>Comment:</i>	Low
Champions for climate action in local government departments <i>Comment:</i>	Low
Political support for implementing climate change adaptation strategies <i>Comment:</i>	Low
Financial resources devoted to climate change adaptation <i>Comment:</i>	Low
Local authority over sectors likely to be negative impacted <i>Comment:</i>	Low

Criterion	Jurisdiction Rating ^a
Public Capacity	
Local residents knowledge of and understanding of climate risk <i>Comment:</i>	Low
Local residents support of adaptation efforts <i>Comment:</i>	Low
Local residents' capacity to adapt to climate impacts <i>Comment:</i>	Low
Local economy current capacity to adapt to climate impacts <i>Comment:</i>	Low
Local ecosystems capacity to adapt to climate impacts <i>Comment:</i>	Low

- a. High = Capacity exists and is in use; Medium = Capacity may exist, but is not used or could use some improvement; Low = Capacity does not exist or could use substantial improvement; Unsure= Not enough information is known to assign a rating.

23.5 INTEGRATION WITH OTHER PLANNING INITIATIVES

For hazard mitigation planning, “integration” means that hazard mitigation information is used in other relevant planning mechanisms, such as general planning and capital facilities planning, and that relevant information from those sources is used in hazard mitigation. This section identifies where such integration is already in place, and where there are opportunities for further integration in the future. Resources listed in this annex were used to provide information on integration. The progress reporting process described in Volume 1 will document the progress of hazard mitigation actions related to integration and identify new opportunities for integration.

23.5.1 Existing Integration

Some level of integration has already been established between local hazard mitigation planning and the following other local plans and programs:

- City of Spring Valley Village’s MS4 Permit
- City of Spring Valley Village’s Flood Damage Prevention regulations
- City of Spring Valley Village’s Adopted 5-Year Rolling Capital Improvement Program

23.5.2 Opportunities for Future Integration

The capability assessment presented in this annex identified the following plans and programs that do not currently integrate hazard mitigation information but provide opportunities to do so in the future:

- Future updates to the adopted Building Codes
- Future revisions to the City’s zoning regulations
- Future revisions to the City’s flood damage prevention regulations

23.6 JURISDICTION-SPECIFIC NATURAL HAZARD EVENT HISTORY

Table 23-11 lists past occurrences of natural hazards for which specific damage was recorded in Spring Valley Village. Other hazard events that broadly affected the entire planning area, including Spring Valley Village, are listed in the risk assessments in Volume 1 of this hazard mitigation plan.

Table 23-11. Past Natural Hazard Events

Type of Event	FEMA Disaster #	Date	Damage Assessment
Hurricane Harvey	4332 DR	2017	NA
Severe Storms and Flooding	4269 DR	2016	NA
Severe Storms and Flooding	4272 DR	2016	NA
Severe Storms, Tornadoes, Straight Line Winds and Flooding	4245 DR	2015	NA
Severe Storms, Tornadoes, Straight Line Winds and Flooding	4223 DR	2015	NA
Forest Brook Fire	2924 FM	2011	NA
Hurricane Ike	1791 DR	2008	NA
Hurricane Ike	3294 EM	2008	NA
Hurricane Gustav	3290 EM	2008	NA
Hurricane Dean	3277 EM	2007	NA
Tropical Storm Erin	1730 DR	2007	NA
Extreme Wildfire Threat	1624 DR	2006	NA
Hurricane Rita	1606 DR	2005	NA
Hurricane Rita	3261 EM	2005	NA
Hurricane Katrina Evacuation	3216 EM	2005	NA
Severe Storms, Tornadoes and Flooding	1439 DR	2002	NA
Tropical Storm Allison	1379 DR	2001	NA
Extreme Fire Hazards	3142 EM	1999	NA
Flooding	1257 DR	1998	NA
Tropical Storm Charley	1239 DR	1998	NA
Hurricane Georges	1245 DR	1998	NA
Severe Thunderstorms and Flooding	1041 DR	1994	NA
Severe Thunderstorms and Tornadoes	970 DR	1992	NA
Severe Storms and Flooding	937 DR	1992	NA
Tropical Storm Allison	836 DR	1989	NA
Severe Storms, Tornadoes and Flooding	828 DR	1989	NA

23.7 HAZARD RISK RANKING

Table 23-12 presents a local ranking for Spring Valley Village of all hazards of concern for which this hazard mitigation plan provides complete risk assessments. This ranking summarizes how hazards vary for this jurisdiction. As described in detail in Volume 1, the ranking process involves an assessment of the likelihood of occurrence for each hazard, along with its potential impacts on people, property and the economy. Mitigation actions target hazards with high and medium rankings.

Table 23-12. Hazard Risk Ranking

Rank	Hazard Type	Risk Rating Score (Probability x Impact)	Category
1	Severe Weather	48	High
2	Hurricane	32	High
3	Earthquake	14	Low
4	Flooding	12	Low
5	Drought	6	Low
5	Mass Movement	6	Low
5	Wildfire	6	Low
6	Dam Failure	0 (No Exposure)	None
6	Tsunami	0 (No Exposure)	None
6	Coastal Erosion	0 (No Exposure)	None

NOTE: The process used to assign risk ratings and rankings for each hazard is described in Volume 1 of this hazard mitigation plan.

23.8 JURISDICTION-SPECIFIC VULNERABILITIES

Volume 1 of this hazard mitigation plan provides complete risk assessments for each identified hazard of concern. This section provides information on a few key vulnerabilities for the jurisdiction. Available jurisdiction-specific risk maps of the hazards are provided at the end of this annex.

23.8.1 Repetitive Loss Properties

Repetitive loss records are as follows:

- Number of FEMA-identified Repetitive-Loss Properties: 7
- Number of FEMA-identified Severe-Repetitive-Loss Properties: None
- Number of Repetitive-Loss Properties or Severe-Repetitive-Loss Properties that have been mitigated: 1

23.8.2 Other Noted Vulnerabilities

No jurisdiction-specific issues were identified from review of the results of the risk assessment and other available resources.

23.9 STATUS OF PREVIOUS PLAN ACTIONS

Table 23-13 summarizes the actions that were recommended in the previous version of the hazard mitigation plan and their implementation status at the time this update was prepared.

Table 23-13. Status of Previous Plan Actions

Action Item from Previous Plan	Completed	Removed; No Longer Feasible	Carried Over to Plan Update	
			Check if Yes	Action # in Update
Conduct HVAC Assessment/Mitigation to Ventilation Systems for Critical Infrastructure			X	SVV5
Comment: In progress. The City constructed a new City Hall and Police Building with a new ventilation system, and the new facility opened in May of 2017. The City has committed to renovating the Public Works Facility (also Critical Infrastructure) including its current ventilation system as part of its 5-Year Capital Improvement Program with the project to be undertaken in FY 2021				
Expand community early warning system, reverse 911 to enhance coverage within the community's population	X			
Comment: In 2012, the City implemented a reverse 911 system that notifies all telephone numbers in the City. During Hurricane Harvey, the City found that the reverse 911 system that was implemented went down. Consequently, the City is evaluating other reverse 911 options to implement. The City currently utilizes Constant Contact, its website, and different social media platforms to quickly notify residents and businesses about hazards that may affect the City. During Hurricane Harvey, it was clear that these forms of communication were more effective and efficient, and the City will continue to utilize and improve upon these forms of communication.				
Expand early warning system, reverse 911 alert capabilities to increase coverage to public/private schools.	x			
Comment: In 2012, the City implemented a reverse 911 system that notifies all telephone numbers, including public and private schools, in the City. During Hurricane Harvey, the City found that the reverse 911 system that was implemented went down. Consequently, the City is evaluating other reverse 911 options to implement. The City currently utilizes Constant Contact, its website, and different social media platforms to quickly notify residents and businesses about hazards that may affect the City. During Hurricane Harvey, it was clear that these forms of communication were more effective and efficient, and the City will continue to utilize and improve upon these forms of communication.				
Adoption of higher standard/latest edition of building codes for jobsite debris management to minimize damages from debris during high winds	X			
Comment: The City adopted the International Building Code (IBC) 2015 Edition on February 24, 2015.				
Briar Branch Bypass project and construct a detention pond to mitigate flood-related impacts.			X	
Comment: Several years ago, the City met with Harris County Flood Control District (HCFCD) to discuss the installation of a real-time monitoring gauge on Briar Branch at Campbell Road to provide notification to the residents about potential flooding. The real-time flood gauge was installed by HCFCD on March 31, 2017. Due to the size of the rest of the original project and the number of governmental and non-governmental entities that would be involved, action is no longer considered feasible. The City has completed the only part it could complete.				
Develop/implement water smart program to educate the public on drought hazards and potential individual actions to minimize damages to property and equipment	X		X	SVV6
Comment: The City has water conservation and drought contingency regulations in place that include a goal of reducing water consumption by 10% through conservation measures and a graduated drought contingency plan. Additionally, the City's regulations include savings on water rates for customers who implement conservation measures such as retrofitting high-use fixtures with low-flow fixtures, low-flow design irrigation systems, and xeriscaping features. Information on water conservation measures is provided in the City's new resident welcome packet as well as on the City's website. The City would like to carry this measure forward and change the wording of the Action Item to: <u>Develop and implement public outreach program to educate the public on drought hazards and water conservation measures that may be implemented by individuals to reduce water usage and minimize damages to property and equipment.</u>				

Action Item from Previous Plan	Completed	Removed; No Longer Feasible	Carried Over to Plan Update	
			Check if Yes	Action # in Update
Implement a Debris Removal Program to minimize flooding due to obstructions along channel to increase flow along Briar Branch and minimize damages to residential properties.	X		X	SVV7
Comment: Since Briar Branch is under the jurisdiction of Harris County Flood Control District (HCFCD), the extent of the Debris Removal Program has been to monitor Briar Branch continuously and notify HCFCD of the need for debris removal and/or de-snagging as needed. Throughout the City limits, the City monitors and removes possible obstructions such as trees, trash cans, debris washed into ditches and storm sewers prior to and during all storm incidents, and residents and businesses are notified via Constant Contact and all City social media platforms to continuously monitor and remove any possible obstructions. <u>The City would like to carry this measure forward and change the wording of the Action Item to: Develop and implement a public outreach program designed to educate the public about debris removal and other ways to minimize damages to residential properties.</u>				
Develop/implement tree management program to minimize damage from debris due to high winds and icing/freezing temperatures	X			
Comment: The City adopted tree preservation and management regulations in 2017 that include provisions for addressing diseased and/or dead trees, and the City enforces such regulations throughout the year. Additionally, in accordance with the tree preservation regulations, the City requires a permit for removal of trees. City staff also monitors trees on City property and in public rights-of-way and addresses trees that could cause damage.				
Develop/implement a home heating safety public education program to educate the public on winter storm hazards and action to minimize damage to residential property and equipment caused by winter hazards and home heating.	X		X	SVV12
Comment: This is an ongoing program. On behalf of the City, the Village Fire Department conducts a fire safety and prevention program throughout the year to different public and private schools, reaching approximately 1,500 students each year. Through public education, the City and VFD hope to reduce fire hazards caused by individuals. <u>The City would like to carry this measure forward and change the wording of the Action Item to: Conduct a fire safety and prevention program in conjunction with the Village Fire Department.</u>				
Bank re-stabilization with slope stabilization along portions of Briar Branch to increase flow to minimize flood damages.			X	
Comment: The portions of the bank of Briar Branch that would be good candidates for a re-stabilization project are privately owned property and areas that are not maintained by Harris County Flood Control District. Action is no longer feasible since the City has no control over these areas.				
Clean-up of heavy wildfire fuel areas (abandoned buildings, abandoned lands, etc.)	X		X	SVV9
Comment: The City monitors heavy wildfire fuel areas throughout the year and addresses any area of concern with the appropriate individual, entity or agency. The City removes dead trees and/or other vegetation and maintains underbrush on City property and public rights-of-way throughout the year. In September of 2017, the City adopted the 2015 International Property Maintenance Code which provides additional tools for the City to use in addressing residential properties that may become substandard and prevent such properties from developing into heavy wildfire fuel areas. <u>The City would like to carry this measure forward and change the wording of the Action Item to: Continuously monitor and mitigate heavy wildfire fuel areas such as abandoned buildings, abandoned lands, etc.</u>				
Establish local supplemental benchmark program		X		
Comment: The exact purpose of this particular Action Item is unknown and it does not appear to do anything to mitigate flood damage to structures. The City adopted flood damage prevention regulations in 2007 including a provision that new residential and non-residential construction must meet base flood elevation + 1 foot.				

23.10 HAZARD MITIGATION ACTION PLAN AND EVALUATION OF RECOMMENDED ACTIONS

Table 23-14 lists the actions that make up the hazard mitigation action plan for this jurisdiction. Table 23-15 identifies the priority for each action. Table 23-16 summarizes the mitigation actions by hazard of concern and mitigation type.

Table 23-14. Hazard Mitigation Action Plan Matrix

Applies to New or Existing Assets	Objectives Met	Lead Agency	Support Agency	Estimated Cost	Sources of Funding	Timeline ^a
Action SVV1 — Where appropriate, support retrofitting of structures located in hazard areas, prioritizing those that have experienced repetitive losses and/or are located in high- or medium-risk hazard areas. <u>Hazards Mitigated:</u> Earthquake, flooding, landslide, tsunami, wildfire						
Existing	3, 4, 10	Spring Valley Village	Spring Valley Village – Public Works	High	HMGP, PDM, FMA	Long-term
Action SVV2 — Integrate the hazard mitigation plan into other plans, ordinances and programs that dictate land use decisions in the community, including Spring Valley Village <u>Hazards Mitigated:</u> Dam failure, drought, earthquake, flooding, landslide, tsunami, wildfire						
New and Existing	1, 3, 4, 5, 7, 8, 10	Spring Valley Village	Spring Valley Village – Public Works	Low	Staff Time, General Funds	Ongoing
Action SVV3 — Actively participate in the plan maintenance protocols outlined in Volume 1 of this hazard mitigation plan. <u>Hazards Mitigated:</u> Severe Weather, Hurricane, Earthquake, Flooding, Drought, Mass Movement, Wildfire						
New and Existing	1, 5, 8	Spring Valley Village	The Memorial Villages	Low	Staff Time, General Funds	Short-term
Action SVV4 — Continue to maintain good standing and compliance under the NFIP through implementation of floodplain management programs that, at a minimum, meet the NFIP requirements: • Enforce the flood damage prevention ordinance. • Participate in floodplain identification and mapping updates. • Provide public assistance/information on floodplain requirements and impacts. <u>Hazards Mitigated:</u> Dam failure, flooding, severe weather, tsunami, sea level rise						
New and Existing	1, 3, 5, 7, 8, 10	Spring Valley Village – Public Works and Building Official	TBD	Low	Staff Time, General Funds	Ongoing
Action SVV5 — Conduct HVAC Assessment/Mitigation to Ventilation Systems for Critical Infrastructure <u>Hazards Mitigated:</u> Toxic/Haz-Mat, Energy Pipeline Failures						
Existing	3, 7, 13	Spring Valley Village	TBD	Medium	CIP	Short-term
Action SVV6 — Develop and implement public outreach program to educate the public on drought hazards and water conservation measures that may be implemented by individuals to reduce water usage and minimize damages to property and equipment. <u>Hazards Mitigated:</u> Drought						
New and Existing	4, 6, 7, 8, 11	Spring Valley Village – Public Works	TCEQ, HGSD	Low	CIP, Utilities Fund, Fed Water SMART grant	Ongoing
Action SVV7 — Develop and implement a public outreach program designed to educate the public about debris removal and other ways to minimize damage to residential properties.. <u>Hazards Mitigated:</u> Flooding						
Existing	4, 7, 8	Spring Valley Village	Harris County Flood Control	Medium	General Fund	Ongoing

Applies to New or Existing Assets	Objectives Met	Lead Agency	Support Agency	Estimated Cost	Sources of Funding	Timeline ^a
ActionSVV8 — Conduct a fire safety and prevention program in conjunction with the Village Fire Department.						
<u>Hazards Mitigated:</u> Wildfire						
Existing	2, 3, 4	Spring Valley Village	Villages Fire Department	Low	General Fund	Ongoing
ActionSVV9 — Continuously monitor and mitigate heavy wildfire fuel areas such as abandoned buildings, abandoned lands, etc.						
<u>Hazards Mitigated:</u> Wild Fire						
Existing	2, 3, 4	Spring Valley Village	Villages Fire Department	Low	General Fund	Ongoing
Action SVV10 — Improve storm drainage on street projects in accordance with 5 year CIP -						
<u>Hazards Mitigated:</u> Flooding						
New	4, 7, 9	Spring Valley Village	TBD	Medium	Bonds, CIP	Ongoing
Action SVV11 — Provide Public Education and outreach program to businesses, citizens, employees and the general public about hazards associated with illegal discharge and improper disposal of waste and the impacts storm water can have on the quality of water as described in the City's Storm Water Management Plan.						
<u>Hazards Mitigated:</u> Flooding						
New and Existing	3, 4, 6, 8, 11	Spring Valley Village	TBD	Low	General Fund	Ongoing
Action SVV12 — Briar Branch Bypass project and contrast a detention pond to mitigate flood-related impacts.						
<u>Hazards Mitigated:</u> Flooding						
New	4, 7, 9	Spring Valley Village	Harris County Flood Control, Other Memorial Villages	High	General Fund, Bonds, CIP, Grants	Long-Term
Action SVV13 — Bank re-stabilization with slope stabilization along portions of Briar Branch and Spring Branch to improve/increase flow and minimize flood damage.						
<u>Hazards Mitigated:</u> Flooding						
New	4, 7, 9	Spring Valley Village	Harris County Flood Control	High	General Fund, Bonds, CIP, Grants	Long-Term
ActionSVV14 — Replace bridges in Spring Valley Village with improved hardened bridges to withstand flooding and debris.						
<u>Hazards Mitigated:</u> Hurricane, Flooding						
New	4, 7, 9, 10	Spring Valley Village	Harris County Flood Control	High	General Fund, Bonds, CIP, Grants	Long-Term
ActionSVV15 — Develop and implement master drainage plan and drainage model, including analysis of existing drainage system.						
<u>Hazards Mitigated:</u> Flooding						
New	2, 3, 7, 9, 10	Spring Valley Village	Harris County Flood Control	Medium	General Fund	Short-Term
Action SVV16 — Develop Critical Infrastructure and Key Resources database						
<u>Hazards Mitigated:</u> Hurricane, Severe Weather, Flooding, Tornado, Drought, Earthquake, Wildfire, Tsunami, and Mass Movement						
New	2, 3, 7, 9, 10, 13	Spring Valley Village	TBD	Medium	General Fund, Grants	Short-Term
Action SVV17 — Implement updates for drought contingency plan						
<u>Hazards Mitigated:</u> Drought						
New and Existing	5, 7, 8, 9, 10	Spring Valley Village	TBD	Low	General Fund	Short-Term
Action SVV18 — Develop Partnership Projects with Harris County Flood Control District for the purpose of optimizing drainage systems in Spring Valley Village						
<u>Hazards Mitigated:</u> Flooding, Dam Failure						
New	7, 9	Spring Valley Village	Harris County Flood Control, Other Memorial Villages	High	Bonds, CIP, Grants	Long-Term

Applies to New or Existing Assets	Objectives Met	Lead Agency	Support Agency	Estimated Cost	Sources of Funding	Timeline ^a
Action SVV19 — Generators for water and wastewater infrastructure.						
<u>Hazards Mitigated:</u> Flooding, Sever Weather, Hurricane, Earthquake, Mass Movement, Wildfire,						
New	4, 7, 9	Spring Valley Village	TBD	Medium	CIP, Grants, General Fund	Short-Term
Action SVV20 — Actively participate in and support the implementation of the six area-wide actions identified in Volume 1 of this plan.						
<u>Hazards Mitigated:</u> Severe Weather, Hurricane, Earthquake, Flooding, Drought, Mass Mopvement, Wildfire						
New and Existing	1, 3, 4, 5, 9, 10, 11, 15	City Administration	HCOHSEM	Low	General Funds	Ongoing

a. Short-term = Completion within 5 years; Long-term = Completion within 10 years; Ongoing= Continuing new or existing program with no completion date

See the introduction to this volume for list of acronyms used here.

Table 23-15. Mitigation Action Priority

Action #	# of Objectives Met	Benefits	Costs	Do Benefits Equal or Exceed Costs?	Is Project Grant-Eligible?	Can Project Be Funded Under Existing Programs/ Budgets?	Implementation Priority ^a	Grant Pursuit Priority ^a
SVV1	3	Low	High	No	Yes	No	Low	Low
SVV2	7	Medium	Low	Yes	No	Yes	High	Low
SVV3	3	Low	Low	Yes	No	Yes	High	Low
SVV4	6	Medium	Low	Yes	No	Yes	High	Low
SVV5	3	Low	Medium	No	No	No	Low	Low
SVV6	5	High	Low	Yes	No	Yes	High	Low
SVV7	3	Medium	Low	Yes	Yes	No	Medium	Medium
SVV8	3	Medium	Low	Yes	Yes	No	Medium	Low
SVV9	3	Medium	Low	Yes	Yes	No	Medium	Low
SVV10	3	High	High	Yes	Yes	No	High	High
SVV11	5	Low	Low	Yes	No	Yes	Medium	Low
SVV12	3	High	High	Yes	Yes	No	Medium	High
SVV13	3	High	High	Yes	Yes	No	Medium	High
SVV14	4	Medium	High	No	Yes	No	Medium	Medium
SVV15	5	High	Medium	Yes	Yes	No	Medium	Medium
SVV16	6	High	Medium	Yes	Yes	No	Medium	Medium
SVV17	5	Medium	Low	Yes	Yes	Yes	High	Medium
SVV18	2	High	Medium	Yes	Yes	No	Medium	High
SVV19	3	Medium	Medium	Yes	Yes	No	Medium	Medium
SVV20	8	Medium	Low	Yes	Yes	Yes	High	High

a. See the introduction to this volume for explanation of priorities.

Table 23-16. Analysis of Mitigation Actions

Hazard Type	Action Addressing Hazard, by Mitigation Type ^a							
	Prevention	Property Protection	Public Education & Awareness	Natural Resource Protection	Emergency Services	Structural Projects	Climate Resilient	Community Capacity Building
High-Risk Hazards								
Severe Weather	SVV-3, SVV-4, 20	SVV-4	SVV-4, SW-20					SVV-20
Hurricane	SVV-1, SVV-3, SVV-4, SVV-20	SVV-1, SVV-4	SVV-4, SW-20		SVV-14, SVV-16 SVV-19, SVV-20	SVV-1, SVV-14		SVV-20
Low-Risk Hazards								
Earthquake	SVV-1, SVV-3, SVV-20	SVV-1	SVV-20		SVV-16, SVV-19, SVV-20	SVV-1		SVV-2, SVV-20
Flooding	SVV-1, SVV-3, SVV-4, SVV-7, SVV-10, SVV-12, SVV-13, SVV-15, SVV-20	SVV-1, SVV-4, SVV-7, SVV-10, SVV-12, SVV-13 SVV-18	SVV-4, SVV-11, SWW-20	SVV-11	SVV-14, SVV-16, SVV-19, SVV-20	SVV-1, SVV-12, SVV-13, SVV-14 SVV-18		SVV-20
Drought	SVV-3, 20		SVV-6, SVV-17, SVV-20	SVV-6	SVV20		SVV-6, SVV-17	SVV-2, SVV-17, SVV20
Wildfire	SVV-1, SVV-3, SVV-9, SWW-20	SVV-1	SVV-8, SWW-20		SVV-16, SVV-19, SVV-20	SVV-1		SVV-2, SVV-20
Mass Movement	SVV-1, SVV-3, SVV-20	SVV-1	SVV-20		SVV-16, SVV-19, SVV-20	SVV-1		SVV-2, SVV-20

a. See the introduction to this volume for explanation of mitigation types.

23.11 REVIEW AND INCORPORATION OF INFORMATION FOR THIS ANNEX

23.11.1 Existing Reports, Plans, Regulatory Tools and Other Resources

The following technical reports, plans, and regulatory mechanisms were reviewed to provide information for this annex.

- **City of Spring Valley Village Municipal Code** — The municipal code was reviewed for the full capability assessment and for identifying opportunities for action plan integration.
- **City of Spring Valley Village Flood Damage Prevention Ordinance** — The flood damage prevention ordinance was reviewed for compliance with the National Flood Insurance Program.
- **City of Spring Valley Village MS4 Permit** – The MS4 Permit was review for determining existing integration of current action plan items and for identifying opportunities for future action plan integration.

The following outside resources and references were reviewed:

- **Hazard Mitigation Plan Annex Development Toolkit** — The toolkit was used to support the identification of past hazard events and noted vulnerabilities, the risk ranking, and the development of the mitigation action plan.
- **Texas Water Development Board Flood Outreach – Community Assistance Program** – Flood insurance and total loss claims information was obtained through this Program.

23.11.2 Staff and Local Stakeholder Involvement in Annex Development

This annex was developed over the course of one month with input from various City departments including Public Works, Community Development, Finance, and City Administration, as well as a representative from the Village Fire Department.

Spring Valley

Critical Facilities

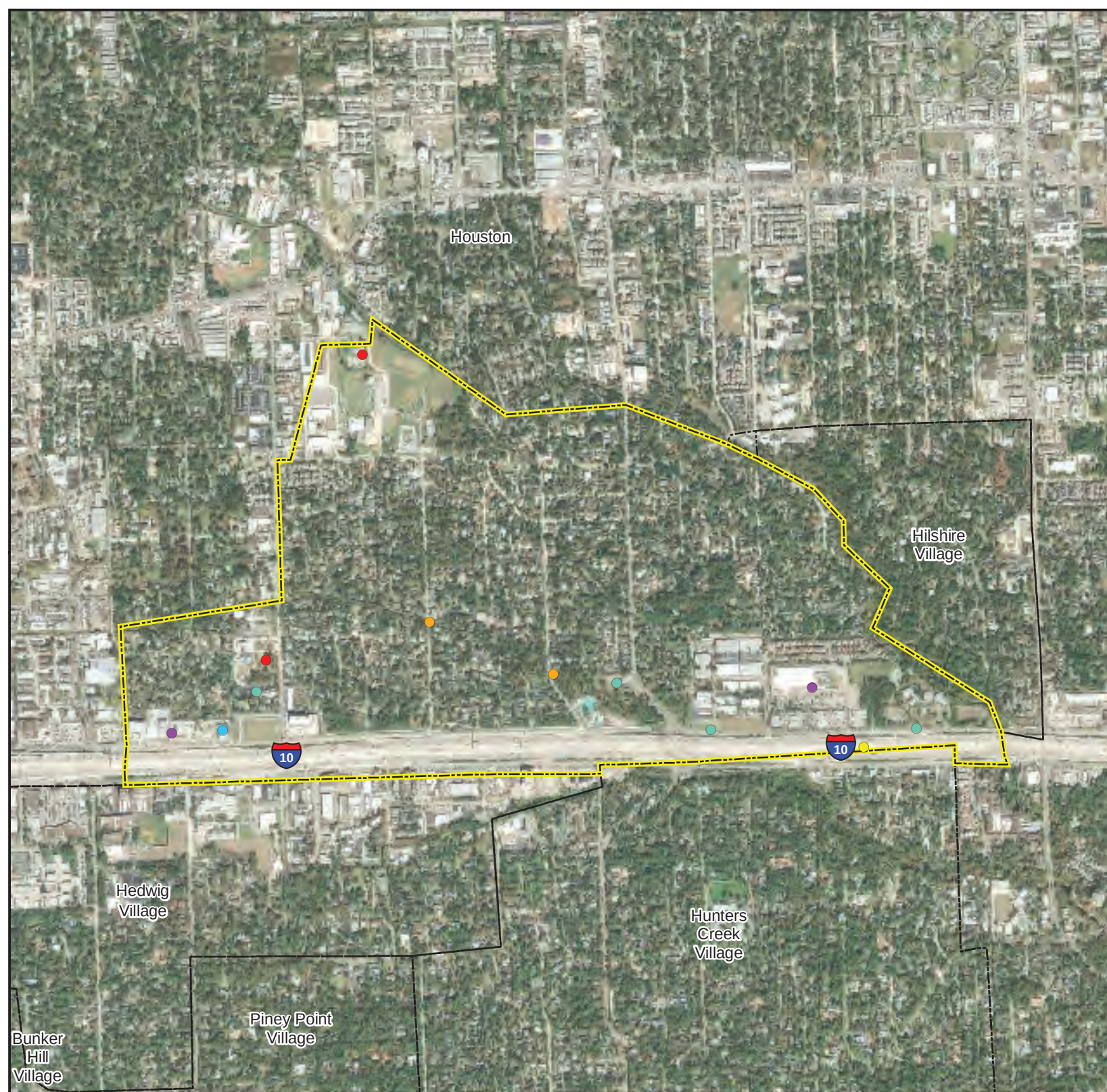
- Education Facilities
- Emergency Services
- Government Facilities
- Hazardous Material Sites
- Health and Medical Facilities
- Historical and Cultural Sites
- Transportation Systems
- Utility Systems

--- Incorporated Cities

▭ Harris County



0 0.1 0.2 0.4 Miles



Spring Valley

FEMA Flood Hazard

-  1% Annual Chance Flood (100-yr)
-  Incorporated Cities
-  Harris County



0 0.1 0.2 0.4 Miles

Houston

Hilshire
Village

Hedwig
Village

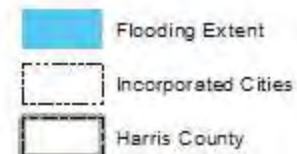
Hunters
Creek Village

Piney
Point
Village

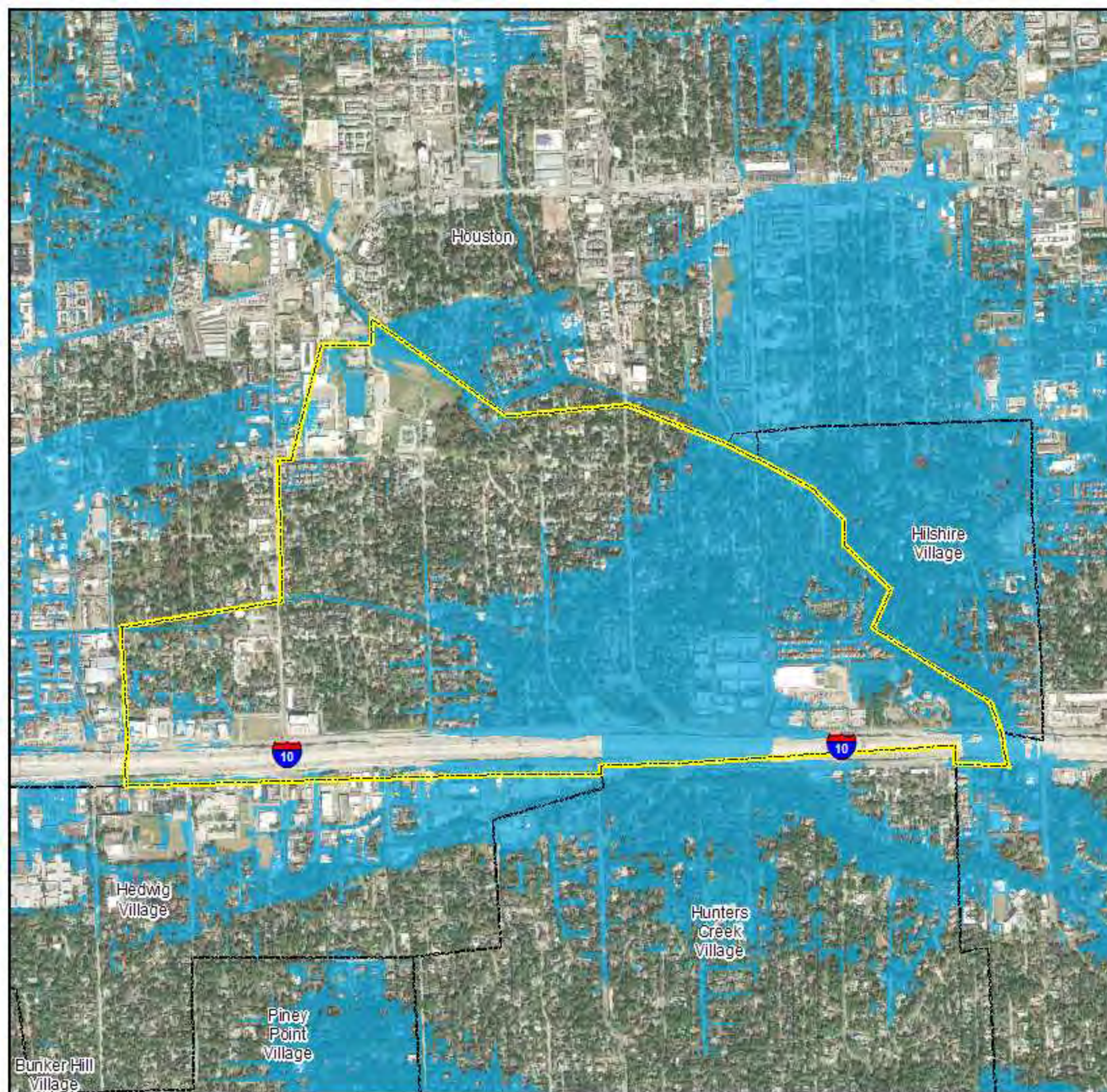
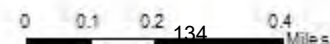
Bunker
Hill
Village

Spring Valley

Flood Hazard Hurricane Harvey

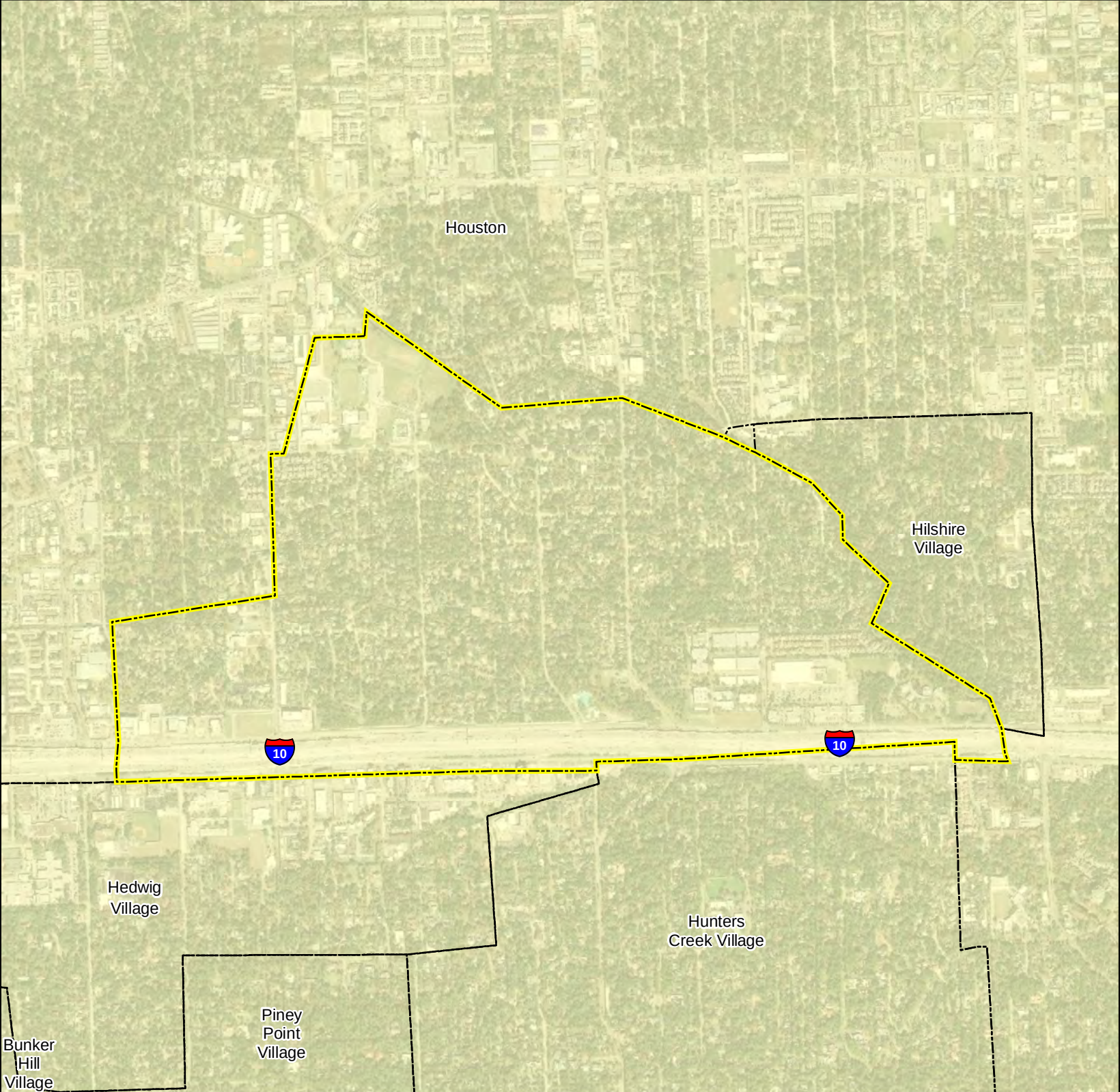
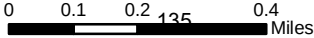
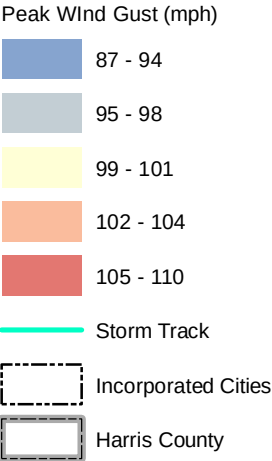


Note: Flooding extent shown for Hazard Mitigation Plan planning area only.



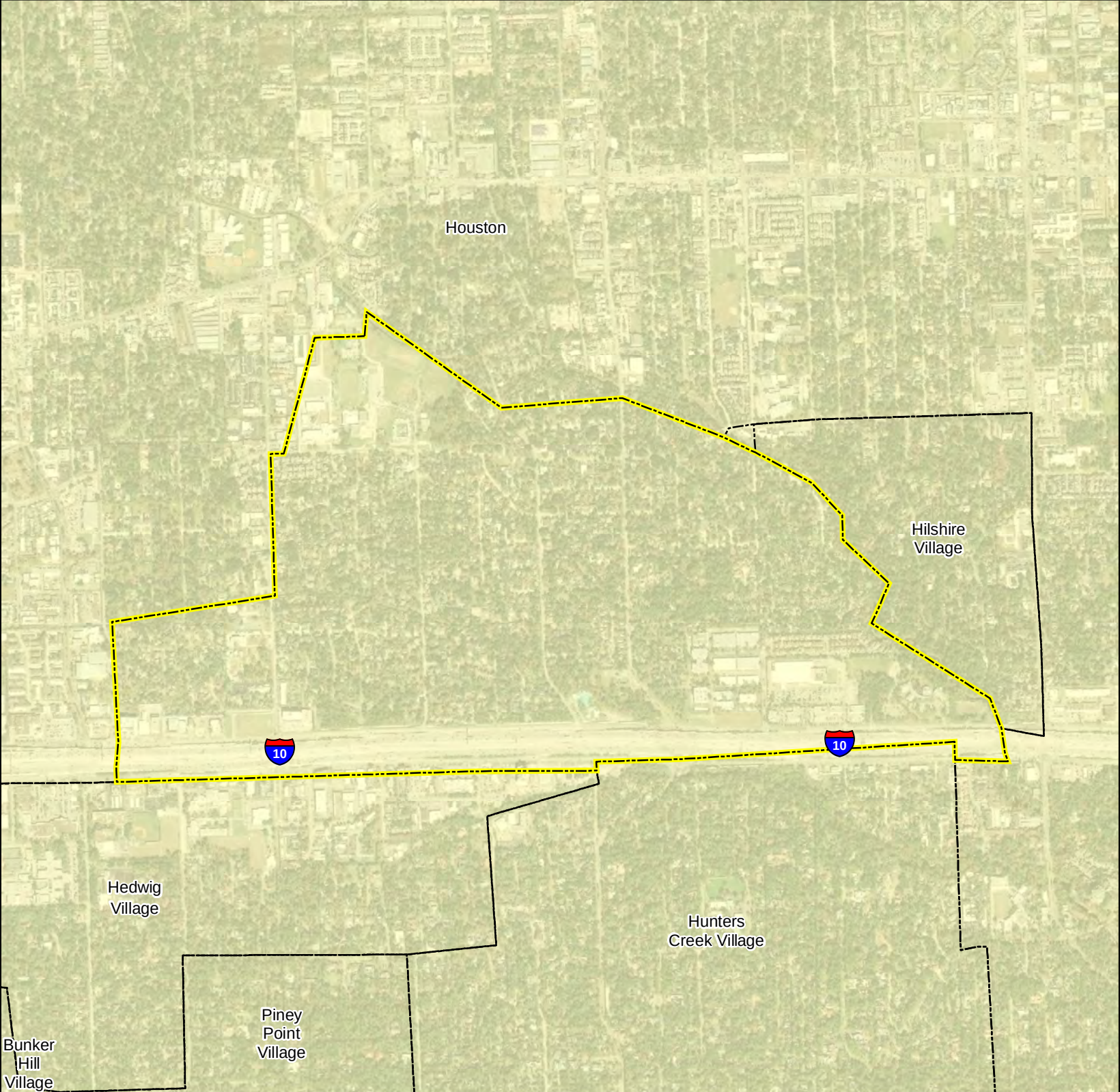
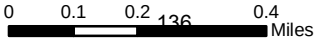
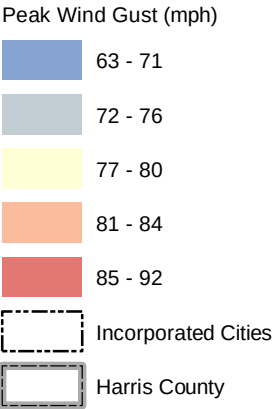
Spring Valley

Hurricane Alicia (1983)



Spring Valley

20-year Probabilistic
Hurricane



Spring Valley

100-year Probabilistic Hurricane

Peak Wind Gust (mph)

- 89 - 101
- 102 - 106
- 107 - 111
- 112 - 117
- 118 - 128

- Incorporated Cities
- Harris County



0 0.1 0.2 0.4 Miles

Houston

Hilshire Village

Hedwig Village

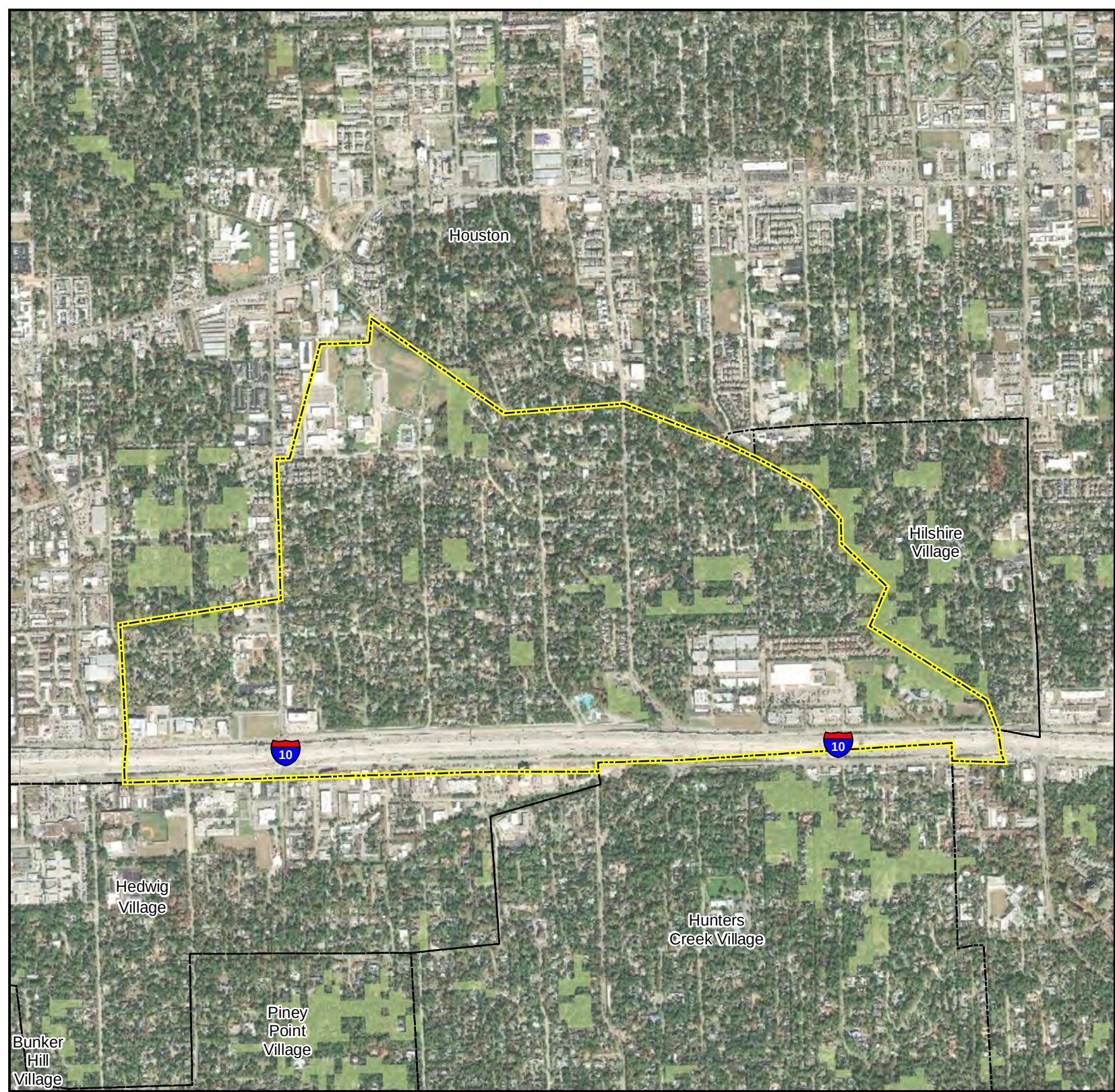
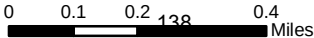
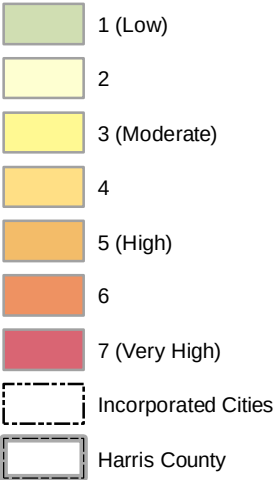
Hunters Creek Village

Piney Point Village

Bunker Hill Village

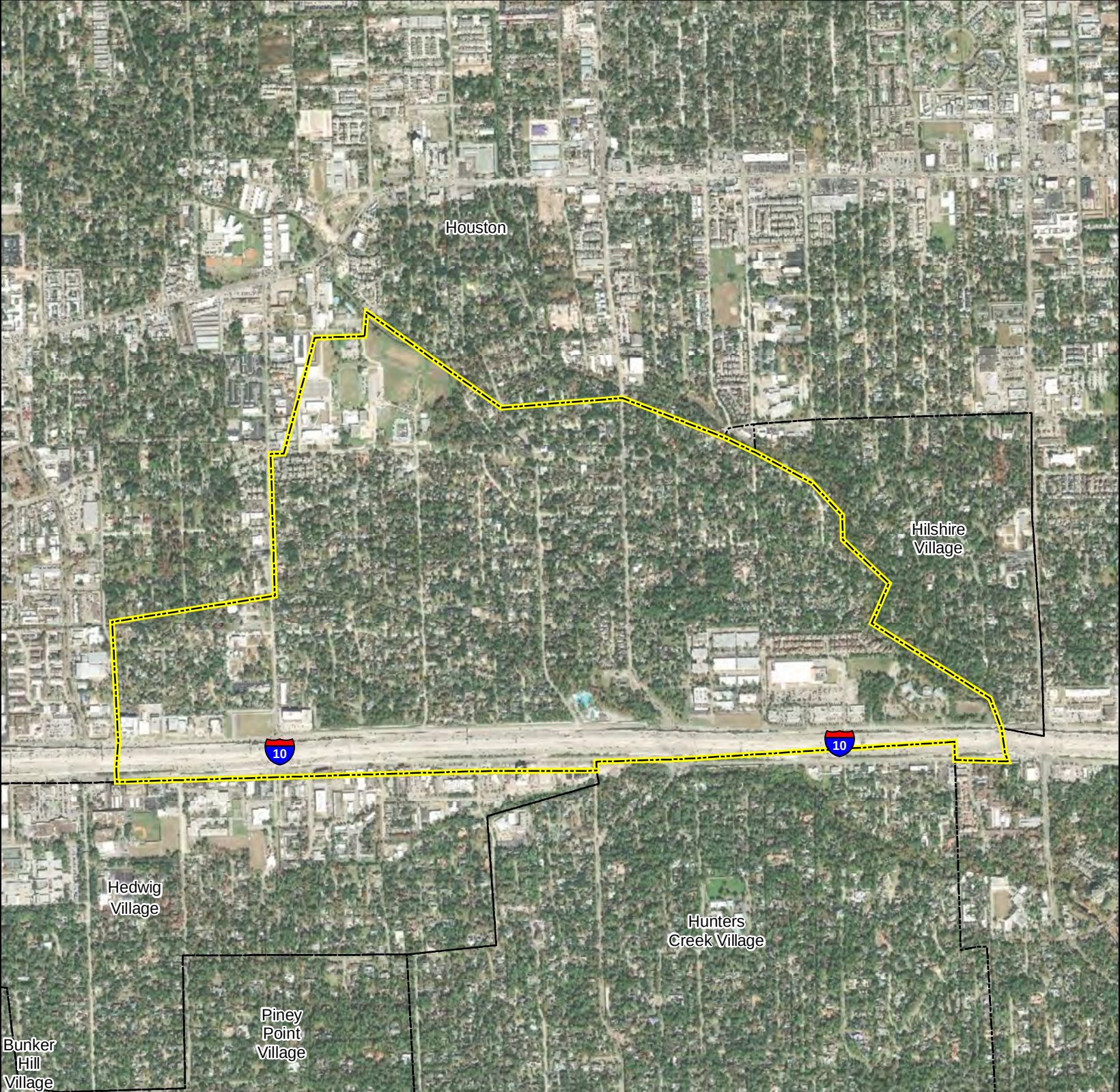
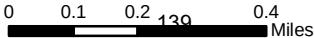
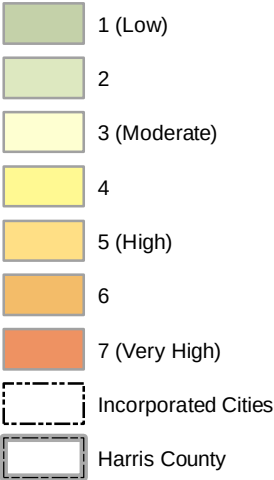
Spring Valley

Wildfire Ignition Density



Spring Valley

Wildfire Threat



**Spring Valley Village City Council
Agenda Item Data Sheet**

MEETING DATE: June 23, 2020

TOPIC:	Ordinance No. 2020-XX AN ORDINANCE OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, AMENDING THE CITY PERSONNEL MANUAL, AS ADOPTED BY ORDINANCE NUMBER 95-05 DULY PASSED AND APPROVED ON MARCH 29, 1995, BEING AMENDMENT NO. 11 TO THE PERSONNEL MANUAL, TO ADOPT A NEW SECTION 18.12, TEMPORARY EMERGENCY INCIDENT TELECOMMUTING POLICY, OF CHAPTER 18, EMERGENCY OPERATIONS PROCEDURES; PROVIDING FOR THE INCORPORATION OF PREAMBLE; AND PROVIDING A REPEALER CLAUSE, A SEVERABILITY CLAUSE, AND AN EFFECTIVE DATE.
BACKGROUND:	Prior to the COVID-19 Pandemic, the City did not have a formal telecommuting policy for City employees to work remotely. On March 23, 2020, when COVID-19 was at its height, City Hall was closed to the public, and City Hall employees began working remotely with informal guidelines. However, in order to be prepared going forward and to establish clear and consistent expectations, City Secretary Roxanne Benitez and I developed a formal Temporary Emergency Incident Telecommuting Policy that would be applicable for all emergency incidents in the future. The proposed Policy is a combination of several different cities' policies that were developed for COVID-19, but the proposed Policy would apply for any emergency incident. Since the City adopted an Emergency Operations Procedures Policy in Chapter 18 of the Personnel Manual, the proposed Policy would be adopted as a new Section 18.12 of Chapter 18. Chief Evans and City Attorney Loren Smith reviewed and approved the proposed Policy.
RECOMMENDATION:	Staff recommends approval of the Ordinance.
ATTACHMENTS:	• Ordinance No. 2020-XX
FUNDING ISSUES:	☒ Not applicable – no dollars are being spent or received. ☐ Full amount already budgeted in Acct/Project# _____ ☐ Not budgeted, if approved, the following will be included in the next Budget Amendment: ☐ \$ _____ from Acct/Project# _____ will be transferred to Acct/Project# _____ ☐ \$ _____ from unassigned fund balance will be used and added to Acct/Project# _____ ☐ \$ _____ will be added to Revenue Acct# ____-____ and \$ _____ added to Expenditure Acct/Project# _____
FINANCE VERIFICATION OF FUNDING:	
	
SUBMITTING STAFF MEMBER:	CITY ADMINISTRATOR APPROVAL:
Julie M. Robinson, City Administrator	

ORDINANCE NUMBER 2020-XX

AN ORDINANCE OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, AMENDING THE CITY PERSONNEL MANUAL, AS ADOPTED BY ORDINANCE NUMBER 95-05 DULY PASSED AND APPROVED ON MARCH 29, 1995, BEING AMENDMENT NO. 11 TO THE PERSONNEL MANUAL, TO ADOPT A NEW SECTION 18.12, TEMPORARY EMERGENCY INCIDENT TELECOMMUTING POLICY, OF CHAPTER 18, EMERGENCY OPERATIONS PROCEDURES; PROVIDING FOR THE INCORPORATION OF PREAMBLE; AND PROVIDING A REPEALER CLAUSE, A SEVERABILITY CLAUSE, AND AN EFFECTIVE DATE.

WHEREAS, on March 29, 1995, by Ordinance Number 95-05, the City Council of the City of Spring Valley Village, Texas, adopted a Personnel Manual for all City employees ("Personnel Manual"), and the Personnel Manual has been amended several times since its original adoption with changes to various provisions; and

WHEREAS, on September 25, 2018, by Ordinance Number 2018-23, after experiencing a catastrophic weather event as a result of Hurricane Harvey in August of 2017, the City Council amended the Personnel Manual deleting Section 9.4, Bad Weather Policy, of Chapter 9, Wages and Salary; Hours of Work; Job Performance, and adopting a new Chapter 18, Emergency Operations Procedures; and

WHEREAS, after experiencing the COVID-19 Pandemic and in preparation for future emergency incidents, the City Council hereby finds that Chapter 18, Emergency Operations Procedures, of the Personnel Manual should be amended to adopt a new Section 18.12, Temporary Emergency Incident Telecommuting Policy.

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, THAT:

Section 1. The facts and matters set forth in the preamble to this Ordinance are hereby found to be true and correct.

Section 2. Chapter 18, Emergency Operations Procedures, of the City's Personnel Manual, as adopted by Ordinance Number 2018-23, duly passed and approved on September 25, 2018, is hereby amended by the adoption of a new Section 18.12, Temporary Emergency Incident, Telecommuting Policy, to read in its entirety as reflected in Exhibit "A" attached hereto and incorporated herein. This amendment shall be referenced and referred to as **AMENDMENT NO. 11 TO THE PERSONNEL MANUAL**.

Section 3. All provisions of the ordinances of the City of Spring Valley Village, Texas, codified or uncoded, in conflict with the provisions of this Ordinance are hereby repealed, and all other provisions of the ordinances of the City of Spring Valley Village,

Texas, codified or uncoded, not in conflict with the provisions of this Ordinance, shall remain in full force and effect.

Section 4. In the event any section, paragraph, subdivision, clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Spring Valley Village, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

Section 5. This Ordinance shall become effective immediately upon its passage.

DULY PASSED AND APPROVED on this the ____ day of _____, 2020.

Marcus Vajdos, Mayor
City of Spring Valley Village, Texas

ATTEST:

Roxanne Benitez, City Secretary
City of Spring Valley Village, Texas

EXHIBIT "A"

TO

ORDINANCE NUMBER 2020-XX

Section 18.12 Temporary Emergency Incident Telecommuting Policy

Purpose

This policy defines the City's use of telecommuting and establishes guidelines and rules for telecommuting when it is a viable work arrangement. Telecommuting is intended to create flexible conditions that will help Employees accomplish their work effectively without disruption to City services especially leading up to, during and/or immediately following emergency events. Telecommuting is not available to all Employees or departments. Some job responsibilities and roles do not allow for telecommuting. No Employee is entitled to or guaranteed the opportunity to telecommute, and the City maintains the right to require adequate staffing levels at the main worksite to ensure the appropriate level of customer service. An Employee may be called to the main worksite on a scheduled telecommuting day if necessary to meet workload or staffing demands.

Scope

Certain requirements for all telecommuting arrangements are set forth in this policy and are intended to ensure that such arrangements comply with all applicable laws, as well as to prevent losses and claims. Aside from these requirements, and with the caveat that careful consideration must be given to the issues presented in this policy, the intent is to allow telecommuting as an alternative to working at the Employee's normal worksite in the event that there is an emergency incident, in order to maintain the City's essential services.

A telecommuting arrangement is not an entitlement and in no way changes the terms and conditions of employment with the City of Spring Valley Village. Telecommuting is not a formal, universal Employee benefit or a condition of employment, but rather an alternate method of meeting the needs of both the City and the Employee. The City of Spring Valley Village considers telecommuting to be a viable work arrangement in certain cases where job characteristics are suited to such an arrangement.

The duties, responsibilities, and conditions of employment remain the same as if the Employee were working at the normal work site. The Employee will continue to comply with City of Spring Valley Village policies and procedures while working at the alternate work site.

The Employee understands that telecommuting is a mutually agreed upon work alternative between the City and the Employee. The City can revoke or modify the Employee's participation as a telecommuter at any time, for any reason or no reason.

Telecommuting by one Employee should not negatively affect the workload or productivity of others either by shifting burdens or creating delays and additional steps in the work flow. Telecommuting will not affect an Employee's compensation, benefits, work status or work responsibilities. A telecommuting arrangement shall not result in any additional cost to the City of Spring Valley Village.

A. Emergency Incident

In the event of an emergency incident that could impact our community, the City Administrator and/or the Police Chief of the City of Spring Valley Village can declare the City in an emergency incident status and activate the ability to utilize this policy. All Employees must be ready to assist in managing the crisis and will be considered essential for the continuity of governmental operations.

B. Eligibility and Approval Criteria. Many, if not most, City jobs cannot be performed remotely. However, work that cannot be performed remotely under normal circumstances may be suitable for temporary telework due to the unique situation presented by an emergency incident. The appropriateness of teleworking will be evaluated and approved on a case-by-case basis. Factors the City will consider in determining who will be allowed to telework include whether job duties are portable, if duties can be performed effectively from home, and the availability of technology and equipment needed to work remotely. Other considerations may include the availability of special projects, the employee's job knowledge and skill, experience, productivity, self-motivation, flexibility, dependability, ability to work independently and productively with minimal supervision; the employee's prior performance and disciplinary history; and the supervisor's ability to effectively manage an employee working remotely.

C. Approval Process. Employees must have written approval from their supervisor, HR and the City Administrator or Police Chief to telework. All telework is temporary. Approval may be withdrawn at any time. The grant or denial of the ability to telecommute shall not constitute an employment benefit or condition of employment.

D. Work Schedule. It is anticipated that most employees will keep their normal work schedule when telecommuting. All employees must accurately account for hours not worked with an appropriate leave request and designation (e.g., vacation, sick time, FMLA, etc.) Non-exempt employees must: accurately account for all time worked, have their supervisor's prior authorization before working overtime, and follow all other City time and attendance policies.

E. Working from Home. Teleworking employees must maintain regular contact and be readily accessible during their regularly scheduled work hours and, if specifically requested by their supervisor and/or deemed necessary to perform their job duties, at times outside their regular work hours. Employees must have their supervisor's prior approval to attend to personal business and/or to leave home during regularly scheduled hours for non-work-related matters. Employees approved to telework must also:

1. Keep voicemail updated to direct calls to their home or cell number, as applicable.
2. Coordinate any changes to their teleworking schedule with other employees and obtain prior supervisory approval.
3. If sick or otherwise unable to work, they must immediately notify their supervisor and follow the City's normal reporting requirements.

F. Open and Ongoing Communication. Open and ongoing communication between teleworking employees and their supervisors is key to a successful temporary telework arrangement. Employees and supervisors must work together to keep each other informed of job-related events and information. Employees must communicate with

their supervisor in advance, and on an ongoing basis, about any job duties or responsibilities that cannot be effectively performed during temporary telework. Also, employees must promptly notify their supervisor if personal circumstances, such as illness or dependent care responsibilities, interfere with the ability to fully perform his/her job duties. Modifications to work hours, work responsibilities and/or work deadlines may be considered and adjusted.

G. Travel to Alternate Work Locations. Teleworking employees may, from time-to-time, be required to report to their regular (or a different) work location for meetings, presentations, training, etc. Except for those travel expenses covered by the City's travel and expense reimbursement policies, employees are responsible for any commuting or other travel costs.

H. Child and Dependent Care. Employees with a child or other dependents at home who need active or intermittent supervision should, to the extent possible, make childcare arrangements so they can work without interruption. Because of the nature of a particular emergency incident, however, it may be necessary for the employee to spend time caring for a child or other dependent. If so, or if the employee attends to other non-work-related activities during scheduled work time, the employee must accurately account for and not report such time as work time.

I. Home Office or Remote Location Work Environment. To the extent possible, the telework environment must be situated so that noise from children, other people, animals and electronics do not post a distraction or interfere with phone calls and other work duties. Employees must maintain their workspace in a safe condition, free from hazards. Employees must allow the City to inspect their home workspace during regularly scheduled work hours to ensure it is safe and free from hazards and to maintain, repair, inspect or retrieve City-owned property and equipment.

J. Liability. The City is not responsible or liable for any injuries to third parties, including family members, that occur in the telework location. Likewise, the City is not responsible or liable for any damages to an employee's or a third party's personal or real property.

K. Tax and Other Legal Implications. Employees allowed to telework must determine any tax or legal implications under IRS, state and local laws, and/or restrictions of working out of a home-based office. Responsibility for fulfilling all obligations in this area rests solely with the affected employee.

L. Equipment, Supplies, Telephone and Internet. The City will determine the appropriate needs (e.g., hardware, software, modem, phone and data lines, facsimile, printer, photocopier, scanner, shredder, etc.) for each employee authorized to telework. In most cases, high speed internet connectivity and local internet access are required; if unavailable, the employee may be unable to telework.

1. **Provided by City.** City property may only be used for official City business and must be immediately returned upon request by the City. Alternative software, property, equipment, etc. may not be used in place of City property without prior written approval from the City Administrator/Police Chief and the City's IT provider.

2. **Provided by Employee.** With the exception of property provided by the City, employees must supply and maintain at their own expense all other equipment, supplies, telephone, Internet access, furniture, etc., necessary to perform their job duties when teleworking. Employees are responsible for utilities, operating costs, home maintenance, and any other costs associated with the use of their home or other authorized location when teleworking. The City is not responsible for damage or repair to employee property or equipment.
3. **Computers and Electronic Mobile Devices.** Computers, laptops, and other electronic mobile devices used by teleworking employees to conduct City business must be pre-approved by the City's IT provider.
4. **Notification to City.** If equipment or software fails or malfunctions, or if anything else impairs the employee's ability to fully perform his/her job duties, the employee must immediately notify the supervisor or other departmental contact (or HR if no one from the employee's department is immediately available). In such cases, the ability to telework may be temporarily suspended and/or the employee may be required to report to a regular City worksite.

M. Security and Privacy. The City's normal policies and standards for data privacy, information security, and records retention/management apply. Employees must also physically secure their telework location in order to protect the City's confidential/sensitive information and to prevent unauthorized use of and access to City equipment, information, and systems. Steps include but are not limited to locking files/offices, regular password maintenance, data archiving/backup, and shredding copies containing confidential/sensitive information.

N. Lost or Stolen Remote Office Equipment. City-issued equipment must remain in the approved telework location or with the employee personally if he/she is working at another location. Employees must notify their supervisor and IT provider immediately if any City-issued equipment is lost or stolen. IT may then erase hard drives remotely, without warning or regard for their contents. In most cases, employees are responsible for lost and damaged equipment.

O. Work Performance and Conduct. Employees are expected to assist in helping the City serve its citizens and ensure that City operations continue uninterrupted during emergency situations. Teleworking employees must meet the City's regular standards of conduct, performance, and employment. Refer to the City's Personnel Policies and other applicable resources for information on City and departmental policies and procedures. Violation of City policies and procedures, including this Temporary Emergency Incident Telecommuting Policy, may result in disciplinary action, up to and including termination of employment.

P. Workers' Compensation. Employees injured while performing normal work duties during their scheduled work hours in an approved telework location will normally be covered by the City's workers' compensation insurance in accordance with the terms of the policy. Any accident or injury must be reported immediately in accordance with the City's Safety and Workers' Compensation Benefits policies.

Q. Update Personnel Records. Employees must make sure that HR and their supervisor have their current home address, home phone number, and personal cell phone number.

If any language in this policy conflicts with the City's Personnel Policy and Procedures Manual, the City's manual will take precedence.

**Spring Valley Village City Council
Agenda Item Data Sheet**

MEETING DATE: June 23, 2020

TOPIC:	ORDINANCE NUMBER 2020-XX AN ORDINANCE OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, AMENDING THE CITY PERSONNEL MANUAL, AS ADOPTED BY ORDINANCE NUMBER 95-05 DULY PASSED AND APPROVED ON MARCH 29, 1995, BEING AMENDMENT NO. 12 TO THE PERSONNEL MANUAL, TO ADOPT A NEW CHAPTER 19, INFORMATION SYSTEMS ACCEPTABLE USE POLICY; PROVIDING FOR THE INCORPORATION OF PREAMBLE; AND PROVIDING A REPEALER CLAUSE, A SEVERABILITY CLAUSE, AND AN EFFECTIVE DATE.
BACKGROUND:	During the February 25, 2020 meeting, the City Council requested that Staff look into cybersecurity policies and insurance. The City currently has cyber liability insurance that covers items such as ransomware attacks or the website being hacked. However, the City does not have coverage for "computer fraud" which would be if an employee is unknowingly tricked into sending money to a criminal. An example of this is a criminal impersonating a vendor claiming their banking information had changed and then asking to be paid at their "new" account. In order to obtain a quote from the Texas Municipal League Insurance Risk Pool (TMLIRP) for computer fraud coverage, the City needs to adopt an Information Systems Acceptable Use Policy. Staff developed the proposed Policy by using a recommended policy from the TMLIRP, and customizing it to the City's needs. Staff also worked with BEMA and Patrick Shinkle with the Center for Public Management at the University of North Texas, an expert in the field of cybersecurity, to develop the proposed Policy. The proposed Information Systems Acceptable Use Policy follows best practices and clearly lays out the duties of users on how to prevent computer fraud and what to do if a user believes any fraud has occurred. If the proposed Ordinance is approved, the Personnel Manual will be amended to incorporate the proposed Policy. Additionally, approval of the Ordinance will allow Staff to proceed with obtaining a quote for computer fraud insurance coverage.
RECOMMENDATION:	Staff recommends approval of the Ordinance.
ATTACHMENTS:	• Ordinance No. 2020-XX
FUNDING ISSUES:	☒ Not applicable – no dollars are being spent or received.

**Spring Valley Village City Council
Agenda Item Data Sheet**

	☐ Full amount already budgeted in Acct/Project# _____ ☐ Not budgeted, if approved, the following will be included in the next Budget Amendment: ☐ \$_____ from Acct/Project# _____ will be transferred to Acct/Project# _____ ☐ \$_____ from unassigned fund balance will be used and added to Acct/Project# _____ ☐ \$_____ will be added to Revenue Acct# ____-____ and \$_____ added to Expenditure Acct/Project# _____
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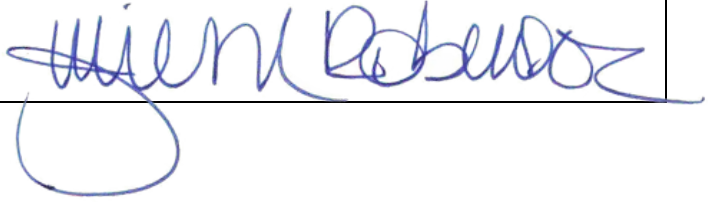
FINANCE VERIFICATION OF FUNDING:



SUBMITTING STAFF MEMBER:

Matthew Hitt, Assistant to the City Administrator

CITY ADMINISTRATOR APPROVAL:



ORDINANCE NUMBER 2020-XX

AN ORDINANCE OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, AMENDING THE CITY PERSONNEL MANUAL, AS ADOPTED BY ORDINANCE NUMBER 95-05 DULY PASSED AND APPROVED ON MARCH 29, 1995, BEING AMENDMENT NO. 12 TO THE PERSONNEL MANUAL, TO ADOPT A NEW CHAPTER 19, INFORMATION SYSTEMS ACCEPTABLE USE POLICY; PROVIDING FOR THE INCORPORATION OF PREAMBLE; AND PROVIDING A REPEALER CLAUSE, A SEVERABILITY CLAUSE, AND AN EFFECTIVE DATE.

WHEREAS, on March 29, 1995, by Ordinance Number 95-05, the City Council of the City of Spring Valley Village, Texas, adopted a Personnel Manual for all City employees ("Personnel Manual"), and the Personnel Manual has been amended several times since its original adoption with changes to various provisions; and

WHEREAS, City Council finds that it is in the best interest of the City of Spring Valley Village to meet the needs created by new technology and security and that the Personnel Manual should be amended to adopt a new Chapter 19, Information Systems Acceptable Use Policy.

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SPRING VALLEY VILLAGE, TEXAS, THAT:

Section 1. The facts and matters set forth in the preamble to this Ordinance are hereby found to be true and correct.

Section 2. The City's Personnel Manual, as adopted by Ordinance Number 95-05, duly passed and approved on March 29, 1995, as amended, is hereby amended by the adoption of a new Chapter 19, Information Systems Acceptable Use Policy, to read in its entirety as reflected in Exhibit "A" attached hereto and incorporated herein. This amendment shall be referenced and referred to as **AMENDMENT NO. 12 TO THE PERSONNEL MANUAL**.

Section 3. All provisions of the ordinances of the City of Spring Valley Village, Texas, codified or uncoded, in conflict with the provisions of this Ordinance are hereby repealed, and all other provisions of the ordinances of the City of Spring Valley Village, Texas, codified or uncoded, not in conflict with the provisions of this Ordinance, shall remain in full force and effect.

Section 4. In the event any section, paragraph, subdivision, clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part

declared to be invalid or unconstitutional; and the City Council of the City of Spring Valley Village, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

Section 5. This Ordinance shall become effective immediately upon its passage.

DULY PASSED AND APPROVED on this the ____ day of _____, 2020.

Marcus Vajdos, Mayor
City of Spring Valley Village, Texas

ATTEST:

Roxanne Benitez, City Secretary
City of Spring Valley Village, Texas

EXHIBIT "A"

TO

ORDINANCE NUMBER 2020-XX

19. INFORMATION SYSTEMS ACCEPTABLE USE POLICY

19.01 Introduction

The City of Spring Valley Village Information Systems Acceptable Use Policy applies to use of information resources and information technology systems. Enforcement of this Acceptable Use Policy is consistent with the policies and procedures of this City.

Being informed is a shared responsibility for all Users of City of Spring Valley Village information systems. Being informed means, for example:

- Knowing these acceptable use policies and other related rules and policies;
- Knowing how to protect your data and data that you are responsible for;
- Knowing how to use shared resources without damaging them;
- Knowing how to keep current with software updates;
- Knowing how to report a virus warning, a hoax, or other suspicious activity; and
- Participating in training.

If you ever have any questions regarding this policy please talk to the City Administrator and/or IT.

19.02 Policy

Definitions

Encryption - The cryptographic transformation of data to render it unintelligible through an algorithmic process using a cryptographic key.

Locally Managed Network - Safeguards in place:

- On a secure server
- Restrict administrator rights

Restricted Information - Pertains to information which is not public information, but can be disclosed to or used by organization representatives to carry out their duties, so long as there is no legal bar to disclosure.

Compliance with this policy is mandatory for all officials, employees and contractors of this City (for purposes of this document group will be called "Users"). This policy applies to all data, equipment, media, and services that are City property or used for official City of Spring Valley Village business regardless of its location; accessed using City computer equipment, via City paid access methods; and/or used in a manner that identifies the individual as an employee or agent of the City.

19.03 Authorized Use

Users must not use other Users' passwords, User IDs, or accounts, or attempt to capture or guess other Users' passwords. Users must not share their passwords with other Users or allow other Users to operate a computer under the other user's ID. Users are also restricted from using business equipment for personal use without authorization from City of Spring Valley Village. Users must not hide their identity for malicious purposes or assume the identity of another User.

19.04 Privacy

User files may be subject to access by authorized Users of City of Spring Valley Village during the course of official business. **Accordingly, Users have NO expectation of privacy when using City's electronic services, media or equipment as their activity may be monitored and recorded.** All files, documents, electronic mail (e-mail), etc., transmitted or received by City of Spring Valley Village computer systems are the property of the City of Spring Valley Village. In addition, any type of electronic text communication relating to City of Spring Valley Village business, or User transmitted or received by Users on their personal computers or hand-held devices while in the office or at home may be retained by the City of Spring Valley Village and subject to the Texas Public Information Act.

19.05 Restricted Access

Users must not attempt to access restricted files or portions of operating systems, security systems, or administrative systems to which they have not been given authorization. Accordingly, Users must not access without authorization: electronic mail, data, or programs, or information protected under state and federal laws. Users must not release another person's restricted information.

19.06 Proper Use of Resources

Users should recognize that computing resources are limited and user activities may have an impact on the entire network.

Users shall not:

- Misuse e-mail – by spreading e-mail widely (chain letter) and without good purpose ("spamming") or flood an individual, group or system with numerous or large e-mail messages ("bombing"). Send e-mail containing inappropriate content such as; off-color jokes, questionable pictures, offensive statements, or links to inappropriate web sites.
- Use file sharing software such as; Limewire, BitTorrent, uT, or any other PTP (point-to-point) application.
- Engage in on-line discussion or blogs with non-business related entities.

19.07 Protecting Information and Shared Resources

Users must:

- Follow established procedures for protecting files, including managing passwords, using encryption technology, and storing back-up copies of files;
- Protect the physical and electronic integrity of equipment, networks, software, and accounts on any equipment that is used for City of Spring Valley Village business in any location;
- Not visit non-business related websites;
- Not open e-mail from unknown senders or e-mail that seems suspicious;
- Not knowingly introduce worms or viruses or other malicious code into the system nor disable protective measures i.e.: antivirus, spy ware firewalls or network monitoring tools;
- Not install unauthorized software. This includes any application not specifically owned or licensed to the City of Spring Valley Village. The use of any personal application, software, firmware, driver, etc. is strictly prohibited;
- Not send restricted or confidential data over the Internet or off your locally managed network unless appropriately encrypted;
- Not connect unauthorized equipment or media, which includes but is not limited to: laptops, thumb drives, removable drives, network equipment, PDAs, and mp3 players;
- Report suspicious network activity, computer behavior, and/or if they suspect they have been compromised by malicious code to IT immediately; and
- Be familiar with data classification in accordance with Texas Administrative Code 202. Examples of correct data classification can be found at https://security.utexas.edu/policies/data_classification.

19.08 Pro-Active Security Updates

From time to time, critical OS and application updates are required to ensure your computer and its contents remain secure. IT automatically pushes out critical updates to user devices overnight on a weekly schedule. Users must comply with IT's guidelines to make sure that these updates are applied successfully and as soon as they are released.

IT Guidelines:

- Do not turn your computer off at night after work;
- Pick one day each week to restart your PC to ensure updates complete and to improve your PC's overall health; and
- Advise IT of any messages for pending updates.

19.09 Harassment or Inappropriate Behavior Prohibited

Users must not harass other Users using computer resources, or make repeated unwelcome contacts with other Users. Users must not display material that is appropriate in an office environment, for example, in compliance with the City's Harassment and Discrimination Policy.

19.10 Applicable Laws

Users must obey local, state and federal laws including laws on copyright and other intellectual property laws.

19.11 Mis-use of Resources

The City encourages Users to use electronic media equipment and services to make communication more efficient and effective and because they are valuable sources of information for government-related work. These internet services are not provided for entertainment purposes, and this use, under some conditions, may be considered a misuse of City time and subject to disciplinary action up to and including termination.

I HAVE READ THIS EMPLOYEE INFORMATION SYSTEMS POLICY AND UNDERSTAND THAT MY USE OF CITY OWNED OR OPERATED ELECTRONIC MEDIA, SERVICES, AND EQUIPMENT, IS GOVERNED BY THIS POLICY. I UNDERSTAND THAT VIOLATION OF THIS POLICY MAY RESULT IN DISCIPLINARY ACTION UP TO AND INCLUDING TERMINATION OF MY EMPLOYMENT. I FURTHER UNDERSTAND THAT I HAVE NO EXPECTATION OF PRIVACY IN MY USE OF CITY OWNED OR OPERATED INFORMATION SYSTEMS EQUIPMENT AND SERVICES.

PRINTED NAME: _____

SIGNATURE: _____

DATE: _____