

Ordinance
No. 80

AN ORDINANCE AUTHORIZING ISSUANCE OF \$1,220,000 OF THE TOWN OF CUT AND SHOOT, TEXAS, WATERWORKS REVENUE BONDS, SERIES 2003; PRESCRIBING THE TERMS, PROVISIONS, AND FORM THEREOF; PROVIDING FOR THE PAYMENT THEREOF AND INTEREST THEREON; AWARDING THE SALE OF THE BONDS; APPOINTING PAYING AGENT/REGISTRAR; AND MAKING OTHER PROVISIONS REGARDING SUCH BONDS AND MATTERS INCIDENT THERETO

TABLE OF CONTENTS

SECTION 1: <u>LOAN PROGRAM REQUIREMENTS AND DOCUMENTS TO CONTROL</u>	2
A. <u>DEFINITIONS AND INTERPRETATIONS</u>	2
B. <u>COMPLIANCE WITH AGENCY RULES</u>	5
C. <u>INTEREST ACCRUAL</u>	5
D. <u>REDEMPTION OR PREPAYMENT</u>	6
E. <u>LIMITATION ON APPLICATION OF THIS SECTION</u>	6
SECTION 2. <u>INITIAL DATE, AMOUNT, AND PURPOSE OF BONDS</u>	7
SECTION 3. <u>FORM OF BONDS AND CERTIFICATES</u>	7
A. <u>FORMS GENERALLY</u>	7
B. <u>MATURITY SCHEDULE AND INTEREST RATES</u>	8
C. <u>FULLY REGISTERED FORM</u>	9
D. <u>DENOMINATIONS</u>	9
E. <u>FORM OF BOND</u>	9
F. <u>INITIAL PAYING/AGENT REGISTRAR</u>	13
G. <u>FORM OF CERTIFICATE OF PAYING AGENT/REGISTRAR</u>	13
H. <u>COMPTROLLER REGISTRATION</u>	13
I. <u>FORM OF ASSIGNMENT</u>	14
J. <u>EXECUTION</u>	14
SECTION 4. <u>OUTSTANDING BONDS</u>	15
SECTION 5. <u>PLEDGE AND DEFINITION OF NET REVENUES</u>	15
SECTION 6. <u>CREATION AND MANAGEMENT OF FUNDS</u>	15
A. <u>CREATION OF FUNDS</u>	15
B. <u>SECURITY OF FUNDS</u>	16
C. <u>DEPOSITS OF NET REVENUES; INVESTMENTS</u>	16
D. <u>DEBT SERVICE REQUIREMENTS</u>	17
E. <u>RESERVE REQUIREMENTS</u>	18
F. <u>DEFICIENCIES, EXCESS NET REVENUES</u>	18
G. <u>PAYMENT OF BONDS AND ADDITIONAL BONDS</u>	18

SECTION 7. <u>PERIOD OF CONSTRUCTION</u>	19
SECTION 8. <u>REDEMPTION OF BONDS BEFORE MATURITY</u>	19
A. <u>OPTIONAL REDEMPTION</u>	19
B. <u>PARTIAL REDEMPTION</u>	20
C. <u>NOTICE OF REDEMPTION TO BONDHOLDERS</u>	20
D. <u>PAYMENT UPON REDEMPTION</u>	21
E. <u>EFFECT OF REDEMPTION</u>	21
F. <u>LIMITATION ON REDEMPTION</u>	21
SECTION 9. <u>ADDITIONAL BONDS</u>	22
SECTION 10. <u>USE OF REVENUES</u>	25
SECTION 11. <u>SPECIFIC OBLIGATIONS OF ISSUER'S TOWN COUNCIL</u>	25
A. <u>SERVICE RATES</u>	25
B. <u>NO ENCUMBRANCES</u>	25
C. <u>MAINTENANCE</u>	26
D. <u>INSURANCE</u>	26
E. <u>RECORDS AND AUDITS</u>	26
F. <u>CONTINUING DISCLOSURE UNDERTAKING</u>	26
SECTION 12. <u>REMEDIES OF HOLDERS</u>	30
SECTION 13. <u>GENERAL COVENANTS</u>	30
SECTION 14. <u>ISSUER OFFICERS' DUTIES</u>	31
SECTION 15. <u>SALE AND DELIVERY OF BONDS</u>	31
SECTION 16. <u>COVENANTS REGARDING TAX EXEMPTION</u>	32
SECTION 17. <u>DESIGNATION AS QUALIFIED TAX-EXEMPT BONDS</u>	34
SECTION 18. <u>FINAL ACCOUNTING AND AS-BUILT PLANS</u>	35
SECTION 19. <u>CUSIP NUMBERS</u>	35
SECTION 20. <u>CHAPTER 9, BUSINESS AND COMMERCE CODE REQUIREMENTS</u>	35
SECTION 21. <u>TITLES NOT RESTRICTIVE</u>	36
SECTION 22. <u>SEVERABILITY</u>	36
SECTION 23. <u>COMPLIANCE WITH TEXAS OPEN MEETINGS ACT</u>	36

Ordinance

AN ORDINANCE AUTHORIZING ISSUANCE OF \$1,220,000 OF THE TOWN OF CUT AND SHOOT, TEXAS, WATERWORKS REVENUE BONDS, SERIES 2003; PRESCRIBING THE TERMS, PROVISIONS, AND FORM THEREOF; PROVIDING FOR THE PAYMENT THEREOF AND INTEREST THEREON; AWARDING THE SALE OF THE BONDS; APPOINTING PAYING AGENT/REGISTRAR; AND MAKING OTHER PROVISIONS REGARDING SUCH BONDS AND MATTERS INCIDENT THERETO

THE STATE OF TEXAS
COUNTY OF MONTGOMERY
TOWN OF CUT AND SHOOT

WHEREAS, TOWN OF CUT AND SHOOT, Texas, (hereinafter sometimes called the "Issuer") was incorporated for municipal purposes by Order of the Montgomery County Commissioners' Court on April 14, 1969;

WHEREAS, the Issuer is authorized to issue bonds as provided in this Ordinance pursuant to the Constitution and laws of the State of Texas, including but not limited to TEXAS GOVERNMENT CODE, Sections 1502.051-.052; and

WHEREAS, Issuer has previously sold bonds as follows:

§ \$738,000 OF THE TOWN OF CUT AND SHOOT, TEXAS, WATERWORKS REVENUE BONDS, SERIES 1995; and

§ \$450,000 OF THE TOWN OF CUT AND SHOOT, TEXAS, WATERWORKS REVENUE BONDS, SERIES 1995-A,

all of which bonds were purchased by the US Farmer's Home Administration; and

WHEREAS, the US Farmer's Home Administration has now become USDA Rural Development, and said Agency has agreed to purchase the bonds authorized in this Ordinance; and

WHEREAS, the bonds authorized by this Ordinance are to be payable solely from the revenues from the Issuer's waterworks as described herein, and no tax revenues shall ever be used to service the debt on the bonds,

IT IS, THEREFORE, ORDERED BY THE TOWN COUNCIL OF THE TOWN OF CUT AND SHOOT, TEXAS, THAT:

SECTION 1: LOAN PROGRAM REQUIREMENTS AND DOCUMENTS TO CONTROL

A. DEFINITIONS AND INTERPRETATIONS.

In this Order, the following acronyms and terms shall have the following meanings, unless the context clearly indicates otherwise:

(a) RUS: The Rural Utilities Service, an agency of the United States of America within the United States Department of Agriculture, and any successor agency thereof.

(b) FmHA: The Farmers Home Administration, a former agency of the United States of America within the United States Department of Agriculture and its successor agency, the RUS.

(c) Loan: The loan in the amount of \$1,220,000 from the United States of America to the Issuer, which has been authorized under 7. U.S.C. §1926, and which is represented by the United States of America's purchase of the Bonds.

(d) Agency rules: The statutes, rules, regulations and policies of the former FmHA or of the RUS, in effect on the date hereof, which pertain to or which are applicable to the loan and such future statutes, rules, regulations and policies which are not inconsistent with the express provisions hereof.

(e) Loan document provisions: The terms, conditions, requirements and provisions of the loan instruments and loan documents, including but not limited to, loan resolutions, security

agreements, assurance agreements, certifications, and equal opportunity agreements, which were signed by the issuer for the benefit of the United States of America and/or of the RUS, and for the purpose of obtaining the loan.

In this Order, All terms defined herein and all pronouns used shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Order have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Order and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and the validity of the lien on and pledge of the Net Water System Revenues to secure the payment of the Bonds. the following terms shall have the following meanings, unless the context clearly indicates otherwise:

"Additional Bonds" shall mean the additional bonds permitted to be issued by the Town pursuant to this Order.

"Bond" or "Bonds" or "Series 2003 Bonds" shall mean the \$1,220,000 TOWN OF CUT AND SHOOT, TEXAS, WATERWORKS REVENUE BONDS, SERIES 2003, authorized and issued pursuant to this Ordinance.

"Town" shall mean the Town of Cut and Shoot, Texas, and, where appropriate, the Town Council thereof and any successor to the Town as owner of the System.

"Delivery Date" shall mean the date of delivery each Bond to, and payment therefor by the United States of America.

"Fiscal Year" shall mean the twelve-month period commencing on the first day of October of any year and ending on the last day of September of such calendar year, or such other period commencing on the date designated by the Town and ending one year later.

"Gross Water System Revenues" shall mean all revenues from all sources for the Town's Water System (the "Water System").

"Initial Bond" or "Initial Bonds" shall mean the Bond or Bonds authorized, issued, and initially registered with the Texas State Comptroller provided in this Order.

"Interest Payment Date", when used in connection with any Bond, shall mean March 15th and September 15th of each year, commencing the later of March 15, 2004, or the next Interest Payment Date after delivery of an Initial Bond until maturity.

"Dated Date" shall mean _____, 2003.

"Maintenance and Operation Expenses" shall mean the reasonable and necessary expenses of operation and maintenance of the Water System, including all salaries, labor, materials, repairs and extensions necessary to render efficient service (but only such repairs and extensions as, in the judgment of the governing body of the Town, are necessary to keep the Water System in operation and render adequate service to the Town and the customers thereof, or such as might be necessary to meet some physical accident or conditions which would otherwise impair the Bonds), and all payments under contracts now or hereafter defined as operating expenses by the Texas Legislature. Depreciation shall never be considered as a Maintenance and Operation Expense.

"Net Water System Revenues" shall mean all Gross Revenues of the Town Water System, including interest earning thereon, less Maintenance and Operation Expenses of the Water System.

"Order" shall mean this bond Order and all amendments hereof and supplements hereto.

"Owner" or "Registered Owner", when used with respect to any Bond, shall mean the person or entity in whose name such Bond is registered in the Register. Any reference to a particular percentage or proportion of the Owners shall mean the Owners at a particular time of the specified percentage or proportion in aggregate principal amount of all Bonds then outstanding under this Order, exclusive of Bonds held by the Town.

"Paying Agent" shall mean the Registrar.

"Record Date" shall mean the close of business on the 1st business day of the month in which an Interest Payment Date occurs.

"Redemption Date" shall mean the date fixed for redemption of any Bond pursuant to the terms of this Order.

"Register" shall mean the registry system maintained on behalf of the Town by the Registrar in which are listed the names and addresses of, and the principal amounts registered to, each Owner.

"Registrar" shall mean First National Bank- Conroe Banking Center, of Conroe, Texas, and its successors in that capacity.

"Replacement Bonds" shall mean the Bonds authorized by the Town to be issued in substitution for mutilated, lost, apparently destroyed or wrongfully taken Bonds as provided in this Order.

"Special Project" shall mean, to the extent permitted by law, any waterworks or property, improvement or facility declared by the Town not to be part of the Water System and substantially all of the costs of acquisition, construction, and installation of which is paid from proceeds of a financing transaction other than the issuance of bonds payable from Net Water System Revenues, and for which all maintenance and operation expenses are payable from sources other than revenues of the Water System, but only to the extent that and for so long as all or any part of the revenues or proceeds of which are or will be pledged to secure the payment or repayment of such costs of acquisition, construction and installation under such financing transaction.

"Water System" shall mean all properties, facilities, improvements, equipment, interests and rights constituting the Water System of the Town, including all future extensions, replacements, betterment, additions and improvements to the Water System. The Water System shall include the Town's Water System only, and shall not include any special Project, sanitary sewer system or drainage system of the Town.

B. COMPLIANCE WITH AGENCY RULES

To the extent permitted by State law and if such law is not otherwise preempted by federal statute, regulation or rule, the Town shall comply with all agency rules and loan document provisions. Notwithstanding any other term, condition, requirement or provision contained in this Ordinance, the agency rules and loan document provisions shall, to the extent permitted by State law and if such law is not otherwise preempted by federal statute, regulation or rule, control to the extent of any conflict between the Ordinance and such agency rules or such loan document provision.

C. INTEREST ACCRUAL

____ Notwithstanding any other term, condition, requirement or provision contained in this Ordinance, interest on a Bond shall continue to accrue and be payable to the United States of America so long as the Bond remains unpaid and outstanding. Interest will not cease to accrue for any reason (including the establishment of a redemption date or prepayment date) until the date when payment in full has been received at the agency office designated to receive payments. For the purpose of determining "the date when payment in full has been received at the agency office designated to receive payments," such date shall be:

1. When payment is made by hand delivery, the date when such payment has been physically delivered into the possession of such agency at the address given to the Issuer;
2. When payment is made by first class mail, the third day following Issuer's mailing of payment, postage prepaid, using the U.S. Postal Service and Issuer's receipt of written proof of the mailing from the U.S. Postal Service identifying the date of mailing;
3. When payment is made by overnight delivery, the first day following Issuer's sending of the payment, using the U.S. Postal Service or another delivery service, such as Federal Express, and Issuer's receipt of written proof of sending from the delivery service identifying the date of sending;
4. When payment is made by electronic transfer of funds, the date that the electronic transfer of funds for the payment is completed, or

5. When payment is made by preauthorized electronic debt or draft, the date that the electronic debt or draft for the payment is paid.

D. REDEMPTION OR PREPAYMENT

Notwithstanding any other term, condition, requirement or provision contained in this Ordinance, redemption or prepayment of a Bond may occur without presentation or presentment of the Bond.

E. LIMITATION ON APPLICATION OF THIS SECTION

The provisions of this section shall be operative only for so long as any of the Bonds issued under this Ordinance are owned or held by the United States of America, or any agency thereof. The provisions of this section shall not be used to or shall not be construed so as to allow the Ordinance to violate any applicable provision of Texas law to the extent that such law is not otherwise preempted by applicable federal statute, regulation or rule.

SECTION 2. INITIAL DATE, AMOUNT, AND PURPOSE OF BONDS. The Issuer's negotiable bonds are hereby authorized to be issued in the aggregate principal amount of \$1,220,000 (the "Bonds"). The initial date of the Bonds shall be _____. The Bonds are being issued for the purpose of acquiring and improving the Issuer's waterworks, and the construction of additions thereto, as authorized by TEXAS GOVERNMENT CODE, Sections 1502.051-.052.

SECTION 3. FORM OF BONDS AND CERTIFICATES.

A. FORMS GENERALLY. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of Registration, and the form of

Assignment to be printed on the Bonds, shall be substantially in the forms set forth in this Ordinance with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance, and may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the Issuer or determined by the officers executing such Bonds as evidenced by their execution thereof. If bond insurance is obtained, the Bonds may bear an appropriate legend as provided by the insurer. Any Portion of the text of any of the Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

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

B. MATURITY SCHEDULE AND INTEREST RATES. The Bonds will bear interest at the rate of 4.65% per annum, or a lower rate if offered at closing, and are payable on March 1 in the years and maturities stated in the maturity schedule set forth below:

	<u>Year Due</u>	<u>Principal Amount</u>
	2003	Interest Only
	2004	Interest Only
1	2005	\$ 12,000.00
2	2006	13,000.00
3	2007	14,000.00
4	2008	14,000.00
5	2009	15,000.00

6	2010	15,000.00		
7	2011	16,000.00		
8	2012	17,000.00		
9	2013	18,000.00		
10	2014	19,000.00		
11	2015	19,000.00		
12	2016	20,000.00		
13	2017	21,000.00		
14	2018	22,000.00		
15	2019	23,000.00		
16	2020	24,000.00		
17	2021	25,000.00		
18	2022	27,000.00		
19	2023	28,000.00		
20	2024	29,000.00		
21	2025	30,000.00		
22	2026	32,000.00		
23	2027	33,000.00		
24	2028	35,000.00		
25	2029	36,000.00		
26	2030	38,000.00		
27	2031	40,000.00		
28	2032	42,000.00		
29		2033		44,000.00
30		2034		46,000.00
31		2035		48,000.00
32		2036		50,000.00
33		2037		52,000.00
34		2038		55,000.00
35		2039		57,000.00
36		2040		60,000.00
37		2041		63,000.00
38		2042		<u>68,000.00</u>
			TOTAL	\$1,220,000.00

C. FULLY REGISTERED FORM. The Bonds are issuable in fully registered form only, both principal thereof and interest thereon to be payable to the registered owner thereof. No Bond shall be entitled to right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided by this Ordinance, executed by the Comptroller of Public Accounts of the State of

Texas or his duly authorized agent by manual signature, or a certificate of registration substantially in the form provided in this Ordinance, executed by the Paying Agent/Registrar by manual signature, and either such certificate upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified or registered and delivered.

D. DENOMINATIONS. The Bonds shall be in the denominations of \$1,000 or any integral multiple thereof.

E. FORM OF BOND. The initial Bonds will be numbered "R-1" to "R-38." The Bonds shall be in substantially the following form:

REGISTERED

REGISTERED

NO. _____

\$ _____

United States of America

State of Texas

TOWN OF CUT AND SHOOT, TEXAS

WATERWORKS REVENUE BOND

SERIES 2003

Interest Rate: Due: Initial Date: CUSIP NO.

_____% March 1, 20____, 2003

TOWN OF CUT AND SHOOT, TEXAS, (hereafter, "the Issuer"), a municipality of the State of Texas, duly organized and existing under and by virtue of the laws of the State of Texas,

for value received, hereby promises to pay to THE UNITED STATES OF AMERICA, or registered assigns, on the due date specified above the sum of

_____ DOLLARS and to pay interest thereon from the later of the date of delivery to the initial purchaser or the most recent interest payment date to which interest has been paid or duly provided for, semiannually on March 1 and September 1 in each year until maturity, commencing March 1, 2004, at the per annum rate of interest specified above. The principal of this Bond is payable at the principal office of the Paying Agent/Registrar, First National Bank- Conroe Banking Center, Conroe, Texas, or its successor, upon presentation and surrender of this Bond. The interest payable on any interest payment date will be paid to the person in whose name this Bond (or one or more predecessor Bonds), is registered at the close of business on the Record Date for such interest, which shall be the 15th day of the month next preceding such interest payment date. All such payments may be made by the Paying Agent/Registrar by check dated as of the interest payment date and mailed to the registered holder. Notwithstanding any provision of this Bond or the Ordinance to the contrary, as long as the registered owner is the United States of America, payment shall be made by the Issuer directly to the current servicing office as directed by the owner.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$1,220,000 (herein referred to as the "Bonds") pursuant to an Ordinance adopted by the Town Council of the Issuer (herein referred to as the "Ordinance"), for the purpose of acquiring and improving the Issuer's waterworks, and the construction of additions thereto, for said Issuer, under and by virtue of the Constitution and laws of the State of Texas, including TEXAS GOVERNMENT CODE, Sections 1502.051-.052.

The Bonds of this series are payable from and secured by a lien on and pledge of the Issuer's Net Revenues, to wit; all income or increment which may grow out of the ownership and operation of the Issuer's improvements or facilities, less such portion of such revenue income as reasonably may be required to provide for the administration, efficient operation and adequate maintenance of said service facilities in the manner authorized by law and to the extent provided in the Ordinance. The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

On March 1, 2014, or any interest payment date thereafter, the Issuer reserves the option to redeem the Bonds of this Series in whole or in part, in principal amounts of \$1,000 or any multiple thereof, in inverse order of maturity, at a price equal to the principal amount of the Bonds called for redemption plus accrued interest from the most recent Interest Payment Date on which interest has been paid or duly provided for to the redemption date. Furthermore, Bonds held by Farmers Home Administration may be redeemed at the option of the Issuer at any time and in inverse order of their stated Maturities at the redemption price of par together with accrued interest to the date of redemption. The Paying Agent/Registrar shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond (or part thereof) to be redeemed, at the address shown on the Register. By the date fixed for any such redemption, due provision shall be made with the Paying Agent for the payment of the principal amount of the Bonds which are to be redeemed and accrued interest thereon to the date fixed for redemption. If such notice of redemption is given and if due provision for payment is made, all as provided above, the Bonds which are to be so redeemed thereby automatically shall be

redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agents out of the funds provided for such payment, and the right of the Registered Owner to collect interest on such Bonds which would otherwise accrue after such date shall terminate on such date.

As provided in the Ordinance and subject to certain limitations therein set forth, this Bond is transferable on the Bond Register of the Issuer, upon surrender of this Bond for transfer at the principal office of the Paying Agent/Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by the registered holder hereof or his attorney duly authorized in writing, and thereupon one or more new fully registered Bonds of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

The Issuer, the Paying Agent/Registrar, and any agent of either of them may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Bond be overdue, and neither the Issuer, the Paying Agent/Registrar, nor any such agent shall be affected by notice to the contrary.

The Issuer has reserved the right to issue additional bonds which may be secured by a lien on and pledge of the income and increment from the Issuer's System on a parity with the lien on and pledge of such income and increment to the payment of this Bond and the series of which it is a part, in addition to the right to issue bonds of inferior liens. Such additional bonds may be

payable solely from Issuer taxes, or solely from the income or increment of the System, or may be payable from a combination of taxes and such income or increment. Reference is made to the Ordinance for a complete description of the right to issue additional bonds.

It is hereby certified, recited and represented that the issuance of this Bond and the series of Bonds of which it is a part is duly authorized by law; that all acts and conditions required to be done and to exist precedent to and in the issuance of this Bond and said series of bonds to render the same lawful and valid have been properly done and have happened in due time, form, and manner as required by law; that due provision has been made for the payment of the interest on and the principal of this Bond and the series of bonds of which it is a part by irrevocably pledging the Net Revenues of the Issuer's System; and that the issuance of this series of bonds does not exceed any Constitutional or statutory limitation.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be duly executed under its official seal.

TOWN OF CUT AND SHOOT, TEXAS

TOWN SECRETARY

(Town Seal)

MAYOR

F. INITIAL PAYING/AGENT REGISTRAR. The initial Paying Agent/Registrar for the Bonds will be First National Bank- Conroe Banking Center, of Conroe, Texas. The Issuer reserves the right to change the Paying Agent/Registrar at the sole discretion of the Issuer.

Notwithstanding any provision of this Bond or the Ordinance to the contrary, as long as the registered owner is the United States of America, payment shall be made by the Issuer directly to the current servicing office as directed by the owner.

G. FORM OF CERTIFICATE OF PAYING AGENT/REGISTRAR. The Certificate of the Paying Agent/Registrar to appear on all bonds shall be in substantially the following form:

CERTIFICATE OF PAYING AGENT/REGISTRAR

This is one of the Bonds referred to in the within-mentioned Order, which Bond, or a Predecessor Bond for which, has been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas. This Bond, or the initial predecessor Bond of this Bond, was delivered to its initial purchaser on the ___ day of _____, 20__.

Dated: _____

By: _____

Authorized signatory
of Conroe, Texas

H. COMPTROLLER REGISTRATION. The following Delivery Date and Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bonds:

REGISTRATION CERTIFICATE OF COMPTROLLER OF PUBLIC ACCOUNTS		
OFFICE OF THE COMPTROLLER	X	
OF PUBLIC ACCOUNTS	X	REGISTER NO. _____
THE STATE OF TEXAS	X	

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

WITNESS my signature and seal of office this ___ day of _____, 20__.

(SEAL) _____
Comptroller of Public Accounts of the State of Texas

I. FORM OF ASSIGNMENT The Certificate of Assignment shall be in substantially the following form:

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto
(Print or typewrite name, address, and zip code of transferee:)

(Social Security or other identifying number: _____) the within Bond and rights thereunder, and hereby irrevocably constitutes and appoints

_____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed by: _____

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed by an officer

J. EXECUTION The bonds shall be executed on behalf of the Issuer by the Mayor of the Issuer and attested by the Town Secretary of the Issuer. The signature of either or both of said officers on the Bonds may be manual or facsimile. The seal of the Issuer may be printed,

photocopied, lithographed or impressed on each Bond. Bonds bearing the manual or facsimile signatures of individuals who at the time were the proper officers of the Issuer shall be deemed to be duly executed on behalf of the Issuer notwithstanding that such individuals, or either of them, shall cease to hold such offices prior to the certification or registration and delivery of such Bonds or shall not have held such offices at the date of such Bonds, all as provided and authorized in the TEXAS GOVERNMENT CODE, Section 1201.001, et. seq., "Texas Public Security Procedures Act."

SECTION 4. OUTSTANDING BONDS. The Issuer has outstanding bonds as follows: \$738,000 OF THE TOWN OF CUT AND SHOOT, TEXAS, WATERWORKS REVENUE BONDS, SERIES 1995; and \$450,000 OF THE TOWN OF CUT AND SHOOT, TEXAS, WATERWORKS REVENUE BONDS, SERIES 1995-A (the "Outstanding Bonds.")

SECTION 5. PLEDGE AND DEFINITION OF NET REVENUES.

A. The term "Net Revenues" as used in this Ordinance shall include and mean all income and increment which may grow out of the ownership and operation of the Issuer's water plants, facilities, and improvements (as same are purchased, constructed, or otherwise acquired), being the gross revenue income less that portion thereof as reasonably may be required to provide for the administration, efficient operation, and adequate maintenance of the Issuer's water plants, improvements, and facilities, and less that portion thereof derived from the contracts with private corporations, municipalities, or political subdivisions, which under the terms of the authorizing resolutions may be pledged for the requirements of the Issuer's revenue bonds issued particularly to finance the facilities needed in performing any such contract.

B. The Issuer covenants and agrees that its Net Revenues are hereby pledged for

payment of the Bonds and such Additional Bonds, hereinafter defined, as may hereafter be issued and delivered.

SECTION 6. CREATION AND MANAGEMENT OF FUNDS.

A. CREATION OF FUNDS. The Issuer hereby establishes the following funds to be established and maintained on the books of the Issuer, and accounted for separate and apart from all other funds of the Issuer:

(a) The "Revenue Fund," into which all Gross Revenues shall be credited immediately upon receipt. All current expenses of Operation and Maintenance of the System shall be paid from the Gross Revenues credited to the Revenue Fund, as a first charge against same.

(b) The "Interest and Sinking Fund," which is for the sole purpose of paying the principal of and interest on all Bonds and any Additional Bonds, as the same come due.

(c) The "Reserve Fund", which shall be used solely for the purpose of finally retiring the last of any Bonds or Additional bonds when and to the extent the amounts in the Interest and Sinking fund are insufficient for such purpose.

(d) The "Series 2003 Construction Fund," in which the proceeds of sale of the Bonds, as received, after making provision for the payment of the expenses incident to the issuance of the Bonds, including fiscal, legal and engineering fees and expenses, shall be deposited and shall be used solely for the purpose of the construction or acquisition of improvements, additions and/or extensions to the Issuer's waterworks.

B. SECURITY OF FUNDS. Any cash balance in any fund shall be continuously secured by a valid pledge to the Issuer of securities eligible under the laws of Texas to secure the funds

of the Issuer having an aggregate market value, exclusive of accrued interest, at all times equal to the cash balance in the fund to which such securities are pledged.

C. DEPOSITS OF NET REVENUES, INVESTMENTS. (a) The Net Revenues shall be deposited into the Interest and Sinking Fund and the Reserve Fund when and as required by this Ordinance.

(b) Money in any fund established pursuant to this Ordinance may, at the option of the Issuer, be placed in time deposits or certificates of deposit secured by obligations of the type hereinafter described, or be invested in direct obligations of the United States of America, obligations which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligations, or invested in direct obligations of the United States of America including, but not limited to, evidences of indebtedness issued, insured, or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, United States Postal Service, Farmers Home Administration, Federal Home Loan Mortgage Association, Small Business Administration, Federal Housing Association, or Participation Certificates in the Federal Assets Financing Trust, provided that all such deposits and investments shall be made legally in such manner that the money required to be expended from any fund will be available at the proper time or times. Such investments shall be valued by the Issuer in terms of current market value as of the 20th day of June of each year. All interest and income derived from such deposits and investments immediately shall be credited to, and any losses debited to, the fund from which the deposit or investment was made, and surpluses in any fund shall or may be disposed of as hereinafter provided. Such investments

shall be sold promptly when necessary to prevent any default in connection with the Bonds, the Outstanding Bonds, or Additional Bonds.

D. DEBT SERVICE REQUIREMENTS. The Issuer shall transfer from its Net Revenues and deposit to the credit of the Interest and Sinking Fund the amount, at the times, as follows:

(a) such amounts, deposited in approximately equal monthly installments on or before the 25th day of each month hereafter, commencing with the month during which the bonds are delivered, or the month thereafter if delivery is made after the 25th day thereof, as will be sufficient, together with other amounts, if any, then on hand in the Interest and Sinking Fund and available for such purpose, to pay the interest scheduled to accrue and come due on the Bonds, the Outstanding Bonds, and any Additional Bonds on the next succeeding interest payment date; and

(b) such amounts, deposited in approximately equal monthly installments on or before the 25th day of each month hereafter, commencing with the month during which the bonds are delivered, or the month thereafter if delivery is made after the 25th day thereof, as will be sufficient, together with other amounts, if any, then on hand in the Interest and Sinking Fund and available for such purpose, to pay the principal scheduled to mature and come due on the Bonds and any Additional Bonds on the next succeeding principal payment date.

E. RESERVE REQUIREMENTS. (a) Beginning on the 25th day of the month following delivery of the first Bond to its initial purchaser, and on the 25th day of each month hereafter, there shall be deposited in the Reserve Fund \$5,731 until \$68,772 has been accumulated in the Reserve Fund which is equal to one year's average annual principal and interest requirements for

the bonds. If all the Bonds are not delivered, then the Reserve Fund shall be accumulated to an amount equal to one year's average principal and interest requirements for the Bonds actually delivered.

(b) That at any time the investments and money in the Reserve Fund do not at least equal the average annual principal and interest requirements on all then outstanding bonds (the "Required Amount"), then, subject and subordinate to making the required deposits to the credit of the Interest and Sinking Fund, the Issuer shall transfer from the Net Revenues and deposit to the credit of the Reserve Fund, on or before the 25th day of each month \$ \$68,772 or a sum equal to the monthly deposit of the Required Amount until the Reserve Fund is restored to the Required Amount. Revenues accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the Bonds. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by the Bonds so long as any of the Bonds are outstanding. No free service or use of the facility will be permitted.

F. DEFICIENCIES, EXCESS NET REVENUES. (a) That if on any occasion there shall not be sufficient Net Revenues to make the required deposits into the Interest and Sinking Fund and the Reserve Fund, then such deficiency shall be made up as soon as possible from the next available Net Revenues, or from any other sources available for such purpose.

(b) That, subject to making the required deposits to the credit of the Interest and Sinking Fund and the Reserve Fund when and as required by this Ordinance, or any orders authorizing the issuance of Additional Bonds, Net Revenues may only be retained or used by the Issuer to make prepayments on the Bonds.

City Secretary Certification

This is to certify that the filing period for places on the ballot of the **2002 Town Officers Election** to be held on Saturday, May 4th was conducted at the Town Hall during regular office hours beginning Monday, February 18th (Sec. 143.007, Election Code) and concluded Wednesday, March 20th at 5:00 p.m. (Section 144.055 (a), Election Code. Deadline for write-in candidates to file declarations of write-in candidates to file declarations of write-in candidacy was Monday, March 25, 2002 at 5:00 p.m. (40th day before election day; 5th day after the regular filing deadline, Section 146.054, Election Code).

Filing results are as follows:

Council Person Position No. 1:	Bill Oliphant
Council Person Position No. 3:	Robert L. Moore III
Council Person Position No. 5:	J. David Roberts

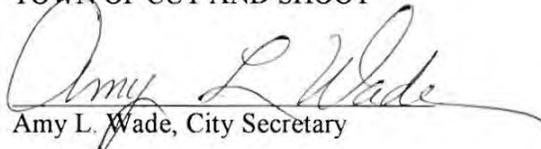
Only one candidate's name is to be placed on the ballot for Council Person Position No. 1, Council Person Position No. 3, and Council Person Position No. 5.

Election Code, Subchapter C, Election of Unopposed Candidate, Section 2.053.

Action on certification.

- (a) On receipt of the certification, the governing body of the political subdivision by order or ordinance may declare each unopposed candidate elected to the office.
- (b) If a declaration is made under Subsection (a), the election is not held. A copy of the order or ordinance shall be posted on Election Day at each polling place that would have been used in the election.
- (b) A certificate of election shall be issued to each candidate in the same manner as provided for a candidate elected at the election.

TOWN OF CUT AND SHOOT


Amy L. Wade, City Secretary

G. PAYMENT OF BONDS AND ADDITIONAL BONDS. On or before March 1, 2014, and semiannually on or before each March 1 and September 1 thereafter, while any of the Bonds, the Outstanding Bonds, or Additional Bonds are outstanding and unpaid, the Issuer shall make available to the "Paying Agent/Registrar" thereafter, out of the Interest and Sinking Fund and the Reserve Fund, if necessary, money sufficient to pay such interest on and such principal of the Bonds and Additional Bonds as will accrue or mature on such dates, respectively. Notwithstanding any provision on this Bond or the Ordinance to the contrary, as long as the registered owner is the United States of America, payment shall be made by the Issuer directly to the current servicing office as directed by the owner.

SECTION 7. PERIOD OF CONSTRUCTION. The Town Council finds, upon the advice of the Issuer's Engineers, that the time required to complete the acquisition and construction of the facilities for which the Bonds are to be issued and sold may be as much as two years.

SECTION 8. REDEMPTION OF BONDS BEFORE MATURITY

A. OPTIONAL REDEMPTION

(i) On March 1, _____, or any interest payment date thereafter, the Issuer reserves the option to redeem the Bonds of this Series in whole or in part, in principal amounts of \$1,000 or any multiple thereof, in inverse order of maturity, at a price equal to the principal amount of the Bonds called for redemption plus accrued interest from the most recent Interest Payment Date on which interest has been paid or duly provided for to the redemption date.

Furthermore, Bonds held by Farmers Home Administration may be redeemed at the option of the Issuer at any time and in inverse order of their stated Maturities at the redemption price of par together with accrued interest to the date of redemption.

(ii) The Issuer, at least 45 day before the redemption date (unless a shorter period shall be satisfactory to the Paying Agent/Registrar), shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of Bonds to be redeemed.

B. PARTIAL REDEMPTION.

(i) If less than all of the Bonds are to be redeemed, the Issuer shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot Bonds, or portions thereof within such maturity or maturities and in such principal amounts, for redemption.

(ii) A portion of a single Bond of a denomination greater than \$1,000 may be redeemed, but only in a principal amount equal to \$1,000 or any integral multiple thereof. The Paying Agent/Registrar shall treat each \$1,000 portion of the Bond as though it were a single Bond for purposes of selection for redemption.

(iii) Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with the applicable provisions of this Ordinance, shall authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

(iv) The Paying Agent/Registrar shall promptly notify the Issuer in writing of the principal amount to be redeemed of any Bond as to which only a portion thereof is to be redeemed.

C. NOTICE OF REDEMPTION TO BONDHOLDERS.

(i) The Paying Agent/Registrar shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the

date fixed for redemption, to the Owner of each Bond (or part thereof) to be redeemed, at the address shown on the Register.

(ii) The notice shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed.

(iii) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Bondholder receives such notice.

D. PAYMENT UPON REDEMPTION

(ai) Before or on each redemption date, the Paying Agent/Registrar shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust an amount from the Interest and Sinking Fund or otherwise received by the Paying Agent/Registrar from the Issuer sufficient to pay the principal of, premium, if any, and accrued interest on such Bonds.

(b) Upon presentation and surrender of any Bond called for redemption at the principal corporate office of the Paying Agent/Registrar on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the principal of, premium, if any, and accrued interest on such Bond to the date of redemption for the money set aside for such purpose.

E. EFFECT OF REDEMPTION

(a) Notice of redemption having been given as provided in this Ordinance, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the Issuer defaults in payment of the principal thereof, premium, if any, or accrued interest thereon, such Bonds or portions thereof shall cease to bear interest from and

after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

(b) If any Bond or portion thereof called for redemption is not so paid upon presentation and surrender of such Bond for redemption, such Bond or portion thereof shall continue to bear interest at the rate stated on the Bond until paid or until due provision is made for the payment of same.

F. LIMITATION ON REDEMPTION. The bonds shall be subject to redemption before scheduled maturity only as provided in this Ordinance, provided that to the extent allowed by Texas state law, the Issuer covenants to refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Farmers Home Administration if at any time it shall appear to the Farmers Home Administration that the Issuer is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).

SECTION 9. ADDITIONAL BONDS. (a) In addition to the right to issue bonds of inferior liens, the Issuer shall hereafter have the right to issue Additional Bonds payable from and equally secured by a pledge of Net Revenues all to the same extent as pledged for and in all things on a parity with the lien of the Bonds; or the Issuer may issue bonds payable from Issuer tax revenues, or revenue bonds payable solely from contracts with private corporations, municipalities, or political subdivisions issued particularly to finance facilities needed in performing any such contract and not payable from Net Revenues as defined herein.

(b) However, each order under which Additional Bonds are issued shall provide and require that, in addition to the amounts required by the provisions of this Ordinance and the provisions of any other order or orders authorizing Additional Bonds to be deposited to the credit of the Interest and Sinking Fund, the Issuer shall deposit to the credit of the Interest and Sinking Fund at least such amounts as are required for the payment of all principal of and interest on said Additional Bonds then being issued, as the same come due; and that the aggregate amounts to be accumulated and maintained in the Reserve Fund shall be increased (if and to the extent necessary) to an amount not less than the average annual principal and interest requirement of all bonds and Additional Bonds which will be outstanding after the issuance and delivery of the then proposed Additional Bonds; and that the required additional amount shall be so accumulated by the deposit in the Reserve Fund of all or any part of said required additional amount in cash immediately after the delivery of the then proposed Additional Bonds, or, at the option of the Issuer, by the deposit of said required additional amount not deposited in cash as permitted above) in monthly installments, made on or before the 25th day of each month following the delivery of the then proposed Additional Bonds, of not less than 1/120th of said required additional amount (or 1/120th of the balance of said required additional amount not deposited in cash as permitted above.)

(c) That all calculations of average annual principal and interest requirements made pursuant to this Section shall be made as of and from the date of the Additional Bonds then proposed to be issued

(d) That the principal of all Additional Bonds must be scheduled to be paid or mature on March 1 of the year in which such principal is scheduled to be paid or mature; and all interest thereon must be payable on March 1 and September 1.

(e) that while any of the Bonds or Additional Bonds are held by the United States of America, Additional Bonds may not be issued until prior written consent has been received from the United States of America.

(f) The Additional Bonds shall be issued only in accordance with this Ordinance, but notwithstanding any provisions of this Ordinance to the contrary, no installment, series or issue of Additional Bonds shall be issued or delivered unless:

1. The Mayor and the Town Secretary of the Issuer sign a written certificate to the effect that the Issuer is not in default as to any covenant, condition, or obligation in connection with all outstanding Bonds and Additional Bonds, and the orders authorizing same, and that the Interest and Sinking Fund and the Reserve Fund each contain the amount then required to be therein.
2. An independent certified public accountant, or independent firm of certified public accountants, signs a written certificate to the effect that, during the next preceding fiscal year, prior to the passage of the resolution authorizing this issuance of the then proposed Additional bonds, the Net Revenues were, in his or its opinion, at least equal to 1.20 times the average annual principal and interest requirements of all outstanding Bonds and Additional bonds, if any, and the proposed Additional Bonds.
3. The Resolution authorizing the issuance of the installment or series of Additional Bonds provides that the aggregate amount to be accumulated and maintained in the Reserve

Fund shall be increased by an additional amount not less than the average annual principal and interest requirement for said Additional Bonds, and that such additional amount shall be so accumulated within 120 months from the date of the Additional Bonds, by the deposit in the Reserve Fund of the necessary sums in equal monthly installments; provided, however, that the aggregate amount to be accumulated in the Reserve Fund shall never be required to exceed the average annual principal and interest requirements for all bonds and Additional Bonds; and

4. That all calculations of average annual principal and interest requirements made pursuant to this Section are made as of and from the date of the Additional Bonds then proposed to be issued.

(g) Parity Bonds may be issued to complete the Waterworks Project. Otherwise, parity bonds may not be issued unless the net revenues (that is, unless otherwise defined by the State statute, gross revenues less essential operation and maintenance expense) for the fiscal year preceding the year in which such parity bonds are to be issued, were 120 percent of the average annual debt service requirements on all bonds then outstanding and those to be issued; provided, that this limitation may be waived or modified by the written consent of bondholders representing 75 percent of the then outstanding principal indebtedness.

(h) Additional bonds issued to refund any series of the outstanding Bonds may be issued without complying with subsection (f)(2), above.

(i) The Issuer reserves the right to issue Additional Bonds, being additional parity revenue bonds, in such amounts as are necessary for the purpose of completing the acquisition and construction of the Waterworks Project without the necessity of complying with subsection

(f)(2) above if the Issuer's consulting engineer executes a certificate to the effect that such series of bonds are necessary to complete the acquisition and construction of the Waterworks Project and provided that the Issuer has received the prior written consent from the United States of America.

(j) The Issuer reserves the right to issue Special Project Bonds to acquire or construct a separate project which is expected to be self-liquidating. Special Project Bonds shall be payable from revenues received pursuant to contractual agreements. All revenues received for the Special Project in excess of revenues required to pay principal and interest on the Special Project bonds and to establish reserves and to secure, maintain and operate the Special Project shall be considered as part of the Gross Revenues.

SECTION 10. USE OF REVENUES. The Issuer shall deposit as collected all revenues derived from the operation of the System into an account called the "Revenue Fund" (which is the Issuer's "Maintenance Fund") which shall be kept separate and apart from all other funds of the Issuer. From the money in the Revenue Fund, the Issuer shall first pay all reasonably administration, efficient operation, and adequate maintenance expenses of the Issuer. After the payment of all such expenses, the Issuer shall periodically transfer Net Revenues in the Revenue Fund pursuant to Section 6, "CREATION AND MANAGEMENT OF FUNDS," of this Ordinance for so long as any part of the principal of or interest on the Bonds is outstanding.

SECTION 11. SPECIFIC OBLIGATIONS OF ISSUER'S TOWN COUNCIL. The Town Council on behalf of the Issuer expressly stipulates and covenants that for the benefit of the original purchasers and any and all subsequent holders of the Bonds, or any part thereof (and

enforceable by any one or all of said holders) and in addition to all other provisions and covenants that it will:

A. SERVICE RATES. Fix, maintain, and collect charges for the facilities and services rendered by the Issuer which will provide revenues sufficient at all times to pay for all reasonable administration, efficient operation, and adequate maintenance expenses of the System; to establish and maintain the Bond Funds (which are the interest and sinking fund for the Bonds, the Outstanding Bonds, and any Additional Bonds hereafter issued in accordance with the terms of this Ordinance); and to pay all other outstanding indebtedness against the System as and when the same becomes due. The Town Council has enacted and will maintain in effect an Ordinance fixing rates and charges for said facilities and service which contains, among other provisions, a requirement for periodic billing of all customers of the Issuer and a prohibition against furnishing of water service without charge to any person, firm, organization, or corporation;

B. NO ENCUMBRANCES. Not mortgage or otherwise encumber the physical properties of the System, or any part thereof, or sell, lease, or otherwise dispose of any substantial portion of the physical properties of the System;

C. MAINTENANCE. Maintain the System in good condition and operate it in an efficient manner and at a reasonable cost;

D. INSURANCE. Maintain insurance on the System of a kind and in an amount which usually would be carried by other public utilities engaged in a similar type of operation;

E. RECORDS AND AUDITS. Keep records and accounts and employ an independent certified public accountant of recognized integrity and ability to direct the installation of the

required accounting procedure and to audit its affairs at the close of each fiscal year. The fiscal year of the Issuer is from July 1 to June 30 of the next year. Said audits shall include a statement in detail of the income and expenditures of the System for each year, a balance sheet as of the end of the year; the auditor's comments regarding the manner in which the Issuer has carried out the requirements of all Bond Ordinances; his recommendations, if any, for changes or improvements in the operation of the Issuer's plants, facilities, and improvements; a list of insurance policies in force as of the date of the audit including the amount, expiration date, risk covered, and name of the insurer for each such policy; the number of properties connected to the System as of the end of the fiscal year; total gallons of water purchased and/or produced; total gallons of water sold; and percent of water lost. One written report of the audit shall be delivered to each member of the Town Council not later than 90 days after the close of each fiscal year, and so long as the United States of America owns any of the Bonds, a copy of said audit shall also be sent to the Farmers Home Administration; upon request a copy of the audit shall be delivered to the holders of at least 25% of the then-outstanding bonds of the Issuer; and a copy of the audit shall be retained and filed in the office of the auditor. At least 5 copies of said audit shall be delivered to the office of the Issuer, one of which shall be kept on file, and said copies shall constitute a public record open to inspection by any interested person or persons during normal office hours.

F. CONTINUING DISCLOSURE UNDERTAKING

(a) Definitions.

As used in this Section, the following terms have the meanings ascribed to such terms below:

"MSRB" means the Municipal Securities Rulemaking Board.

"NRMSIR" means each person whom the SEC or its staff has determined to be a nationally recognized municipal securities information repository within the meaning of the Rule from time to time.

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

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

"SID" means any person designated by the State of Texas or an authorized department, officer, or agency thereof as, and determined by the SEC or its staff to be, a state information depository within the meaning of the Rule from time to time.

(b) Annual Records.

The Issuer shall provide annually to each NRMSIR and any SID, within six months after the end of each fiscal year ending in or after 2003, financial information and operating data with respect to the Issuer as follows:

1. The Issuer's annual audit;
2. The Issuer will update and provide this information within six months after the end of each fiscal year ending in or after 2003. The Issuer will provide the updated information to each nationally recognized municipal securities information repository ("NRMSIR") and to any state information depository ("SID") that is designated by the State of Texas and approved by the staff of the United States Securities and Exchange Commission (the "SEC").

Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles, and (2) audited, if the Issuer 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 Issuer shall provide audited financial statements for the

applicable fiscal year to each NRMSIR and any SID, when and if the audited financial statements become available.

If the Issuer changes its fiscal year, it will notify each NRMSIR and any SID of the change (and of the date of the new fiscal year end) prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to each NRMSIR and any SID or filed with the SEC.

(c) Material Event Notices.

The Issuer shall notify any SID and either each NRMSIR or the MSRB, in a timely manner, of any of the following events with respect to the Bonds, if such event is material within the meaning of the federal securities laws:

- A. Principal and interest payment delinquencies;
- B. Non-payment related defaults;
- C. Unscheduled draws on debt service reserves reflecting financial difficulties;
- D. Unscheduled draws on credit enhancements reflecting financial difficulties

- E. Substitution of credit or liquidity providers, or their failure to perform;
- F. Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- G. Modifications to rights of Holders of the Bonds;
- H. Bond calls;
- I. Defeasances;
- J. Release, substitution, or sale of property securing repayment of the Bonds; and
- K. Rating changes.

The Issuer shall notify any SID and either each NRMSIR or the MSRB, in a timely manner, of any failure by the Issuer to provide financial information or operating data in accordance with Section 10.01 of this Resolution by the time required by such Section.

(d) Limitations, Disclaimers, and Amendments.

The Issuer shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the Issuer remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the Issuer in any event will give the notice required by this Ordinance of any Bond calls and defeasance that cause the Issuer to be no longer such an "obligated person."

The provisions of this Article are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Issuer undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the

Issuer's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The Issuer does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

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

No default by the Issuer in observing or performing its obligations under this Article shall comprise a breach of or default under the Resolution for purposes of any other provision of this Resolution.

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

The provisions of this Article may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule taking into account any amendments or interpretations of the Rule to the date of such amendments, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision in this Resolution that authorizes such amendment) of the Outstanding Bonds consent to such amendment or (b) a Person that is

unaffiliated with the Issuer (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. If the Issuer so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 10.01 an explanation in narrative form of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 12. REMEDIES OF HOLDERS. In addition to all rights and remedies of any holder of the Bonds provided by the laws of the State of Texas, the Issuer covenants and agrees that in the event the Issuer defaults in the payment of the principal of or interest on any of the Bonds when due, fails to make the payments required by this Ordinance to be made into the Bond Fund, or defaults in the observance or performance of any of the covenants, conditions, or obligations set forth in this Ordinance, the holder of any of the Bonds shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the Town Council and other officers of the Issuer to observe and perform any covenant, obligation, or condition prescribed in this Ordinance. No delay or omission by any holder to exercise any right or power accruing to him upon default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right or power may be exercised from time to time and as often as may be deemed expedient. The specific remedies mentioned in this Ordinance shall be available to any holder of any of the Bonds and shall be cumulative of all other existing remedies.

SECTION 13. GENERAL COVENANTS. The Issuer covenants and represents that:

A. It has lawful power to pledge the Net Revenues supporting the Bonds and has lawfully exercised said power under the Constitution and laws of the State of Texas;

B. The Bonds shall be ratably secured in such manner that no one bond shall have preference over other bonds of the Series of which it is a part; and

C. The Net Revenues have not been in any manner pledged to the payment of any debt or obligation of the Issuer or of the System and the System is free and clear of all encumbrances whatsoever, except as hereinabove stated.

SECTION 14. ISSUER OFFICERS' DUTIES.

A. The Mayor and Town Secretary are hereby instructed and directed to do any and all things necessary in reference to the installation, completion, and maintenance of the Issuer's plants, facilities, and improvements and to make monies available for the payment of the Bonds in the manner provided by law.

B. The Mayor and the Town Council shall submit the bonds, the record of the proceedings authorizing the issuance of the Bonds, and any and all other necessary orders, certificates, and records to the Attorney General of the State of Texas for his investigation. After obtaining the approval of the Attorney General, the Mayor shall cause the Bonds to be registered by the Comptroller of Public Accounts of the State of Texas.

C. The Mayor is authorized to execute and the Town Secretary is authorized to attest this Ordinance on behalf of the Issuer and to do any and all things proper and necessary to carry out the intent hereof.

SECTION 15. SALE AND DELIVERY OF BONDS. The Bonds are hereby sold and shall be delivered to the UNITED STATES OF AMERICA, for the negotiated price of par value

at an interest rate of _____% per annum with the principal maturity deferred for two years from delivery. Upon the registration of the Bonds, the Comptroller of Public Accounts of the State of Texas is authorized and instructed to deliver all of the Bonds to the Paying Agent/Registrar. Delivery of the Bonds to the aforementioned Purchaser shall be made incrementally as funds are needed for the project. The date of delivery of each bond shall be affixed on the Bonds, and the interest pertaining thereto will commence as of said delivery date. The Bonds will be delivered in the order of their numbers. The Paying Agent/Registrar shall (i) hold the Bonds pending delivery to the Purchaser, (ii) deliver the Bonds at the direction of the Issuer, and (iii) affix the date of delivery on the Bonds.

SECTION 16. COVENANTS REGARDING TAX EXEMPTION. The Issuer covenants to refrain from taking any action which would adversely affect, and to take any required action to ensure, the treatment of the Bonds as obligations described in Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(a) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in Section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the Issuer, with respect to private business use, do not, under the terms of this Ordinance, or any underlying arrangement, directly or indirectly, secure or provide for the

payment of more than 10 percent of the debt service on the Bonds, in contravention of Section 141(b)(2) of the Code;

(b) to take any action to assure that in the event that the "private business use" described in Subsection (a) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of Section 141(b)(3) of the Code, to the governmental use;

(c) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of Section 141(c) of the Code;

(d) to refrain from taking any action which would otherwise result in the Bonds being treated as "private activity bonds" within the meaning of Section 141(b) of the Code;

(e) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of Section 149(b) of the Code;

(f) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in Section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property with--

(1) proceeds of the Bonds invested for a reasonable temporary period of 3 years or less, or, in the case of a refunding bond, for a period of 30 days or less until such proceeds are needed for the purpose for which the Bonds are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of Section 1.103-13(b)(12) of the Treasury Regulations, and

(3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(g) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of Section 148 of the Code (relating to arbitrage) and, to the extent applicable, Section 149(d) of the Code (relating to advance refundings);

(h) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the bonds) an amount that is at least equal to 90 percent of the "Excess Earnings" within the meaning of Section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of "Excess Earnings" under Section 148(f) of the Code,; and

(i) to maintain such records as will enable the Issuer to fulfill its responsibilities under this Section and Section 148 of the Code and to retain such records for at least six years following the final payment of principal and interest on the Bonds.

In order to facilitate compliance with the above covenants (g), (h), and (i), a "Rebate Fund" is hereby established by the Issuer for the sole benefit of the United States of America, and such Fund shall not be subject to the claim of any other person, including without limitation, the bondholders. The Rebate Fund is established for the additional purpose of compliance with Section 148 of the Code.

It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify, or expand provisions of the Code, as applicable to the Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of a nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under Section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the Issuer agrees to comply with additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption for federal income taxation of interest on the Bonds under Section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the Mayor to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

SECTION 17. DESIGNATION AS QUALIFIED TAX-EXEMPT BONDS. The Issuer hereby designates the Bonds as "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. In furtherance of such designation, the Issuer represents, covenants and warrants the following: (a) that during the calendar year in which the Bonds are issued, the Issuer (including any subordinate entities) has not designated nor will designate obligations, which when aggregated with the Bonds, will result in more than \$10,000,000 of "qualified tax-exempt obligations" being issued; and (b) that the Issuer reasonably anticipates that the amount

of tax-exempt obligations issued during the calendar year in which the Bonds are issued by the Issuer (or any subordinate entities) will not exceed \$10,000,000.

SECTION 18. FINAL ACCOUNTING AND AS-BUILT PLANS. The Issuer shall maintain in the Issuer's office a final accounting of the total cost incurred by the Issuer for the improvements to the Issuer's utility system funded with the proceeds of the sale of the Bonds, together with a copy of "as-built" plans of the project upon completion.

SECTION 19. CUSIP NUMBERS. The Issuer authorizes the imprinting of CUSIP (the American Bankers Association's Committee on Uniform Securities Identification Procedures) numbers of the Bonds; provided, however, that the failure of such CUSIP numbers to appear on the Bonds, or the imprinting of incorrect CUSIP numbers, shall in no way affect the validity or enforceability of the Bonds or relieve the purchaser of any obligation to accept delivery of and make payment for the Bonds.

SECTION 20. CHAPTER 9, BUSINESS AND COMMERCE CODE REQUIREMENTS. Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of the revenues granted by the Issuer under this Order, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time which the Bonds are outstanding and unpaid such that the pledge of the revenues granted by the Issuer under this Order is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the Issuer agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of "Chapter 9, Business & Commerce Code" and enable a filing to perfect the security interest in said pledge to occur.

SECTION 21. TITLES NOT RESTRICTIVE. The titles assigned to the various sections of this Ordinance are for convenience only and are intended to be descriptive of the matters following said titles. The titles shall not be considered restrictive of the subject matter of any section or of any part of this Ordinance.

SECTION 22. SEVERABILITY. If any word, phrase, clause, paragraph, sentence, part, portion, or provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance shall nevertheless be valid and the Town Council hereby declares that this Ordinance would have been enacted without such invalid word, phrase, clause, paragraph, sentence, part, portion, or provision.

SECTION 23. COMPLIANCE WITH TEXAS OPEN MEETINGS ACT. The Town Council officially finds, determines, and declares that this order was adopted at a duly called regular meeting of the Board and that sufficient written notice of the date, hour, place, and subject of this meeting was posted at a place readily accessible and convenient to the public within the Issuer and on a bulletin board located at a place convenient to the public in the Montgomery County Courthouse for the time required by law preceding this meeting, as required by the Texas Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered, and acted upon. The Town Council further ratifies, approves, and confirms such written notice and the contents and posting thereof.

* * * * *

TOWN OF CUT AND SHOOT
P. O BOX 7364
CUT AND SHOOT, TX 77306

October 9, 2003

Ms. Lynn Stuck, Chief
Public Finance Section
Office of the Texas Attorney General
P. O. Box 12548, Capitol Station
Austin, TX 78711-2548

Re: Town of Cut and Shoot, Texas
\$1,220,000 Waterworks Revenue Bonds, Series 2003

Dear Ms. Stuck,

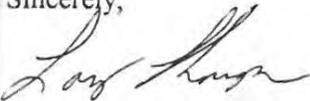
The captioned bonds are being sent to you for your examination and approval. We enclose the Town's check for \$750, pursuant to Section 1202.004, TEXAS GOVERNMENT CODE, along with the instruments authorizing such bonds, including one signed but undated copy of each of a Signature Identification and No-Litigation Certificate and a General Certificate. Upon approval of such bonds, you are authorized to insert the date of the approval in such Certificates.

If any litigation should develop, or if any other event should occur which would make either such Certificate inaccurate before you approve the captioned bonds, we will notify you at once by both telephone and fax. With this assurance, you can rely on the accuracy of such Certificates at the time you approve such bonds, unless we advise you otherwise.

After you have approved such Bonds, please deliver them to the Comptroller of Public Accounts of the State of Texas for registration.

If you have any questions regarding these matters, please contact the Town's attorney, Bill Corsbie, at 512/443-3199. Thank you for your assistance in this matter.

Sincerely,



Lang Thompson, Mayor

M/BC/wp
enc.

**VANWASSEHNOVA & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
804 W. DALLAS, STE 11
CONROE, TEXAS 77301
Tel. 936-760-1600
Fax 936-760-4488**

October 9, 2003

Bill Corsbie
3708 Clawson Road
Austin, TX 78704-7802

Dear Mr. Corsbie:

I have received your email requesting a combined debt service schedule for the Town of Cut and Shoot, Texas.

There are currently two issues outstanding with Cut and Shoot:

- Revenue Bonds – Series 1995 – Total Issue of \$738,000
- Revenue Bonds – Series 1995A – Total Issue of \$450,000

The 2003 issue, as I understand it, will be for \$1,220,000. I have been informed that the rate, which is subject to change, will be 4.65%. We have assumed an issue date of January 1, 2004.

Attached are four schedules. There is one each for the Series 1995, Series 1995A and 2003 along with a total page.

Please review these schedules and if you have any questions, please feel free to call me.

Thank you,



Robert VanWassehnova, CPA

Cc: Lang Thompson
Mayor of the Town of Cut and Shoot, Texas

**TOWN OF CUT AND SHOOT, TEXAS
WATERWORKS REVENUE BONDS - TOTAL**

FYE June 30	Interest Due		Principal	Total
	September 1	March 1	March 1	
1996	\$ -	\$ 18,804	\$ -	\$ 18,804
1997	30,146	30,443	5,000	65,589
1998	30,314	30,314	8,000	68,629
1999	30,109	30,109	10,000	70,219
2000	29,853	29,853	10,000	69,706
2001	29,597	29,597	11,000	70,194
2002	29,315	29,315	12,000	70,630
2003	29,008	29,008	13,000	71,015
2004	28,674	38,129	13,000	79,804
2005	56,706	56,706	28,000	141,413
2006	56,017	56,017	29,000	141,035
2007	55,305	55,305	32,000	142,610
2008	54,518	54,518	34,000	143,037
2009	53,680	53,680	36,000	143,361
2010	52,793	52,793	36,000	141,587
2011	51,907	51,907	39,000	142,813
2012	50,945	50,945	41,000	142,890
2013	49,935	49,935	43,000	142,870
2014	48,876	48,876	46,000	143,752
2015	47,742	47,742	46,000	141,484
2016	46,609	46,609	48,000	141,217
2017	45,426	45,426	51,000	141,852
2018	44,169	44,169	52,000	140,338
2019	42,889	42,889	56,000	141,778
2020	41,508	41,508	59,000	142,017
2021	40,054	40,054	62,000	142,107
2022	38,524	38,524	66,000	143,048
2023	36,897	36,897	68,000	141,794
2024	35,221	35,221	73,000	143,442
2025	33,419	33,419	75,000	141,839
2026	31,569	31,569	79,000	142,137
2027	29,620	29,620	80,000	139,241
2028	27,649	27,649	85,000	140,297
2029	25,554	25,554	86,000	137,107
2030	23,435	23,435	89,000	135,871
2031	21,245	21,245	93,000	135,490
2032	18,957	18,957	99,000	136,914
2033	16,520	16,520	107,000	140,040
2034	13,882	13,882	109,000	136,765
2035	11,199	11,199	74,000	96,397
2036	9,416	9,416	50,000	68,833
2037	8,254	8,254	52,000	68,508
2038	7,045	7,045	55,000	69,090
2039	5,766	5,766	57,000	68,532
2040	4,441	4,441	60,000	68,882
2041	3,046	3,046	63,000	69,092
2042	1,581	1,581	68,000	71,162
	<u>\$ 1,479,334</u>	<u>\$ 1,507,890</u>	<u>\$ 2,408,000</u>	<u>\$ 5,395,224</u>

**TOWN OF CUT AND SHOOT, TEXAS
WATERWORKS REVENUE BONDS, SERIES 1995**

FYE June 30	Interest Due		Principal	Total
	September 1	March 1	March 1	
1996	\$ -	\$ 18,804	\$ -	\$ 18,804
1997	18,911	18,911	5,000	42,823
1998	18,783	18,783	5,000	42,566
1999	18,655	18,655	6,000	43,310
2000	18,501	18,501	6,000	43,003
2001	18,348	18,348	7,000	43,695
2002	18,168	18,168	7,000	43,336
2003	17,989	17,989	8,000	43,978
2004	17,784	17,784	8,000	43,568
2005	17,579	17,579	10,000	45,158
2006	17,323	17,323	10,000	44,645
2007	17,066	17,066	12,000	46,133
2008	16,759	16,759	13,000	46,518
2009	16,426	16,426	14,000	46,851
2010	16,067	16,067	14,000	46,134
2011	15,708	15,708	15,000	46,416
2012	15,324	15,324	16,000	46,648
2013	14,914	14,914	17,000	46,828
2014	14,478	14,478	18,000	46,956
2015	14,017	14,017	18,000	46,034
2016	13,556	13,556	19,000	46,111
2017	13,069	13,069	20,000	46,138
2018	12,556	12,556	20,000	45,113
2019	12,044	12,044	22,000	46,088
2020	11,480	11,480	23,000	45,960
2021	10,891	10,891	24,000	45,781
2022	10,276	10,276	25,000	45,551
2023	9,635	9,635	25,000	44,270
2024	8,994	8,994	28,000	45,989
2025	8,277	8,277	28,000	44,554
2026	7,559	7,559	29,000	44,119
2027	6,816	6,816	29,000	42,633
2028	6,073	6,073	30,000	42,146
2029	5,304	5,304	30,000	40,609
2030	4,536	4,536	30,000	39,071
2031	3,767	3,767	32,000	39,534
2032	2,947	2,947	35,000	40,894
2033	2,050	2,050	40,000	44,100
2034	1,025	1,025	40,000	42,050
	<u>\$ 473,653</u>	<u>\$ 492,457</u>	<u>\$ 738,000</u>	<u>\$ 1,704,109</u>

Amount Issued: \$ 738,000
Amount Authorize \$ 738,000

Balance June 30, 2003: \$ 694,000
Interest Rate: 5.125%

TOWN OF CUT AND SHOOT, TEXAS
WATERWORKS REVENUE BONDS, SERIES 1995-A

FYE June 30	Interest Due		Principal	Total
	September 1	March 1	March 1	
1997	\$ 11,235	\$ 11,531	\$ -	\$ 22,766
1998	11,531	11,531	3,000	26,063
1999	11,454	11,454	4,000	26,909
2000	11,352	11,352	4,000	26,704
2001	11,249	11,249	4,000	26,499
2002	11,147	11,147	5,000	27,294
2003	11,019	11,019	5,000	27,038
2004	10,891	10,891	5,000	26,781
2005	10,763	10,763	6,000	27,525
2006	10,609	10,609	6,000	27,218
2007	10,455	10,455	6,000	26,910
2008	10,301	10,301	7,000	27,603
2009	10,122	10,122	7,000	27,244
2010	9,943	9,943	7,000	26,885
2011	9,763	9,763	8,000	27,526
2012	9,558	9,558	8,000	27,116
2013	9,353	9,353	8,000	26,706
2014	9,148	9,148	9,000	27,296
2015	8,918	8,918	9,000	26,835
2016	8,687	8,687	9,000	26,374
2017	8,456	8,456	10,000	26,913
2018	8,200	8,200	10,000	26,400
2019	7,944	7,944	11,000	26,888
2020	7,662	7,662	12,000	27,324
2021	7,354	7,354	13,000	27,709
2022	7,021	7,021	14,000	28,043
2023	6,663	6,663	15,000	28,325
2024	6,278	6,278	16,000	28,556
2025	5,868	5,868	17,000	28,736
2026	5,433	5,433	18,000	28,865
2027	4,971	4,971	18,000	27,943
2028	4,510	4,510	20,000	29,020
2029	3,998	3,998	20,000	27,995
2030	3,485	3,485	21,000	27,970
2031	2,947	2,947	21,000	26,894
2032	2,409	2,409	22,000	26,818
2033	1,845	1,845	23,000	26,690
2034	1,256	1,256	23,000	25,511
2035	666	666	26,000	27,333
	<u>\$ 304,462</u>	<u>\$ 304,758</u>	<u>\$ 450,000</u>	<u>\$ 1,059,220</u>

Amount Issued: \$ 450,000
Amount Authorize \$ 450,000

Balance June 30, 2003: \$ 425,000
Interest Rate: 5.125%

**TOWN OF CUT AND SHOOT, TEXAS
WATERWORKS REVENUE BONDS, SERIES 2003**

FYE June 30	Interest Due		Principal	Total
	September 1	March 1	March 1	
2004	\$ -	\$ 9,455	\$ -	\$ 9,455
2005	28,365	28,365	12,000	68,730
2006	28,086	28,086	13,000	69,172
2007	27,784	27,784	14,000	69,568
2008	27,458	27,458	14,000	68,917
2009	27,133	27,133	15,000	69,266
2010	26,784	26,784	15,000	68,568
2011	26,435	26,435	16,000	68,871
2012	26,063	26,063	17,000	69,127
2013	25,668	25,668	18,000	69,336
2014	25,250	25,250	19,000	69,499
2015	24,808	24,808	19,000	68,616
2016	24,366	24,366	20,000	68,732
2017	23,901	23,901	21,000	68,802
2018	23,413	23,413	22,000	68,826
2019	22,901	22,901	23,000	68,803
2020	22,367	22,367	24,000	68,733
2021	21,809	21,809	25,000	68,617
2022	21,227	21,227	27,000	69,455
2023	20,600	20,600	28,000	69,199
2024	19,949	19,949	29,000	68,897
2025	19,274	19,274	30,000	68,549
2026	18,577	18,577	32,000	69,154
2027	17,833	17,833	33,000	68,666
2028	17,066	17,066	35,000	69,131
2029	16,252	16,252	36,000	68,504
2030	15,415	15,415	38,000	68,830
2031	14,531	14,531	40,000	69,063
2032	13,601	13,601	42,000	69,203
2033	12,625	12,625	44,000	69,250
2034	11,602	11,602	46,000	69,204
2035	10,532	10,532	48,000	69,065
2036	9,416	9,416	50,000	68,833
2037	8,254	8,254	52,000	68,508
2038	7,045	7,045	55,000	69,090
2039	5,766	5,766	57,000	68,532
2040	4,441	4,441	60,000	68,882
2041	3,046	3,046	63,000	69,092
2042	1,581	1,581	68,000	71,162
	<u>\$ 701,220</u>	<u>\$ 710,675</u>	<u>\$ 1,220,000</u>	<u>\$ 2,631,895</u>

Assumed Issue Date: January 1, 2004

Assumed Interest Rate: 4.65%

ATTORNEY'S NO-LITIGATION CERTIFICATE

TOWN OF CUT AND SHOOT, TEXAS

I, the undersigned General Counsel for the Town of Cut and Shoot, Texas, (the "Issuer"), hereby respectfully certify as follows:

1. This Certificate is given in connection with the issuance by the Issuer of bonds designated Town of Cut and Shoot, Texas, Waterworks Revenue Bonds, Series 2003 in the aggregate principal amount of \$1,220,000 (the "Bonds").

2. No litigation of any nature is now pending against or, to the best of my knowledge and belief, threatened against the Issuer contesting or attacking the Bonds; restraining or enjoining the authorization, execution, or delivery of the Bonds; affecting the provision made for the payment of or security for the Bonds; in any manner questioning the authority of proceedings for the authorization, execution, or delivery of the Bonds; or affecting the validity of the Bonds, the corporate existence or boundaries of the Issuer, or the titles of the present officers of the Governing Body.

3. No proceedings or authority for the issuance or delivery of the Bonds has been repealed, rescinded, or revoked.

EXECUTED this the 9th day of October, 2003.



Larry L. Foerster, General Counsel
Town of Cut and Shoot, Texas
Darden, Fowler and Creighton, LLP
Attorneys at Law
414 West Philips
Conroe, Tx 77301-2880
Phone 936/756-3337

TAX CERTIFICATE

In General

The undersigned is the Mayor of the Town of Cut and Shoot, Texas (the "Town").

The undersigned as an officer of the Town is delegated, among others, with the responsibility of issuing and delivering the Bonds.

This Certificate (the "Certificate") is executed for the purpose of establishing the reasonable expectations of the Town as to future events regarding the Town's Revenue Bonds, Series 2003 (the "Bonds"). The Bonds are being issued pursuant to an Ordinance of the Town (the "Bond Ordinance") adopted on October 9, 2003, which Bond Ordinance is incorporated herein by reference. The Town has not been notified of any listing or proposed listing of the Town by the Internal Revenue Service as an issuer that may not certify its Bonds.

To the best of the knowledge, information and belief of the undersigned, the expectations contained in this Certificate are reasonable.

1. The Purpose of the Bonds.

The Bonds are being issued pursuant to the Bond Ordinance for the purpose of funding improvements to the Town waterworks, and for payment of the costs of issuance of the Bonds.

The proceeds of the Bonds, together with any investment earnings thereon, are not expected to exceed the amount necessary for the governmental purposes of the Bonds.

2. Temporary Period.

All original proceeds derived from the sale of the Bonds and all investment earnings thereon (other than any amounts required to be rebated to the United States pursuant to Section 148(f) of the Code) will be expended no later than a date which is three years after the date of issue of the Bonds.

3. Interest and Sinking Fund.

The Town has established an Interest and Sinking Fund (the "Fund") for the payment of the principal of and interest on the Bonds. Money deposited in the Fund will be used to pay the principal of and interest on the Bonds.

Amounts deposited in the Fund will be spent within a thirteen month period beginning on the date of deposit, and any amount received from the investment of money held in the Fund will be spent within a one-year period beginning on the date of receipt of such amounts.

The Fund constitutes a fund that is used primarily to achieve a proper matching of revenues collected for the Bonds and debt service on the Bonds within each bond year. Such

portion is expected to be completely depleted at least once each year on a first-in - first-out basis, except for an amount not in excess of the greater of (a) one-twelfth of the debt service on the Bonds for the previous year, or (b) the previous year's earnings on such portion of the Fund.

4. Yield

For the purposes of this Certificate, the term "yield" shall have the meaning determined under Section 148(h) of the Code and means that yield which when used in computing the present worth of all payments of principal and interest to be paid on an obligation, produces an amount equal to the purchase price of such obligation. In the case of the Bonds, "purchase price" means the initial offering price of the Bonds.

All of the Bonds have been sold to the United States of America at par.

5. Invested Sinking Fund Proceeds, Replacement Proceeds

Pledged revenues from the Town's operation of its water system will be the source of the payment of the principal of and interest on the Bonds. There are no funds or accounts other than the Fund which the Town reasonably expects to be available to pay the principal of or interest on the Bonds and no taxes will ever be used for said payments.

6. Other Obligations

There are no other obligations of the Town which (a) are issued at substantially the same time as the Bonds (i.e., within 31 days hereof), (b) are sold pursuant to a common plan of financing with the Bonds, and (c) will be paid out of the same source and have substantially the same claim to be paid out of substantially the same source of funds as the Bonds.

7. Rebate to United States

The Town has covenanted in the Bonds Ordinance that it will comply with the requirements of the Code, which includes Section 148(f) of the Code, relating to the required rebate to the United States. Specifically, the Town will take steps to ensure that all earnings on gross proceeds of the Bonds in excess of the yield on the Bonds required to be rebated to the United States will be timely paid to the United States.

8. Small Issuer exception to Rebate to the United States

At least ninety-five percent (95%) of the net proceeds of the Bonds are to be used for local government activities of the Issuer, specifically the water and wastewater capital improvements of the Issuer originally funded with the Outstanding Bonds.

The aggregate face amount of all tax-exempt bonds (other than private activity bonds), issued by the Issuer and all subordinated entities of the Issuer during the calendar year 2002 is not expected to exceed \$5,000,000.

The Bonds are not private activity bonds as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code").

Pursuant to the applicable provisions of the Code regarding arbitrage rebate to the United States, no rebate is required with respect to the Bonds.

Executed this 9th day of October, 2003, the date of delivery of the Bonds being the date of issue as defined in Regulation 1.103-13(b)(6).


Lang Thompson, Mayor
Town of Cut and Shoot, Texas

GENERAL CERTIFICATE

THE STATE OF TEXAS)
COUNTY OF MONTGOMERY)
TOWN OF CUT AND SHOOT)

We, the Mayor and Town Secretary of the Town of Cut and Shoot, Texas (the "Town") hereby certify as follows:

1. This certificate is executed and delivered with respect to the TOWN OF CUT AND SHOOT, TEXAS, WATERWORKS REVENUE BONDS, SERIES 2003, issued in the original principal amount of \$1,220,000 (the "Bonds").
2. The Town is authorized and empowered by law, including particularly, but not by way of limitation, to the provisions of pursuant to the Constitution and laws of the State of Texas, including but not limited to TEXAS GOVERNMENT CODE, Sections 1502.051-.052, and to issue bonds secured by the net revenues of the Town's water system, and to use the proceeds thereof to make improvements to the Town's water system.
3. The Town is a duly incorporated General Law City, having less than 5000 inhabitants, operating and existing under the Constitution of the State of Texas and the laws of the State of Texas pertaining to general law cities, and has adopted the powers of a Type A city in compliance with the Texas Local Government Code; at the time of incorporation, the population of the Town was 300.
4. The Town's population as of the date of the next immediately preceding census is 1158.
5. Neither the corporate existence or the boundaries of the Town nor the title of its present officers to their respective offices is being contested, and no authority or proceedings for the issuance of the Bonds has been repealed, revoked.
6. The Town's water rates have not changed since the Town issued its Series 1995 and Series 1995-A Bonds.
7. The Town has no outstanding bonds other than its Series 1995 and Series 1995-A Bonds; other than for the Bonds, the income and revenues of the Town's water system have not been pledged or hypothecated in any manner or for any purpose, and there are no other liens, encumbrances or any other indebtedness whatsoever outstanding against said system or the income or revenues thereof.
8. There has been no material adverse change in the financial condition of the Town since the date of the last audited financial statements of the Town.

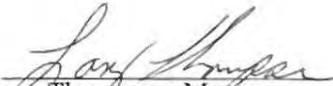
9. As of the date of this Certificate, (a) the following named persons have duly constituted the Town Council (the "Town Council") of the Town; (b) as indicated below, certain of the council members have been the duly elected, qualified and acting officers of the Town Council of the Town for the offices set forth opposite their names; and (c) the terms of the Town Council members expire as shown below:

<u>Council Members</u>	<u>Offices</u>	<u>Term Expires</u>
Lang Thompson	Mayor	May 2005
Bill Oliphant	Alderman	May 2004
Leonard McDonald	Alderman	May 2005
Robert Moore, III	Alderman	May 2004
Terry Mann	Alderman	May 2005
J. D. Roberts	Alderman	May 2004

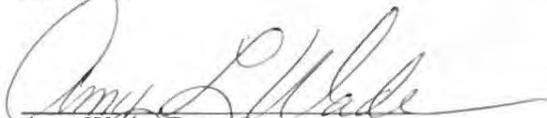
10. As of the date of this Certificate, the Town Secretary is Amy Wade, who was appointed to that position in July, 1977, and has served continuously in that position since appointment.
11. The Ordinance of the Town council authorizing the issuance of the Series 2003 Bonds (the "Ordinance"), was adopted at a duly convened meeting of the Town Council on October 9, 2003, during which a quorum of the Town Council were present and voting throughout. The original of the Ordinance is on file in the official records of the Town. The Ordinance has not been amended and is in full force and effect and the Town has duly authorized by all necessary action the due performance of the Ordinance. Notice of the meeting mentioned above was posted in compliance with the Open Meetings Act, Chapter 551, Texas Local government Code. Each member of the Town Council received notice of the meeting mentioned above.

EXECUTED AND DELIVERED THIS 10-09, 2003.

TOWN OF CUT AND SHOOT, TEXAS

By: 
Lang Thompson, Mayor

ATTEST:


Amy Wade, Town Secretary

(SEAL)

CERTIFICATE FOR ORDINANCE

THE STATE OF TEXAS)
COUNTY OF MONTGOMERY)
TOWN OF CUT AND SHOOT)

We, the undersigned officers of the Town Council of said Town, hereby certify as follows:

1. The Town Council of said Town convened in Regular Meeting on the 9th day of October, 2003, at the regular designated meeting place, and the roll was called of the duly constituted officers and members of the Town Council, to-wit:

Lang Thompson	Mayor
Bill Oliphant	Alderman
Leonard McDonald	Alderman
Robert Moore, III	Alderman
Terry Mann	Alderman
J. D. Roberts	Alderman
Amy Wade	Town Secretary

and all of said persons were present, except the following absentees:

ROBERT MOORE III & J.D. ROBERTS thus constituting a quorum.
Whereupon, among other business, the following was transacted at said meeting:

AN ORDINANCE AUTHORIZING ISSUANCE OF \$1,220,000 OF THE TOWN OF CUT AND SHOOT, TEXAS, WATERWORKS REVENUE BONDS, SERIES 2003; PRESCRIBING THE TERMS, PROVISIONS, AND FORM THEREOF; PROVIDING FOR THE PAYMENT THEREOF AND INTEREST THEREON; AWARDING THE SALE OF THE BONDS, APPROVING THE OFFERING DOCUMENTS; APPOINTING PAYING AGENT/REGISTRAR, AND MAKING OTHER PROVISIONS REGARDING SUCH BONDS AND MATTERS INCIDENT THERETO

was duly introduced for the consideration of said Town Council and read in full. It was then duly moved and seconded that said Ordinance be passed; and, after due discussion, said motion, carrying with it the passage of said Ordinance, prevailed and carried by the following vote:

AYES: All members of said Town Council shown present above voted "Aye".

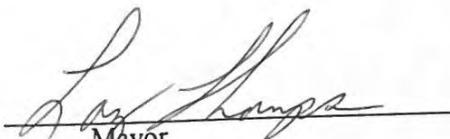
NOES: None.

2. That a true, full and correct copy of the aforesaid Ordinance passed at the Meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said Ordinance has been duly recorded in the Town Council's minutes of said Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the Town Council's minutes of said Meeting pertaining to the passage of said Ordinance; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Town Council as indicated therein; that each of the officers and members of the Town Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid Meeting, and that said Ordinance would be introduced and considered for passage at said Meeting, and each of said officers and members consented, in advance, to the holding of said Meeting for such purpose; that said meeting was open to the public and public notice of the time, place and purpose of said meeting was given, all as required by the Texas Open Meetings Act, Chapter 551, Texas Government Code.
3. That the Mayor of said Town has approved and hereby approves the aforesaid Ordinance; that the

Mayor and the Town Secretary of said Town have duly signed said Ordinance; and that the Mayor and the Town Secretary of said Town hereby declare that their signing of this Certificate shall constitute the signing of the attached and following copy of said Ordinance for all purposes.

SIGNED AND SEALED this 09 day of October, 2003.


Town Secretary


Mayor

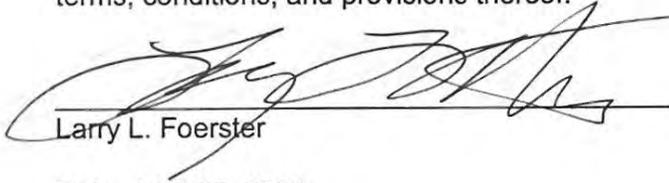
(SEAL)



14. Certificate of Owner's Attorney.

I, the undersigned, Larry L. Foerster, the duly authorized and acting legal representative of CUT AND SHOOT, TEXAS, do hereby certify as follows:

"I have examined the attached contract(s) and performance and payment bond(s) and the manner of execution thereof, and I am of the opinion that each of the aforesaid agreements are adequate and have been duly executed by the proper parties thereto acting through their duly authorized representatives; that said representatives have full power and authority to execute said agreements on behalf of the respective parties named thereon; and that the foregoing agreements constitute valid and legally binding obligations upon the parties executing the same in accordance with the terms, conditions, and provisions thereof."



Larry L. Foerster

Date: April 27, 2004

U.S. Postal Service™ Delivery Confirmation™ Receipt

Postage and Delivery Confirmation fees must be paid before mailing.

Article Sent To: (to be completed by mailer)

(Please Print Clearly) B Coleskie
78704

DELIVERY CONFIRMATION NUMBER: 51440 0001 6528 0495

Postmark Here
CONROE TX 75901
Del 10/18/03
9:53 AM

POSTAL CUSTOMER:
Keep this receipt. For Inquiries:
Access internet web site at www.usps.com
or call 1-800-222-1811

CHECK ONE (POSTAL USE ONLY)

Priority Mail™ Service
 First-Class Mail® parcel
 Package Services parcel

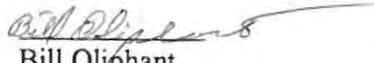
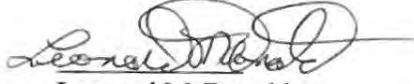
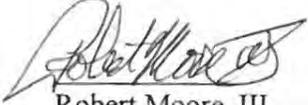
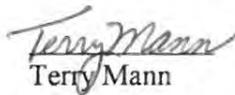
PS Form 152, May 2002 (See Reverse)

SIGNATURE IDENTIFICATION AND NO-LITIGATION CERTIFICATE

TOWN OF CUT AND SHOOT, TEXAS

We, the undersigned Mayor and Secretary of the Town Council (the "Governing Body") of the Town of Cut and Shoot, Texas, (the "Issuer"), hereby respectfully certify as follows:

1. This Certificate is given in connection with the issuance by the Issuer of bonds designated Town of Cut and Shoot, Texas Waterworks Revenue Bonds, Series 2003 in the aggregate principal amount of \$1,220,000 (the "Bonds").
2. We officially executed the Bonds by signing the Bonds or by causing facsimiles of our manual signatures to be photocopied, printed or lithographed on each of the Bonds, and we hereby adopt such facsimile signatures as our own, respectively.
3. From the respective dates of election described below through the date of this Certificate, both inclusive, the following persons were and are, and at the time we so executed the Bonds we were, the duly chosen, qualified, and acting officers of the Governing Body holding the respective offices shown opposite their and our names, and the signatures shown below are their and our true genuine signatures, respectively:

<u>Manual Signature</u>	<u>Office</u>	<u>Term expires</u>
 Bill Oliphant	Alderman	May 2004
 Leonard McDonald	Alderman	May 2005
 Robert Moore, III	Alderman	May 2004
 Terry Mann	Alderman	May 2005
<hr/> J. D. Roberts	Alderman	May 2004

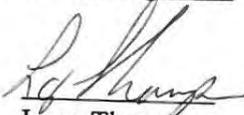
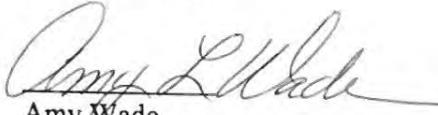
4. No litigation of any nature is now pending against or, to the best of our knowledge and belief, threatened against the Issuer contesting or attacking the Bonds; restraining or enjoining the authorization, execution, or delivery of the Bonds; affecting the provision made for the payment of or security for the Bonds; in any manner questioning the authority of proceedings for the authorization, execution, or delivery of the Bonds; or affecting the validity of

the Bonds, the corporate existence or boundaries of the Issuer, or the titles of the present officers of the Governing Body.

5. No proceedings or authority for the issuance or delivery of the Bonds has been repealed, rescinded, or revoked.

6. The seal, at actual or reduced size, which has been impressed upon or the facsimile of which has been printed, photocopied or lithographed upon all of the Bonds and upon this Certificate is the legally adopted, proper, and only official seal of the Issuer.

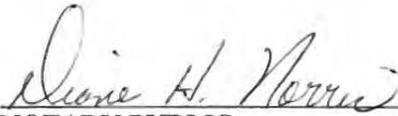
WITNESS OUR HAND and the official seal of the Issuer this _____.

<u>Manual Signature</u>	<u>Office</u>	<u>Elected</u>
 Lang Thompson	Mayor	May 2005
 Amy Wade	Secretary	Appointed July, 1977

(TOWN SEAL)

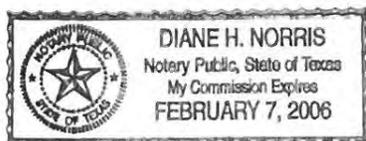
STATE OF TEXAS
COUNTY OF MONTGOMERY

Before me, on this the 16th day of OCTOBER, 2003, personally appeared the foregoing Mayor and Secretary, know to me to be the officers whose true and genuine signatures were subscribed to the foregoing instrument in my presence.



NOTARY PUBLIC
STATE OF TEXAS

(NOTARY SEAL)



SPEED ZONE ORDINANCE
ORD NO. 81

AN ORDINANCE ALTERING THE PRIMA FACIE SPEED LIMITS ESTABLISHED FOR VEHICLES UNDER THE PROVISIONS OF § 545.356, TEXAS TRANSPORTATION CODE, UPON THE BASIS OF AN ENGINEERING AND TRAFFIC INVESTIGATION, UPON CERTAIN STREETS AND HIGHWAYS, OF PARTS THEREOF, WITHIN THE CORPORATE LIMITS OF THE TOWN OF CUT AND SHOOT, AS SET OUT IN THIS ORDINANCE; AND PROVIDING A PENALTY OF A FINE NOT TO EXCEED \$200 FOR THE VIOLATION OF THIS ORDINANCE.

WHEREAS, § 545.356, Texas Transportation Code, provides that whenever the governing body of the City shall determine upon the basis of an engineering and traffic investigation that any prima facie speed therein set forth is greater or less than is reasonable or safe under the conditions found to exist at any intersection or other place or upon any part of a street or highway within the City, taking into consideration the width and condition of the pavement and other circumstances on such portion of said street or highway, as well as the usual traffic thereon, said governing body may determine and declare a reasonable and safe prima facie speed limit thereat or thereon by the passage of an Ordinance, which shall be effective when appropriate signs giving notice thereof are erected at such intersection or other place or part of the street or highway;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF CUT AND SHOOT, TEXAS:

Section 1. Upon the basis of an engineering and traffic investigation heretofore made as authorized by the provisions of § 545.356, Texas Transportation Code, the following prima facie speed limits hereafter indicated for vehicles are hereby determined and declared to be reasonable and safe; and such speed limits are hereby fixed at the rate of speed indicated for vehicles traveling upon the named streets and highways, or parts thereof, described as follows:

- (A) Along SH 105 from west Town limit of Cut and Shoot to the east Town limit of Cut and Shoot, a distance of approximately 4.268 miles, the speed limit shall be "55 MPH".
- (B) Along SH 105 a school zone 1267 feet east of Wood Ridge to 2323 feet east of Wood Ridge, a distance of approximately 0.200 miles, the speed limit shall be "35 MPH" WHEN FLASHING.

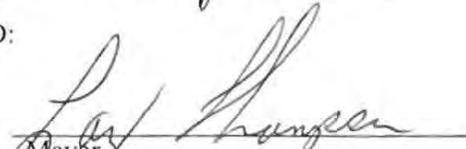
Section 2. Any person violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not more than Two Hundred Dollars (\$200)

PASSED AND APPROVED THIS 8th day of April, 2004

ATTEST:

APPROVED:


City Secretary


Mayor



Texas Department of Transportation

P.O. BOX 1386 • HOUSTON, TEXAS 77251-1386 • (713) 802-5000

March 19, 2004

CONTACT: TRF ENG

Speed Zoning
Montgomery County
SH 105
Control: 0338-04

The Honorable Lang Thompson
Mayor, Town of Cut and Shoot
P. O. Box 7364
Cut and Shoot, Texas 77306

Dear Mayor Thompson:

Our office has completed a speed zone study along SH 105 within the Town of Cut and Shoot.

Attached are speed zone strip maps numbered 5215B through 5215C, and a prepared speed zone ordinance suggested by the Texas League of Municipalities containing the recommended zone. If you concur with the recommended zone, please furnish this office with a copy of your executed ordinance, so that new signs can be installed.

If you should have any questions, please contact me at (713) 802-5171 or Mr. Michael C. Awa at (713) 802-5858.

Sincerely,

Sally G. Wegmann, P.E.
Director of Transportation Operations
Houston District

MCA: ma
Attachments
cc: Mr. Michael C. Awa

ORDINANCE NO. 82

**ORDINANCE OF THE CITY COUNCIL OF THE
TOWN OF CUT & SHOOT, TEXAS
DENYING RATE RELIEF REQUESTED BY CENTERPOINT ENERGY ENTEX
EFFECTIVE MAY 1, 2004 UNLESS CENTERPOINT ENERGY ENTEX
EXTENDS ITS EFFECTIVE DATE FOR NEW GAS RATES IN WHICH CASE
THE EFFECTIVE DATE OF THE ORDINANCE WILL MATCH THE
EXTENSION ANNOUNCED BY CENTERPOINT ENERGY ENTEX UNLESS
SUPERCEDED BY PASSAGE OF A RATE ORDINANCE;
CALLING FOR PROMPT PAYMENT OF CITIES' RATE CASE EXPENSES BY
CENTERPOINT ENERGY ENTEX.**

WHEREAS, on or about December 19, 2003, CenterPoint Energy Entex, a division of CenterPoint Energy Resources Corp. ("Entex") filed with the Town of CUT & SHOOT a Statement of Intent to change gas rates in various municipalities within the Harris, Montgomery and Fort Bend County area effective February 1, 2004 ("Application"); and

WHEREAS, the Town of CUT & SHOOT by resolution extended the effective date for 90 days to cooperate with other similarly situated Cities and has joined a Steering Committee of Cities to study the appropriateness and reasonableness of the Entex request; and

WHEREAS, Entex's Application is based on a settlement reached with the City of Houston and was not on cost of service revenue and expense information specific to the individual cities included in the Application; and

WHEREAS, Entex is seeking a disproportionate amount of its proposed increased revenues from customers in the Application Cities when compared to increased revenues approved in the City of Houston; and

WHEREAS, Entex's rates include a payment penalty provision that produces revenues for which there is no cost correlation and that falls disproportionately on low consumption customers; and

WHEREAS, Entex's proposed allocation of costs among customers and rate design have not been shown to be reasonable; and

WHEREAS, Cities have not had adequate time to pursue thoroughly evaluate the Application because of a paucity of cost of service data; and

WHEREAS, Entex has an environs (areas outside municipal jurisdiction) rate filing pending at the Railroad Commission covering the same request and data presented to its Application to the Town of CUT & SHOOT; and

WHEREAS, Entex has the sole discretion to extend its effective date to remove from the Town of CUT & SHOOT the necessity of having to act on the rate request prior to May 1, 2004 and thus permit meaningful evaluation of the rate request and settlement discussions; and

WHEREAS, Entex has an obligation to pay reasonable rate case expenses incurred by Cities;

NOW, THEREFORE BE IT ORDAINED THE TOWN COUNCIL OF THE TOWN OF CUT & SHOOT, TEXAS:

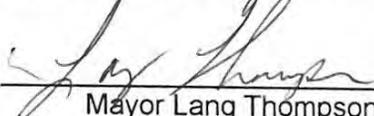
Section 1. That the Entex request for gas utility rate relief is in all matters denied effective May 1, 2004, unless Entex extends its effective date prior to May 1, 2004.

Section 2. If Entex extends its effective date for proposed rates, the effective date of this ordinance denying relief is postponed the same number of days as the extension granted by Entex.

Section 3. Should the Steering Committee of Cities reach a settlement with Entex, this resolution will be superceded upon passage of the rate ordinance that incorporates the settlement.

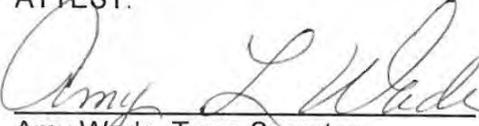
Section 4. Entex shall promptly pay Cities' rate case expenses.

PASSED AND APPROVED this 29th day of April 2004.



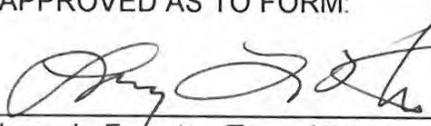
Mayor Lang Thompson

ATTEST:



Amy Wade, Town Secretary

APPROVED AS TO FORM:



Larry L. Foerster, Town Attorney

ORDINANCE NO. 83

AN ORDINANCE OF THE TOWN OF CUT AND SHOOT, TEXAS FINDING, AFTER REASONABLE NOTICE AND HEARING, THAT CENTERPOINT ENERGY ENTEX'S RATES AND CHARGES WITHIN THE TOWN SHOULD BE CHANGED; DETERMINING JUST AND REASONABLE RATES; ADOPTING GENERAL SERVICE RATES INCLUDING RATE ADJUSTMENT PROVISIONS TO BE CHARGED FOR SALES AND TRANSPORTATION OF NATURAL GAS TO RESIDENTIAL, COMMERCIAL AND INDUSTRIAL CUSTOMERS; REJECTING THE COMPANY'S PROPOSED EARLY PAYMENT DISCOUNT; PROVIDING FOR RECOVERY OF RATE CASE EXPENSES; PRESERVING REGULATORY RIGHTS OF THE TOWN; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, on December 19, 2003, CenterPoint Energy Entex, a division of CenterPoint Energy Resources Corp. ("Entex" or "Company") filed with the Town of Cut and Shoot ("Town") a Statement of Intent to Change Gas Rates charged to consumers in various municipalities within the Harris, Montgomery, and Fort Bend County area effective February 1, 2004;

WHEREAS, the Town, acting as a regulatory authority, suspended the effective date of Entex's Application to increase rates in the Town in order to study the reasonableness of the Application in conjunction with similarly situated cities served by Entex;

WHEREAS, the Town passed a resolution suspending the effective date of the Entex Application to the maximum extent provided by law to permit adequate time to review the proposed changes and to establish reasonable rates;

WHEREAS, Entex's Application is based on a settlement reached with the City of Houston and was not based on cost of service revenue and expense information specific to the individual cities included in the Application;

WHEREAS, on April 29, 2004, and subsequently on May 25, 2004, Entex extended the effective date for proposed rate which had the effect of extending Town jurisdiction until June 30, 2004; and

WHEREAS, residential rate design, apart from producing a requisite amount of revenue from the class as a whole, involves policy questions that call for a balancing of interests between low volume and high volume consumers; and

WHEREAS, the proposed residential customer charge is higher than that set for other large gas companies and for policy reasons should not be increased to the level proposed by Entex for another year; and

WHEREAS, the Town, in a reasonably noticed public hearing, considered the Company's Application and a report from the Town's consultants who were retained to evaluate the merits of the Company's Application;

WHEREAS, the Town has determined that the Company's rates within the Town should be changed and that the Company's Application should be granted, in part, and denied, in part;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CUT AND SHOOT, TEXAS:

SECTION 1. That the existing rates and charges of Entex are hereby found, after reasonable notice and hearing, to be unreasonable and shall be changed as hereinafter ordered. The changed rates resulting from this Ordinance are hereby determined to be just and reasonable rates to be observed and in force within the Town.

SECTION 2. That for all bills rendered from July 1, 2004 through June 30, 2005, the residential monthly customer charge shall be \$8.00 and the residential commodity charge shall be \$0.1085 per CCF. This rate structure is projected to produce the same level of total revenues from the residential class as the proposed rate structure. For all bills rendered on and after July 1, 2005, the residential monthly customer charge shall be increased by \$2.50, and the residential commodity charge shall be reduced to \$0.04600 per CCF.

SECTION 3. That the Company's proposed early payment discount is rejected, and no such provision is to be applied.

SECTION 4. The Company shall implement the rates schedules attached hereto as Exhibit "A" effective for bills rendered on and after July 1, 2004. All other provisions in the Company's original filing are hereby accepted and approved.

SECTION 5. That Entex be required, when filing its next rate application, to simultaneously file such application with all affected cities in the system serving the Town, and to certify to the Town that such simultaneous filing has been accomplished.

SECTION 6. That Cities' rate case expenses and the Company's rate case expenses are found to be reasonable and shall be reimbursed promptly by the Company and recovered by the Company on the basis of a flat consumption surcharge billed to all CCF consumed over a six month period. At the end of the surcharge period, the Company shall file proof with the Town that no overcollection has occurred.

SECTION 7. The rates set forth in this Ordinance may be changed and amended by either the Town or Company in any other manner provided by law. Service hereunder is subject to the orders of regulatory bodies having jurisdiction, and to the Company's Rules and Regulations currently on file with the Town.

SECTION 8. It is hereby found and determined that said meeting at which this ordinance was passed was open to the public, as required by Texas law, and that advance public notice of the time, place and purpose of said meeting was given.

SECTION 9. This Ordinance shall be served on the Company by U.S. Mail to the Company's authorized representative, Charles J. Harder, Executive Director of Rates and Regulatory, CenterPoint Energy Entex, 1111 Louisiana Street, Houston, Texas 77002.

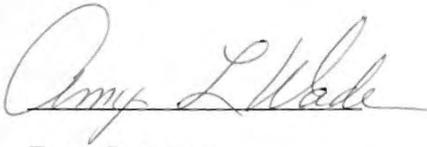
SECTION 10. Nothing contained in this Ordinance shall be construed now or hereafter in limiting or modifying, in any manner, the right and power of the Town under law to regulate the rates and changes of Entex.

SECTION 11. All ordinances, resolutions, or parts thereof, in conflict with this Ordinance are repealed to the extent of such conflict.

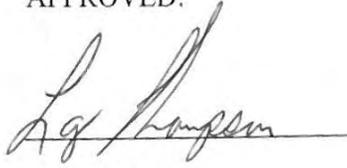
PASSED AND APPROVED, this the 10th day of June, 2004.

ATTEST:

APPROVED:



Town Secretary



Town Mayor

**TOWN ORDINANCE ADOPTING
THE NATIONAL INCIDENT MANAGEMENT SYSTEM (NIMS)**

ORDINANCE NO. 84

AN ORDINANCE ADOPTING THE NATIONAL INCIDENT MANAGEMENT SYSTEM (NIMS)
AS THE STANDARD FOR INCIDENT MANAGEMENT BY THE TOWN OF CUT AND SHOOT

WHEREAS, on February 28, 2003, the President issued Homeland Security Presidential Directive (HSPD) – 5 that directed the Department of Homeland Security, in cooperation with representatives of federal, state, and local government, to develop a National Incident Management System (NIMS) to provide a consistent approach to the effective management of situations involving natural disasters, man-made disasters or terrorism; and

WHEREAS, the final NIMS was released on March 1, 2004, and

WHEREAS, the NIMS contains a practice model for the accomplishment of the significant responsibilities associated with prevention, preparedness, response, recovery, and mitigation of all major and national hazards situations, and

WHEREAS, the HSPD-5 requires that state and local governments adopt the NIMS by fiscal year 2005 as a pre-condition to the receipt of federal grants, contract and activities related to the management and preparedness for certain disaster and hazard situations; and

WHEREAS, the Town Council for the Town of Cut and Shoot desires to adopt the NIMS as required by HSPD-5.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CUT AND SHOOT.

Hereby adopts the National Incident Management System dated March 1, 2004.

READ AND APPROVED on first reading this the 11th day of August 2005.


Lang Thompson, Mayor
Town of Cut and Shoot, Texas

ATTEST:


Amy Wade, Town Secretary

Town of Cut and Shoot, Texas

Motion was made by J. D. Roberts, seconded by Terry Mann that

the following ordinance be passed:

ORDINANCE NO. 85

AN ORDINANCE BY THE TOWN COUNCIL OF THE TOWN OF CUT AND SHOOT, TEXAS, ESTABLISHING PROCEDURES AND FEES FOR NONCONSENT TOWS OF VEHICLES FROM LAW ENFORCEMENT SCENES; PROVIDING REQUIREMENTS FOR NONCONSENT TOWING; PROVIDING A FINE OF \$200 TO \$1000 FOR VIOLATIONS OF THE ORDINANCE; PROVIDING REPEALING AND SAVINGS CLAUSES; PROVIDING A TEXAS OPEN MEETINGS ACT CLAUSE; REQUIRING PUBLICATION OF THE ORDINANCE AS PROVIDED BY LAW; AND PROVIDING FOR THE EFFECTIVE DATE AFTER PUBLICATION.

SECTIONS:

Section I. Generally Applicable Provisions2

Section II. Definitions2

Section III. Removal of Vehicles by Law Enforcement Officer.....4

Section IV. Permits4

Section V. Tow Truck Requirements4

Section VI. Towed Vehicle Storage Requirements4

Section VII. Nonconsent Tow Procedures5

Section VIII. Fees and Charges6

Section IX. Law Enforcement Officer Not to Influence Selection of Towing Company.....7

Section X. Soliciting Towing Business Prohibited7

Section XI. Duties of Tow Truck Operators.....7

Section XII. Towing Fee Studies.....8

Section XIII. Criminal Penalties.....8

Section XIV. Savings Clause8

Section XV. Repealing Clause.....9

Section XVI. Texas Open Meetings Act.....9

Section XVII. Effective Date After Publication9

Town of Cut and Shoot, Texas

Section I. Generally Applicable Provisions

A. Purpose and Scope

The Town of Cut and Shoot, Texas (hereafter called "Cut and Shoot" or "Town"), pursuant to Chapter 643 of the Texas Transportation Code ("the Code"), in order to protect the public, to protect the rights of persons whose vehicles may be towed, to maintain safe and efficient operating rules, and to preserve the peace of the community, hereby establishes Rules and Regulations applicable to individuals and business enterprises engaged in Nonconsent Towing services of Motor Vehicles originating in the incorporated area of Cut and Shoot, when such services are requested by a Law Enforcement Officer.

B. Jurisdiction

These Rules apply to every removal of Motor Vehicles initiated by a Law Enforcement Officer pursuant to the Code, as hereafter amended, in the incorporated area of the Town of Cut and Shoot.

C. Construction of This Ordinance

The Code Construction Act (Texas Government Code, §§ 311.001, et.seq.) shall apply for the purpose of construing this Ordinance, unless an alternative instruction, definition, or application is contained herein.

1. The word "shall" is mandatory and not discretionary as used in this ordinance.
2. The words "policy" or "rule" include "regulation," "policy," "rule," "ordinance" or "order;" and, all have the same meaning as applied in this ordinance.
3. This Ordinance must be liberally construed to give affect to the purpose and intent.

Section II. Definitions

For the purposes of this title, the following terms shall have the meanings respectfully ascribed to them in this section.

Consent Tow: Any tow of a Motor Vehicle initiated by the vehicle's legal or registered owner, or such owner's authorized representative; this term excludes any tow of a Motor Vehicle initiated by a Law Enforcement Officer.

Dispatcher: The law enforcement communications center that dispatches calls for the Town Police Department.

Heavy-Duty Wrecker: A tow truck having a chassis rated at five (5) tons or greater by the vehicle manufacturer and a winch capable of lifting a minimum of thirty thousand (30,000) pounds, as rated by the winch manufacturer. Except where a distinction is specifically made, the terms "Tow Truck" and "Wrecker," as used herein, includes "Heavy-Duty Wrecker."

Town of Cut and Shoot, Texas

Law Enforcement Officer: A Town of Cut and Shoot police officer; and any other Texas peace officer authorized to perform law enforcement duties in Cut and Shoot, Texas (See TEX. CODE OF CRIM. PROC. § 2.12).

Law Enforcement Scene: The scene of a crime, accident, or custodial arrest, or the location of a motor vehicle that is a traffic hazard, a recovered stolen vehicle, or an abandoned vehicle.

Match: The selection process used at a Law Enforcement Scene to determine which Wrecker Operator will perform a Nonconsent Tow at a Law Enforcement Scene or, when appropriate, at an Evidentiary Crime Scene.

Motor Vehicle: A vehicle subject to TEX. TRANS. CODE §§501.002, *et seq.*, and as hereafter amended, or any other device designed to be self-propelled or transported on any public highway, road, or street.

Nonconsent Tow: Any tow conducted at a Law Enforcement Scene or Evidentiary Crime Scene, initiated by a Law Enforcement Officer.

Person: Any individual, partnership, company, corporation or other legal entity or association.

Public Road: A road, street, or highway that has not been discontinued and is a publicly maintained road or highway opened to and used by the public.

Storage Company: An individual, partnership, corporation, or any other entity or association that is engaged in the business of storing Motor Vehicles for compensation or the expectation of compensation. The term includes the owner, operator, employee, and/or agent of the Storage Company.

Tow: The movement of a Motor Vehicle by a Tow Truck.

Towing Company: Any individual, partnership, corporation, or any other entity or association that is engaged in the business of Towing Motor Vehicles on a Public Road, for compensation or with the expectation of compensation, or that owns or operates a Tow Truck. This term includes an owner, operator, employee, and/or agent of the Towing Company.

Tow Slip: A duplicate form completed by the Law Enforcement Officer at the scene, duplicate copies of which are provided to the City Police Department and the Wrecker Operator for identification of the Motor Vehicle towed.

Tow Truck: See definition of *Wrecker*.

Town: The Town of Cut and Shoot, Texas

Vehicle Owner: Any person who holds the legal title to a vehicle, or has the legal right of possession of a vehicle, or legal right of control of a vehicle, or any driver who reasonably appears to have authority to operate the vehicle. This does not include any person who has

Town of Cut and Shoot, Texas

gained possession of a motor vehicle only as a result of tow truck services performed.

Vehicle Storage Facility: An individual, partnership, corporation, or any other entity or association (other than a governmental entity) that is engaged in the business of operating a garage, parking lot, storage lot, or any type of facility to store Motor Vehicles that have been Towed.

Wrecker: A Motor Vehicle or other mechanical device adapted or used to tow, carry, push, winch or otherwise move any Motor Vehicle. Also referred to as a *Tow Truck*.

Wrecker Operator: Any person operating (i.e., drive or otherwise use) a Wrecker, regardless of whether the person owns the vehicle. Also called a *Tow Truck Operator*

Section III. Removal of Vehicles by Law Enforcement Officer

Notwithstanding any other provisions of this Ordinance, any circumstance in which a vehicle or other subject is so located on a public street as to constitute a hazard or obstacle, or to interfere with traffic, or in the event a stolen vehicle is found, or in any other circumstances in which a Law Enforcement Officer in the course of his duty directs the removal of a vehicle from or to any location, any Law Enforcement Officer may require its removal at the owner's expense by any practicable means to include, but not limited to, use of a tow truck.

Section IV. Permits

No Town permits are required.

Section V. Tow Truck Requirements

All tow trucks shall meet the standards and requirements of the Texas Transportation Code, the Texas Department of Transportation, and the Texas Government Code.

Section VI. Towed Vehicle Storage Requirements

Vehicles towed as a result of Law Enforcement ordered tow, shall be stored at a vehicle storage facility that complies with State and County laws. The vehicle storage facility shall be located within fifteen miles of the Town of Cut and Shoot.

Town of Cut and Shoot, Texas

Section VII. Nonconsent Tow Procedures

A. When a Law Enforcement Officer investigating a collision determines that a vehicle involved in a collision is unable to safely proceed under its own power, or when the Law Enforcement Officer determines that the owner involved in a collision is physically unable to safely move the vehicle to a location where it will not create a traffic hazard, such officer shall request the owner to designate the towing company that the owner desires to move the vehicle.

1. Such designation by the owner will be indicated in writing on a form provided by the Law Enforcement Officer and signed by the owner.
2. When the designation has been properly made, the Law Enforcement Officer shall communicate the name of the designated towing company to the Dispatcher.
3. The Dispatcher shall contact the designated towing company and direct a tow truck to the scene of the collision.
4. If the designated towing company cannot be contacted, the owner will be requested to make another designation.

B. If the owner of a vehicle involved in a collision is physically unable to designate the towing company desired to remove the vehicle, or the owner fails or refuses to designate one, or has no preference, then the Law Enforcement Officer shall communicate that fact immediately to the Dispatcher.

1. Such designation by the owner will be indicated in writing on a form provided by the Law Enforcement Officer and signed by the owner if the owner is physically able. If not, the Law Enforcement Officer shall indicate by notation on the form.
2. The Dispatcher shall broadcast a 15-minute wrecker call. Responding tow trucks will assemble a minimum of 100 feet away from the Law Enforcement Scene. When the Dispatcher's 15-minute broadcast time frame has expired, Wrecker Operators may match to determine which wrecker tows the vehicle. Exceptions to the time requirement may be made for safety reasons. If the Law Enforcement Officer on the scene determines the vehicle(s) should be removed from the roadway for safety reasons, the Law Enforcement Officer will advise the Dispatcher to notify wrecker operators who arrived to match. If no tow trucks have arrived, the Law Enforcement Officer will advise the Dispatcher that the first arriving tow truck will be used.
3. No person shall tow, carry or transport a motor vehicle under the direction or authority of a Law Enforcement Officer unless a tow slip has been issued to the driver of the tow truck by the Law Enforcement Officer. Such tow slip shall be filled out by the

Town of Cut and Shoot, Texas

Law Enforcement Officer on a form designated by the Town. The tow slip shall contain the following information:

- A complete description of the vehicle to be towed, including the license plate number and the vehicle identification number;
- Any visible damage to the inside or outside of the vehicle;
- Any personal property contained within the vehicle, which is visible from outside that vehicle;
- Any visible missing parts or paraphernalia;
- The location from which the vehicle is being towed;
- The date and time the vehicle is picked up by the tow truck;
- The reason the vehicle is being towed;
- The location to which the vehicle is to be towed;
- The signature and unit number of the police officer authorizing the tow;
- The signature and driver's license number of the wrecker operator.

4. Once a tow truck has been hooked up to a Motor Vehicle, the towing company may charge the owner of the vehicle the rate authorized by this Ordinance.

Section VIII. Fees and Charges

The following maximum fees may be charged for nonconsent tows and no additional tow charges may be made:

A. Towing Charges

Maximum Towing Charge (includes winch-out, rollover and cleanup)..... \$150.00
Released – Incomplete Hookup No Charge

B. Heavy Duty Wrecker Towing Charges

Heavy Duty Wreckers are dispatched by the Montgomery County Sheriff's Department, and subject to County towing regulations and procedures.

C. Fees charged for storage, notification and preservation are State regulated, and not subject to this Ordinance.

D. The fee for a vehicle lawfully hooked-up but not towed from the scene shall be one-half (1/2) the regular towing fee. This will include moving (relocating) a vehicle from a roadway to a nearby location (shoulder of road, etc.) for safety reasons.

E. If a tow truck selected by a Law Enforcement Officer has not completely hooked up to the

Town of Cut and Shoot, Texas

vehicle and the owner does not want the vehicle towed by that towing company, the Law Enforcement Officer has discretion to order the Wrecker Operator to release the vehicle. In the event of release, the Wrecker Operator may not charge the vehicle owner. However, if the Law Enforcement Officer determines that the vehicle is a traffic hazard or in violation of State or Federal laws, the selected Wrecker Operator shall continue with the Nonconsent Tow.

F. No fee shall be charged for towing any vehicle under direction or authority of a Law Enforcement Officer unless the tow truck driver has obtained a completed tow slip from the Law Enforcement Officer.

G. Any person collecting or charging any fee greater than the maximum fee schedule established herein for towing a vehicle pursuant to the direction of a Law Enforcement Officer shall violate this Ordinance and shall be subject to municipal citations and penalties set out below.

Section IX. Law Enforcement Officer Not to Influence Selection of Towing Company

It shall be unlawful for a Law Enforcement Officer investigating or present at the scene of any wreck or collision to directly or indirectly recommend to any person the name of any towing company; nor shall any such Law Enforcement Officer influence or attempt to influence in any manner the decision of any person in choosing or selecting a tow truck.

Section X. Soliciting Towing Business Prohibited

A. A person commits an offense if he/she intentionally or knowingly solicits a tow in any manner, directly or indirectly, within the incorporated town limits, involving any vehicle that is wrecked on a public street. This prohibition applies regardless of whether the solicitation is for the purpose of the business of towing, removing, repairing, wrecking, storing, trading, selling or purchasing such vehicle.

B. In any prosecution for a violation of this section, proof that the tow truck was present and stopped within 100 feet of the scene of an accident shall constitute prima facie evidence that such tow truck operator was operating or causing to be operated the tow truck in a manner intended to solicit business.

Section XI. Duties of Tow Truck Operators

The duty of a tow truck operator to provide safe and prompt tow service upon call includes, but is not limited to, the following specific duties:

A. Upon arrival at the scene of a collision within the incorporated limits of the Town, tow truck operators shall take directions from the Law Enforcement Officer investigating that collision.

Town of Cut and Shoot, Texas

B. Tow truck operators who haul any vehicle from the scene of a collision within the incorporated limits of the Town shall remove the debris of the collision from the public streets. This duty specifically includes removal of broken glass and metal or fiberglass fragments from the street, and the removal of any load of any vehicle from the traveled portion of the street, so as to eliminate any hazard to vehicular traffic. This does not include the responsibility to unload cargo from a wrecked vehicle in order to permit hauling. Such debris should be disposed of in a manner that will keep it out of streams, public rights-of-way, and property not belonging to the towing company, without consent of the property owner.

3. No tow truck operator shall store any vehicle or tow trucks on the public streets or rights-of-way within the incorporated limits of the Town of Cut and Shoot.

Section XII. Towing Fee Studies

A towing company may file with the Town Police Department, at any time but not more often than once annually, a request for a towing fee study to be performed by the Police Department. In that event, the Police Department shall determine whether the review of fees is warranted, and if so, shall review the maximum allowable fees for Nonconsent Towing services and present to the Town Council of Cut and Shoot a recommendation as to whether the maximum allowable fees set by the Town Council represent the fair value of the services of towing companies and are reasonably related to any financial or accounting information collected by the Department during the course of its review of towing fees. The Town Council shall determine whether the maximum allowable fees should be amended, and proceed accordingly. The Town is not obligated to conduct a towing fee study more often than once annually.

Section XIII. Criminal Penalties

A person commits an offense if the person violates any provision of these Rules and Regulations. An offense under these Rules and Regulations is a misdemeanor punishable by a fine of not less than two hundred dollars (\$200.00) or more than one thousand dollars (\$1,000.00) per violation. See Tex. Transportation. Code § 643.253 (e). A Law Enforcement Officer may issue a citation for any violation. Each day that a violation continues shall be punishable as a separate offense.

Section XIV. Savings Clause

If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect any of the remaining provisions of this Ordinance.

Town of Cut and Shoot, Texas

Section XV. Repealing Clause

All other Ordinances and parts of Ordinances in conflict with the provisions of this Ordinance are hereby repealed; provided, however, that such repeal shall be only to the extent of such inconsistency and in all other respects this Ordinance shall be cumulative of other Ordinances regulating and governing the subject matter covered by this Ordinance.

Section XVI. Texas Open Meetings Act

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

Section XVII. Effective Date After Publication

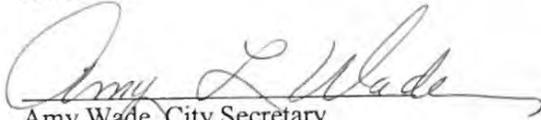
The Town Secretary is hereby directed to cause the caption of this Ordinance to be published as required by law. This Ordinance shall take effect ten (10) days after the date of publication.

PASSED AND APPROVED this 13th day of October 2005.



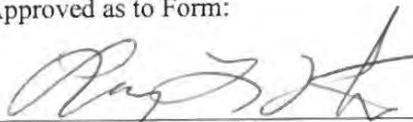
Mayor Lang Thompson

ATTEST:



Amy Wade, City Secretary

Approved as to Form:



Larry L. Foerster, City Attorney

Motion was made by J.D. Roberts, seconded by Terry Mann
that the following Ordinance be passed:

ORDINANCE NO. 85-A

AN ORDINANCE BY THE TOWN COUNCIL OF THE TOWN OF CUT AND SHOOT, TEXAS, ADOPTING THE RULES AND REGULATIONS FOR NON-CONSENT TOWING AND STORAGE SERVICES OF MONTGOMERY COUNTY, TEXAS; ESTABLISHING PROCEDURES AND FEES FOR NON-CONSENT TOWS OF VEHICLES FROM LAW ENFORCEMENT SCENES; PROVIDING REQUIREMENTS FOR NON-CONSENT TOWING; PROVIDING A FINE OF \$200 TO \$1,000 FOR VIOLATIONS OF THE ORDINANCE; REPEALING TOWN ORDINANCE NO. 85 AND ALL ORDINANCES IN CONFLICT; PROVIDING SAVINGS CLAUSE; PROVIDING TEXAS OPEN MEETINGS CLAUSE; REQUIRING PUBLICATION OF THE ORDINANCES AS PROVIDED BY LAW; AND PROVIDING FOR THE EFFECTIVE DATE AFTER PUBLICATION.

WHEREAS, the Town Council of the Town of Cut and Shoot, Texas, pursuant to Chapter 643 of the Texas Transportation Code ("the Code"), in order to protect the public, to protect the rights of persons whose vehicles who may be towed, to maintain safe and efficient operating rules, and to preserve the peace of the community, has the authority to establish Rules and Regulations applicable to individuals and business enterprises engaged in non-consent towing services of Motor Vehicles originating in the incorporated area of Cut and Shoot, when such services are requested by a Law Enforcement Officer; and

WHEREAS, the County of Montgomery, Texas has implemented Rules and Regulations for Non-Consent Towing and Storage Services, which regulates tow trucks, towing companies, and tow truck operators with applicable permits and fees; and

WHEREAS, in the interest of providing uniform rules and regulations for towing companies and tow truck operators both within the Town and throughout the County, the Town Council desires to adopt and incorporate as its own towing ordinance the aforesaid Rules and Regulations of Montgomery County, Texas, a copy of which is attached hereto

NOW THEREFORE BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CUT AND SHOOT, TEXAS, THAT:

SECTION 1. Adoption of County Rules and Regulations

The Town Council hereby adopts the Rules and Regulations for Non-Consent Towing and Storage Services of Montgomery County, Texas, as attached hereto as Exhibit "A", along with any amendments thereto.

SECTION 2. Criminal Penalties

Consistent with the criminal penalties set out in the Montgomery County Rules and Regulations, a person commits an offense if the person violates any provision of these Rules and Regulations. An offense under these Rules and Regulations is a misdemeanor punishable by a fine of not less than Two Hundred dollars (\$200.00) nor more than One Thousand Dollars (\$1,000.00) per violation, as provided in the Texas Transportation Code, Section 643.253(e). A Law Enforcement Officer may issue a citation for any violation. Each day that a violation continues shall be a separate offense.

SECTION 3. Savings Clause

The Town Council of the Town of Cut and Shoot, Texas, does hereby declare that if any section, subsection, paragraph, sentence, clause, phrase, work or portion of this Ordinance is declared invalid, or unconstitutional, by a court of competent jurisdiction, that, in such event it would have passed and ordained and all remaining portions of this Ordinance without the inclusion of that portion of portions which may be so found to be unconstitutional or invalid, and declares its intent is to make no portion of this Ordinance dependent upon the validity of any other portion thereof, and that all said remaining portions shall continue in full force and effect.

SECTION 4. Repealing Clause

Town Ordinance No. 85, dated October 13, 2005 is hereby repealed. All other ordinances and parts of ordinances, in conflict with the provisions of this Ordinance are hereby expressly repealed; provided, however, that such repeal shall be only to the extent of such inconsistency and in all other respects, this Ordinance shall be cumulative of other Ordinances regulating and governing the subject matter covered by this Ordinance.

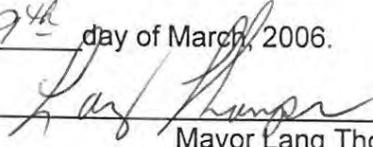
SECTION 5. Texas Open Meetings Clause

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

SECTION 6. Effective Date after Publication

The Town Secretary is hereby directed to cause this caption of this Ordinance to be published as required by law. This Ordinance shall take effect ten days (10) after the date of publication.

PASSED AND APPROVED this 9th day of March, 2006.



Mayor Lang Thompson

ATTEST:



Amy Wade, Town Secretary

APPROVED AS TO FORM:

Larry L. Foerster, Town Attorney

MONTGOMERY COUNTY, TEXAS

RULES AND REGULATIONS

FOR

NON-CONSENT TOWING AND STORAGE SERVICES

	<u>Page Nos.</u>
I. <u>GENERALLY APPLICABLE PROVISIONS</u>	2
A. PURPOSE AND SCOPE.....	2
B. JURISDICTION.....	3
C. CONSTRUCTION OF THESE RULES.....	3
D. DEFINITIONS.....	3
E. OWNERSHIP OF ID CARDS, CHIPS AND PERMITS.....	6
F. FEES AND CHARGES, GENERALLY.....	6
G. EFFECT OF OTHER LAWS.....	8
II. <u>TOW TRUCKS AND TOWING COMPANIES</u>	8
A. TOW TRUCK PERMIT REQUIRED.....	8
B. APPLICATION PROCESS.....	10
C. APPLICATION FEE.....	12
D. ISSUANCE OF TOW TRUCK PERMIT.....	12
E. EXPIRATION OF TOW TRUCK PERMIT.....	12
F. RENEWAL/REPLACEMENT OF TOW TRUCK PERMIT.....	12
G. ASSIGNABILITY OF TOW TRUCK PERMITS.....	13
H. INSURANCE REQUIREMENTS.....	13
I. REQUIRED IDENTIFICATION MARKINGS.....	15
J. RECORD RETENTION.....	15
K. NONCOMPLIANCE WITH ARTICLE II.....	16
III. <u>TOW TRUCK OPERATORS</u>	16
A. IDENTIFICATION CARD REQUIRED.....	16
B. APPLICATION PROCESS.....	17
C. APPLICATION FEE.....	18
D. ISSUANCE OF ID CARD.....	18
E. EXPIRATION AND RENEWAL/REPLACEMENT OF ID CARD.....	18
F. NONCOMPLIANCE WITH ARTICLE III.....	19
IV. <u>OPERATION OF TOW TRUCKS IN NON-CONSENT TOWING</u>	19
A. EQUIPMENT REQUIREMENTS.....	19
B. LAW ENFORCEMENT SCENES.....	22
C. EVIDENTIARY CRIME SCENES.....	25
D. MATCHING PROCESS.....	25
E. TOW TRUCK SLIP.....	26
F. NOTICE TO MOTOR VEHICLE OWNERS.....	27
G. NONCOMPLIANCE WITH ARTICLE IV.....	27

V. <u>HEAVY-DUTY TOW TRUCKS</u>	28
A. PERMIT REQUIRED.....	28
B. APPLICATION PROCESS.....	29
C. APPLICATION FEE.....	29
D. DEPARTMENT DISPATCH OF HEAVY-DUTY TOW TRUCKS.....	29
E. EQUIPMENT REQUIREMENTS.....	30
F. INSURANCE REQUIREMENTS.....	30
G. NONCOMPLIANCE WITH ARTICLE V.....	30
VI. <u>VEHICLE STORAGE FACILITIES</u>	30
A. ELIGIBLE FACILITIES.....	30
B. OPERATION OF VEHICLE STORAGE FACILITY.....	30
C. DUTIES AND RESPONSIBILITIES OF STORAGE COMPANY.....	31
D. NONCOMPLIANCE WITH ARTICLE VI.....	31
VII. <u>VIOLATIONS OR INSUFFICIENT APPLICATIONS</u>	31
A. DENIAL, REFUSAL TO RENEW, SUSPENSION OR REVOCATION OF PERMIT AND/OR ID CARD.....	31
B. COMPLAINT PROCEDURE.....	32
C. NOTICE TO APPLICANT OF ADVERSE ACTION BY THE DEPARTMENT.....	32
D. HEARING PROCESS.....	33
E. SANCTIONS.....	34
F. AFFIRMATIVE DEFENSES TO SUSPENSION OR REVOCATION.....	34
VIII. <u>FEES AND MAXIMUM ALLOWABLE CHARGES</u>	35
A. APPLICATION FEES.....	35
B. RENEWAL AND REPLACEMENT APPLICATION FEES.....	35
C. MAXIMUM ALLOWABLE TOW TRUCK TOWING CHARGES.....	35
D. MAXIMUM ALLOWABLE HEAVY-DUTY TOW TRUCK TOWING CHARGES.....	36
E. TOWING FEE STUDIES.....	36
IX. <u>ENFORCEMENT</u>	36
X. <u>COMMUNICATIONS AND COUNTY CONTACT</u>	36
XI. <u>EFFECTIVE DATE</u>	37

* * * * *

I. GENERALLY APPLICABLE PROVISIONS

A. PURPOSE AND SCOPE

1. Montgomery County, Texas (hereinafter called "Montgomery County" or "County"), pursuant to Chapter 643 of the Texas Transportation Code, in order to protect the public, to protect the rights of persons whose vehicles may be Towed, to maintain safe and efficient operating rules, and to preserve the peace of the community, hereby establishes Rules and Regulations applicable to individuals and business enterprises engaged in Non-Consent Towing services and storage of Motor Vehicles moved in

connection with Non-Consent Towing originating in the unincorporated areas of Montgomery County, when such services are initiated by a Law Enforcement Officer.

2. The Montgomery County Sheriff (hereinafter referred to as the "Sheriff") supports the provisions of these Rules. The Montgomery County Commissioners' Court (hereinafter called "Commissioners' Court") hereby delegates to the Sheriff authority to administer and enforce the registration and operation requirements promulgated by these Rules through the Montgomery County Sheriff's Office (hereinafter referred to as the "Department").
3. No person shall operate a Tow Truck or Heavy-Duty Tow Truck in the performance of Non-Consent Towing services in the unincorporated areas of Montgomery County, unless the Tow Truck has been registered with and permitted by the Department. These Rules do not apply to a Consent Tow or to government-owned Tow Trucks.
4. No person or business entity shall operate a Vehicle Storage Facility for the storage of Motor Vehicles that have been subjected to Non-Consent Tows in Montgomery County without a valid and current license issued by the Texas Department of Transportation (hereinafter called "TxDOT").
5. No Tow Truck Operator may remove any Motor Vehicle from a Law Enforcement Scene or attach a Tow Truck to any vehicle at the scene until a Law Enforcement Officer at the scene authorizes moving the vehicle.

B. JURISDICTION

These Rules apply to every removal or storage of Motor Vehicles initiated by a Law Enforcement Officer in the unincorporated areas of Montgomery County, unless a government-owned Tow Truck or facility is employed for the removal or storage.

C. CONSTRUCTION OF THESE RULES

The Code Construction Act (TEX. GOV'T CODE §§ 311.001, *et seq.*) shall apply for the purpose of construing these Rules, unless an alternative instruction, definition or application is contained herein.

1. The word "shall" is mandatory and not discretionary as used in these Rules.
2. The words "policy" or "rule" include "regulation," "policy," "rule," "ordinance" or "order;" and, all have the same meaning as applied in these Rules.
3. These Rules must be liberally construed to give affect to their purpose and intent.

D. DEFINITIONS

The following words and terms, when used in these Rules, shall have the following meanings, unless the context clearly indicates otherwise.

1. APPLICATION – The written application form, along with all required documentation and applicable fees, approved and prescribed by the Department for purposes of these Rules.
2. CHIP – A numbered metal tag that is issued by the Department for each Tow Truck, along with a Tow Truck Permit, to be used for Match at a Law Enforcement Scene; the number on the Chip corresponds with the Tow Truck Permit number.

3. CONSENT TOW – Any Tow of a Motor Vehicle initiated by the Vehicle Owner or operator of the vehicle or by a person who has possession, custody or control of the vehicle. This term does not include a Tow of a Motor Vehicle initiated by a Law Enforcement Officer.
4. CONVICTION – A finding of guilt by a judge or jury, or any plea of guilty or *nolo contendere*, unless such conviction has been held invalid by a court, or the proceedings against the defendant have been dismissed and the defendant discharged by a court.
5. DEPARTMENT – The Montgomery County Sheriff's Office.
6. EMERGENCY LIGHTS – Flashing, rotating or strobe lights that are mounted above the roof of the Tow Truck.
7. EVIDENTIARY CRIME SCENE – A crime scene in unincorporated Montgomery County that requires the response of a law enforcement agency's specialized investigative unit(s). Examples include, but are not limited to: a homicide scene or an auto theft "chop shop."
8. HEAVY-DUTY TOW TRUCK — A Tow Truck having a chassis rated at five (5) tons or greater by the vehicle manufacturer and a winch capable of lifting a minimum of thirty thousand (30,000) pounds, as rated by the winch manufacturer. Except where a distinction is specifically made, the term "Tow Truck," as used herein, includes "Heavy-Duty Tow Truck."
9. HIGH-MOUNTED STOP LAMP – A lamp conforming to 49 CFR §571.108.
10. IDENTIFICATION (ID) CARD – Identification card issued to a Tow Truck Operator by the Department demonstrating eligibility of a person to conduct Non-Consent Tows and containing information to verify the identity of the Tow Truck Operator.
11. LAW ENFORCEMENT OFFICER – A Montgomery County Sheriff, a Montgomery County Constable, or their deputies, and any other Texas peace officer authorized to perform law enforcement duties in Montgomery County, Texas (See TEX. CODE OF CRIM. PROC. § 2.12).
12. LAW ENFORCEMENT SCENE –The scene of a crime, accident, or custodial arrest, or the location of a vehicle, which is a traffic hazard, a recovered stolen vehicle, or an abandoned vehicle.
13. MAGNETIC TOW LIGHTS – A set of red lamps, connected to the Tow Truck, which are attached to the rear of the Towed vehicle and, when lit, signal stop and turn movements of the Towed vehicle.
14. MATCH – The selection process used by a Law Enforcement Officer to determine which Tow Truck Operator will perform a Non-Consent Tow at a Law Enforcement Scene or, when appropriate, at an Evidentiary Crime Scene.
15. MOTOR VEHICLE – A vehicle, as defined in TEX. TRANSP. CODE §501.002, as hereafter amended, or any other device designed to be self-propelled or transported on any public highway, road, or street.

16. NON-CONSENT TOW – Any Tow initiated by a Law Enforcement Officer and conducted at a Law Enforcement Scene or Evidentiary Crime Scene in unincorporated areas of Montgomery County.
17. OPERATE – To drive or otherwise be in physical control of a Motor Vehicle.
18. OPERATOR – Any person operating a Tow Truck, regardless of whether the person owns the vehicle.
19. PERMITTED TOW TRUCK – A Tow Truck for which a valid permit has been issued by the Department authorizing an Operator of the Tow Truck to conduct Non-Consent Tows in Montgomery County.
20. PUBLIC ROAD – A road, street, or highway that has not been discontinued and is a publicly maintained road or highway opened to and used by the public.
21. STORAGE COMPANY – An individual, partnership, corporation, or any other entity or association that is engaged in the business of storing Motor Vehicles for compensation or the expectation of compensation. The term includes the owner, operator, employee, and/or agent of the Storage Company.
22. TOW - The recovery and movement of a Motor Vehicle using a Tow Truck.
23. TOWING COMPANY – An individual, partnership, corporation, or any other entity or association that is engaged in the business of Towing Motor Vehicles on a Public Road, for compensation or with the expectation of compensation, or who owns or operates a Tow Truck. This term includes an owner, Operator, employee, and/or agent of the Towing Company.
24. TOW TRUCK – A Motor Vehicle or other mechanical device adapted or used to Tow, carry, push, winch or otherwise move any Motor Vehicle.
25. TOW TRUCK INSPECTOR – A person designated by the Department to enforce these Rules and authorized to seize any Department property including, but not limited to, ID Cards, Chips and Tow Truck Permits.
26. TOW TRUCK PERMIT – A numbered tag issued by the Department authorizing a specific Tow Truck to be used to perform Non-Consent Tows, identified by a Tow Truck Permit number assigned by the Department.
27. TOW TRUCK SLIP – A triplicate form completed by a Law Enforcement Officer at the scene, duplicate copies of which are provided to the Department, Tow Truck Operator and the Vehicle Storage Facility for identification of the Motor Vehicle Towed.
28. VEHICLE OWNER - A Motor Vehicle's legal or registered owner, or such owner's authorized representative.
29. VEHICLE STORAGE FACILITY – An individual, partnership, corporation, or any other entity or association (other than a governmental entity) that is engaged in the business of operating a garage, parking lot, storage lot, or any type of facility to store Motor Vehicles that have been Towed.

30. **WORKING DAY** – Any day in which the Department conducts normal business, excluding Montgomery County holidays and weekends.
31. **ZONE** – The area corresponding to Patrol Districts established by the Department for radio dispatch control and other organizational purposes, in accordance with the following:
- | | |
|--------|-------------------|
| Zone 1 | Districts 1 and 5 |
| Zone 2 | Districts 2 and 6 |
| Zone 3 | District 3 |
| Zone 4 | District 4 |
- A map delineating Zones and Patrol Districts, with Key Map block overlay, is attached hereto as “Exhibit A” and incorporated herein for all purposes.
32. **ZONE STICKER** – A sticker issued by the Department in conjunction with a Tow Truck Permit authorizing an additional Zone in which a Tow Truck may be used for Non-Consent Towing services.

E. OWNERSHIP OF ID CARDS, CHIPS AND PERMITS

1. All ID Cards, Chips and permits are the property of the Department.
2. Upon determination by the Department that these Rules have been violated, a Department supervisor with the rank of Sergeant or above, or personnel designated as Tow Truck Inspectors, shall have the authority to confiscate, revoke or suspend an ID Card, Chip or permit and are hereby authorized to require any person in possession of Department property to immediately surrender such property. The Department shall retain possession of the ID Card, Chip or permit seized, pending any hearing or appeal process as provided by Article VII hereof.
3. A person or Towing Company required to surrender an ID Card, Chip or permit may lodge an appeal with the Department pursuant to Article VII hereof.
4. It is a violation of these Rules to refuse to surrender any Department property upon demand by proper authority.

F. FEES AND CHARGES, GENERALLY

1. All fees and maximum allowable charges relating to the Non-Consent Towing of Motor Vehicles and the issuance of any permits and ID Cards shall be determined by Commissioners’ Court. An initial schedule of registration fees and maximum allowable Towing charges is included herein as Article VIII; these fees and maximum allowable charges shall remain in effect from the effective date hereof until changed by Commissioners’ Court. Fees and maximum allowable charges set out in Article VIII may be changed at any time and from time-to-time by Commissioners’ Court, as it deems appropriate. The fees and charges listed in Article VIII shall be approved or amended by Commissioners’ Court in the manner authorized by law for the taking of official action by a political subdivision.
2. Allowable charges set out in Article VIII are “maximum” allowable amounts; Towing Companies may charge for Non-Consent Towing services rates at or below maximum allowable amounts.

3. All maximum allowable charges set out by Commissioners' Court in these Rules have been determined to provide fair remuneration to owners and Operators of Tow Trucks performing services related to Non-Consent Towing following considerable research by the County and its assessment of current Towing practices in Montgomery County, responses to County correspondence soliciting input from Towing Companies currently doing business in Montgomery County, comments from participants in three public hearings and research into industry practices elsewhere in the State. In addition, maximum allowable charges set out have been determined to compensate for all functions, duties and equipment necessary for the performance of Non-Consent Towing services.
4. Any application fee for Tow Truck Permit issued during a calendar year shall be calculated on a pro rata basis for the number of months remaining in the calendar year from the date of application. Any portion of a month shall be deemed an entire month. Application fees pertaining to ID Cards will not be prorated.
5. The application fee for ID Cards has been determined by the County to offset all of the County's costs of processing; there shall be no additional charge for notary acknowledgment obtained at the Department, nor for photographs or fingerprint impressions taken by the Department.
6. All payments of fees to the Department shall be non-refundable; payments must be made by cash, cashier's check or money order payable to "Montgomery County Sheriff's Office."
7. It is a violation of these Rules for any permit holder, Tow Truck Operator or Towing Company to charge any fees for services relating to Non-Consent Towing originating in Montgomery County that exceed the maximum allowable Towing charges set out in Article VIII.
8. Fees or charges for recovery services requiring the use of a back-up Tow Truck may be charged with approval of the Law Enforcement Officer at the scene and his/her acknowledgement on the Tow Truck Slip that an additional Tow Truck was necessary to complete recovery and loading of the vehicle. A back-up Tow Truck shall be selected by the Tow Truck Operator whose Chip is drawn in the Match from other eligible Tow Trucks at the scene at the time of the Match, or that Tow Truck Operator may agree to select a back-up Tow Truck by conducting a second Match. No fees or charges for services of a back-up Tow Truck may exceed the maximum allowable amounts set forth in Article VIII hereof; and, in no event shall any Towing Company charge for more than one (1) back-up Tow Truck. Back-up Tow Trucks and Tow Truck Operators of the back-up Tow Trucks must have current, valid Tow Truck Permits and ID Cards.
9. It is a violation of these Rules for any Permit holder, Tow Truck Operator or Tow Truck Company to charge any fee for Non-Consent Towing services not actually performed.
10. These Rules do not regulate or set fees for salvage of cargo spilled from large rigs or trailers. Services for such salvage services may be negotiated by and between the Tow Truck Operator recovering the cargo and the Motor Vehicle Owner.
11. Fees for Non-Consent Towing services apply to movement of a vehicle from a Law Enforcement Scene to an eligible Vehicle Storage Facility, or other location designated

by the Vehicle Owner and agreed to by the Tow Truck Operator [as required by TEX. TRANSP. CODE § 643.206(a), as amended]. Once the vehicle is claimed by the Vehicle Owner, necessary Towing from the Vehicle Storage Facility to another location shall be performed through Consent Towing services; and, therefore, maximum Towing fees set forth in Article VIII hereof do not apply to movement beyond the initial location. Moreover, a vehicle owner shall not be charged for Non-Consent Towing of a vehicle transported from the initial Vehicle Storage Facility to another, except where the movement is requested or approved by the Vehicle Owner; transfer between Vehicle Storage Facilities is subject to the provisions of Section A of Article VI of these Rules.

G. EFFECT OF OTHER LAWS

It is not intended, and no provision herein should be so construed, to contravene any applicable law or to pre-empt any Federal statute. To the extent any part or any provision in these Rules might otherwise be construed as invalid, illegal or unenforceable in any respect, it should be construed as being limited in its scope and applicable to only those circumstances to which it can legally apply. To the extent that any provision or part hereof is found to be invalid, illegal or unenforceable in any respect, it shall not affect any other provision.

II. TOW TRUCKS AND TOWING COMPANIES

A. TOW TRUCK PERMIT REQUIRED

1. It is a violation of these Rules for any Towing Company to perform Non-Consent Towing services, including loading, recovering and Towing, originating in the unincorporated areas of Montgomery County without a current and valid motor carrier registration with TxDOT under 43 TEX. ADMIN. CODE Subchapter B and a Tow Truck Permit issued by the Department, properly displayed in the Tow Truck, which demonstrates authority to Tow within the same Zone as the Law Enforcement Scene.
2. A Tow Truck Permit shall be required for each Tow Truck used for Non-Consent Towing services originating in the unincorporated areas of Montgomery County on or after the effective date of these Rules, as set out in Article XI herein. Each Tow Truck Permit issued to a Towing Company shall include authorization for one specific Tow Truck intended for use in Non-Consent Tows; separate permits must be issued for each Tow Truck to be used by any Towing Company for Non-Consent Tows. All Tow Truck Permits shall be prominently displayed on the upper left side (*i.e.*, driver's side) of the front windshield of the Tow Truck and clearly visible at all times.
3. A Tow Truck Permit shall provide authority to perform Non-Consent Towing services within one Zone, provided that the Towing Company has authority or privileges to use a Vehicle Storage Facility located within the Zone for which the Tow Truck Permit was issued. A Towing Company may obtain authority to perform Non-Consent Towing services in additional Zone(s) in which the Towing Company also has authority or privilege to use a Vehicle Storage Facility. Authorization to perform Non-Consent Towing services in additional Zones should be requested on an Application for Tow Truck Permit and will be indicated on the Tow Truck Permit by Zone Stickers.
4. On or after the effective date of these Rules, each Tow Truck used for any Non-Consent Towing services, including Tow Trucks used for back-up assistance, must have and

properly display a current and valid Tow Truck Permit issued by the Department for the same Zone as the Law Enforcement Scene.

5. Towing Companies are responsible for the Tow Truck Permits issued to them. If a Tow Truck Permit is lost or stolen, the Towing Company shall be responsible for replacement of the permit before a Tow Truck may be used in a subsequent Non-Consent Tow.
6. One Chip will be issued along with each Tow Truck Permit; that Chip will be unique to the specific Tow Truck covered by the Tow Truck Permit, and will display a number corresponding to the number assigned to the Tow Truck on the Tow Truck Permit.
7. A valid Tow Truck Permit and Chip issued by the Department that properly identifies the Towing Company is required for any Operator of a Tow Truck to participate in a Matching procedure at any Law Enforcement Scene or Evidentiary Crime Scene.
8. A missing, expired, altered or mutilated Tow Truck Permit, Zone Sticker and/or corresponding Chip shall automatically disqualify any Operator of a Tow Truck from participation in the Matching process at the scene. If, while conducting a Match, the Law Enforcement Officer determines a Tow Truck Permit or Zone Sticker is not displayed, has expired, or has been altered or mutilated beyond normal wear and tear, or is otherwise invalid, the Officer may deny participation in the Match by the Operator of that Tow Truck. In addition, failure to produce a valid Chip with a number corresponding to the Tow Truck Permit displayed on the Tow Truck in use by the Tow Truck Operator will disqualify an Operator of a Tow Truck from participation in the Matching process at the scene.
9. Should the Department suspend or revoke any or all Tow Truck Permits and Chips obtained by a Towing Company, pursuant to Article VII hereof, it shall be the responsibility of the Towing Company to obtain reinstatement of a Tow Truck Permit and/or Chip for any Tow Truck that may be used in subsequent Non-Consent Tows.
10. A list of Vehicle Storage Facilities to which the Towing Company has privileges to deliver a Motor Vehicle loaded and transported pursuant to a Non-Consent Tow must be visibly displayed on each Tow Truck. It is a violation for any person to transport a Motor Vehicle pursuant to a Non-Consent Tow to a Vehicle Storage Facility that is not identified in the Towing Company's Application on file with the Department.
11. **AN APPLICATION FOR TOW TRUCK PERMIT SHALL INCLUDE AN AGREEMENT BY THE TOWING COMPANY THAT PROPER EQUIPMENT WILL BE USED IN LOADING, RECOVERING AND TOWING MOTOR VEHICLES IN NON-CONSENT TOWING SERVICES, AND THAT SAID EQUIPMENT WILL BE CAPABLE OF LOADING, RECOVERING AND TOWING A MOTOR VEHICLE WITHOUT CAUSING DAMAGE TO THE MOTOR VEHICLE OVER AND ABOVE DAMAGE TO THE VEHICLE THAT OCCURRED PRIOR TO THE TOW. THE APPLICATION ALSO SHALL INCLUDE A PROVISION FOR INDEMNIFICATION AND HOLD HARMLESS OF MONTGOMERY COUNTY BY THE TOWING COMPANY AGAINST ANY CLAIMS OF DAMAGE TO A MOTOR VEHICLE, OR THE CONTENTS THEREOF, HANDLED BY THE TOWING COMPANY AND AGAINST ANY CLAIMS OF INJURY OR DAMAGE TO ANY PERSON OR OTHER PROPERTY RESULTING FROM NON-CONSENT TOWING SERVICES**

PERFORMED BY THE TOWING COMPANY OR USING ANY TOW TRUCK OWNED BY THE TOWING COMPANY.

12. Each Towing Company applicant or permit holder shall permit inspection of vehicles or books and records by Department personnel on any Working Day during normal business hours as necessary for the Department to ensure compliance with these Rules.

B. APPLICATION PROCESS

1. To obtain a Tow Truck Permit for the Towing Company and/or any Tow Truck, a Towing Company may request an Application form from the Department at the Information Booth located in the main lobby of the Sheriff's Office during normal business hours or download the Application form from the Department's internet website (www.mocosherriff.com), then file a completed Application with the Department. The Application form shall be prescribed by the Department. Application forms will be available beginning January 15, 2006. The Application shall include at least the following information:
 - a. Year and make of the Tow Truck to which the Tow Truck Permit will apply;
 - b. Vehicle Identification Number (VIN) of the Tow Truck;
 - c. Current Texas permit plate number for the Tow Truck;
 - d. Full name, physical address, mailing address and telephone number of the Towing Company and contact; if the Towing Company is a partnership or corporation, the full name, address and phone number for each partner or corporate officer;
 - e. **AGREEMENT TO INDEMNIFY AND HOLD HARMLESS MONTGOMERY COUNTY IN THE EVENT OF DAMAGE TO OR LOSS OF ANY MOTOR VEHICLE, OR THE CONTENTS THEREOF, HANDLED BY THE TOWING COMPANY OR INJURY OR DAMAGE TO ANY PERSON OR OTHER PROPERTY AS A RESULT OF NON-CONSENT TOWING SERVICES PERFORMED BY APPLICANT OR THE TOWING COMPANY;**
 - f. Zone(s) in which Non-Consent Towing services will be performed;
 - g. A list of storage lots by Zone the Operator uses for Non-Consent Towing purposes, for which a list is also displayed on the Tow Truck, identified by the Vehicle Storage Facility license number assigned by TxDOT;
 - h. Acknowledgement and agreement that each Vehicle Storage Facility to be used by the Towing Company for storage of vehicles moved in Non-Consent Towing services will have adequate space to store vehicles Towed and each Vehicle Storage Facility used is operated in compliance with the Texas Vehicle Storage Act, Chapter 2303 of the Texas Occupations Code, as hereafter amended or its successor statute, and TxDOT administrative rules and regulations in Subchapter G of Chapter 43 of the Texas Administrative Code, as hereafter amended or its successor administrative rules; and

[Rev. 1/20/06]

- i. The applicant's original signature.
2. The Application shall be accompanied by:
 - a. A copy of the applicable "Vehicle Registration Listing" issued by TxDOT, and known as the "cab card;"
 - b. A copy of the receipt from the Montgomery County Tax Office showing current registration or, if the Tow Truck is registered outside Montgomery County, evidence of current registration from the county where the Tow Truck is registered;
 - c. Proof of passage of vehicle inspection;
 - d. A copy of the Towing Company's most recent Tow Truck invoice;
 - e. A schedule of the Towing Company's Non-Consent Tow fees posted on TxDOT website;
 - f. Current original business card for the Towing Company, which shall include the business name, business phone number and all addresses and phone numbers of storage lots to be used by the Towing Company;
 - g. A letter(s) of authorization or other documentation demonstrating authority to use each Vehicle Storage Facility identified in the Application;
 - h. Evidence of insurance coverage or financial responsibility for each Tow Truck and each potential Operator of the Tow Truck, in accordance with TEX. TRANSP. CODE §§ 601.051 and 643.101 and Section H of this Article II;
 - i. Payment of a fee, as provided in Article VII; and
 - j. An original "CERTIFICATE OF INSURANCE" for the Tow Truck being permitted as required by Section H of this Article II, naming Montgomery County as certificate holder, as follows:

MONTGOMERY COUNTY
#1 Criminal Justice Dr.
Conroe, Texas 77301
ATTN: SHERIFF'S OFFICE
TOW TRUCK ENFORCEMENT

3. Applications for Tow Truck Permits will be accepted by the Department on or after February 1, 2006.
4. Changes, corrections and updates to any information on file with the Department should be filed within twenty (20) days of learning that the information on file is incorrect, on a new Application form indicating that filing of the form is a change to an existing Application on file.

[Rev. 1/20/06]

5. Applications must be submitted to the Department by hand-delivery during normal business hours or by delivery through the United States Postal Service or any private courier service. No Application or supporting documentation, may be submitted by facsimile or electronic mail.
6. Zone Stickers may be requested after issuance of a Tow Truck Permit for additional Zones in which authority or privileges to use a Vehicle Storage Facility have been obtained. Applications for additional Zone Stickers must contain the same information required for the original permit Application.

C. APPLICATION FEE

An application for a Tow Truck Permit or Zone Sticker shall include payment of fee(s) provided in Article VIII.

D. ISSUANCE OF TOW TRUCK PERMIT

1. If the Department determines the applicant has satisfied all requirements under these Rules, it may issue the Towing Company a Tow Truck Permit for the identified Tow Truck, along with a corresponding Chip to that Tow Truck Permit.
2. Replacement of stolen, lost, expired or damaged Tow Truck Permits or Zone Stickers will necessitate filing an Application for replacement, containing the same information required for an original Application in Section B of this Article II. The Department shall not approve an Application for a replacement Tow Truck Permit or Zone Sticker unless a valid Tow Truck Permit or Zone Sticker previously issued for the particular Tow Truck has not been suspended or revoked prior to application for replacement.
3. Upon issuance of a Tow Truck Permit to a particular Towing Company, the Department will notify each Storage Company whose Vehicle Storage Facility is listed on the Application for Tow Truck Permit of their authority to accept vehicles at that facility that had been subjected to Non-Consent Tows by the respective Towing Company.
4. It is the responsibility of a Tow Truck Permit holder to have the Chip replaced if it is lost or marred or mutilated beyond normal wear and tear.

E. EXPIRATION OF TOW TRUCK PERMIT

1. All Tow Truck Permits and Zone Stickers expire annually at midnight on the 31st day of January, regardless of the issuance date. To renew a Tow Truck Permit, the Towing Company must file a renewal Application.
2. A Chip is valid only with its corresponding Tow Truck Permit and expires when its corresponding permit expires.

F. RENEWAL/REPLACEMENT OF TOW TRUCK PERMIT

1. Annual renewal Applications may be submitted to the Department after December 1 and no later than January 31.

[Rev. 1/20/06]

2. Renewal or Replacement Applications must contain the same information required for original Applications in Subsections 1 and 2, Section B of this Article II and must be accompanied by payment of the appropriate fee(s) set out in Article VIII hereof.
3. A Towing Company that fails to renew a Tow Truck Permit before it expires shall return the permit and corresponding Chip to the Department no later than February 1 following expiration; failure to surrender an expired Tow Truck Permit or Chip is a violation of these Rules.
4. Performing Non-Consent Towing services with an expired Tow Truck Permit constitutes a violation of these Rules.
5. If a Tow Truck Permit is lost or destroyed, a Towing Company may obtain a replacement by filing with the Department a sworn affidavit stating that the ID Card was lost or stolen and describing in detail how the ID Card was lost or stolen.

G. ASSIGNABILITY OF TOW TRUCK PERMITS

1. Permits are not assignable or transferable, except that a Tow Truck Permit and corresponding Chip may be transferred to a replacement or substitute Tow Truck if:
 - a. The replacement or substitute Tow Truck belongs to the same Towing Company, and a new Application is filed for the replacement or substitute vehicle;
 - b. The Towing Company provides the Department a copy of the applicable Vehicle Registration Listing, or "cab card," issued by TxDOT for registration of the replacement or substitute Tow Truck;
 - c. The replacement or substitute Tow Truck passes inspection, displays all necessary identification markings required in Section I of this Article II and complies with safety requirements of Section A of Article IV herein;
 - d. The Towing Company obtains the Department's written permission; and
 - e. Proof of insurance for the replacement or substitute Tow Truck is submitted to the Department.
2. A Towing Company may not use a replacement or substitute Tow Truck to perform Non-Consent Towing services unless a current, valid Tow Truck Permit has been issued by the Department for that Tow Truck. Failure to follow Application procedures for replacement of vehicles before using a replacement or substitute Tow Truck for Non-Consent Towing services is a violation of these Rules.

H. INSURANCE REQUIREMENTS

1. Prior to the issuance of any Tow Truck Permit, the applicant shall have filed with the Department proof of motor vehicle liability insurance coverage at or above the MINIMUM AMOUNTS set forth below.

2. Proof of insurance coverage or financial responsibility shall be carried in the Tow Truck at all times.
3. A Towing Company shall have and maintain in full force and effect, throughout the term of a Tow Truck Permit, liability coverage that is combined single limit liability for bodily injury to or death of an individual per occurrence and loss or damage to property (excluding cargo) per occurrence. Upon Application, and upon renewal of any Application, the applicant shall file a certificate of insurance with the Department. The certificate shall clarify the type and amount of insurance coverage and require thirty (30) days notice to the Department in the event of cancellation or material change in the policy, including reduction in coverage below minimum amounts.
4. Each liability insurance policy for vehicle, bodily injury or property damage shall be issued by a casualty insurance company authorized to do business in the State of Texas that complies with all applicable rules and regulations of the Texas State Board of Insurance and is listed as an authorized automobile liability lines carrier on the Texas Department of Insurance list of authorized insurance companies.
5. The Minimum amounts for liability coverage for each Tow Truck are as follows:
 - a. For any Tow Truck at or below twenty-six thousand (26,000) pounds gross vehicle weight, three hundred thousand dollars (\$300,000.⁰⁰).
 - b. For any Tow Truck over twenty-six thousand (26,000) pounds gross vehicle weight, five hundred thousand dollars (\$500,000.⁰⁰).
 - c. For each Tow Truck, an on-hook cargo insurance policy with at least fifty thousand dollars (\$50,000.⁰⁰) coverage.
6. TxDOT Forms E, H and I must be posted on the TxDOT website, as required by TxDOT rules and regulations.
7. All certificates of insurance shall:
 - a. Indicate that the policy covers the particular vehicle covered by the Tow Truck Permit;
 - b. Identify the vehicle by year, make and vehicle identification number; and
 - c. Indicate the policy coverage is consistent with the minimum liability limits established by these Rules.
8. A Towing Company must maintain insurance for each Tow Truck performing Non-Consent Tows consistent with the requirements of all other applicable statutes, in addition to the insurance requirements set forth in these Rules. A Law Enforcement Officer may inspect the Tow Truck and request the Operator or Towing Company provide evidence of proper insurance coverage.
9. In addition, a Towing Company shall provide workers compensation or accidental insurance coverage for all of its employees in applicable minimum amounts required by TEX. TRANSP. CODE § 643.106 and 43 TEX. ADMIN. CODE § 18.16(c).

10. A Towing Company shall not participate in any Non-Consent Tow if it fails to carry and provide evidence of the required insurance minimum coverage for any Tow Truck and Tow Truck Operator performing Non-Consent Towing services. Participation in a Non-Consent Tow without proper proof of insurance coverage is a violation of these Rules.

I. REQUIRED IDENTIFICATION MARKINGS

1. Each Towing Company that has been issued a Tow Truck Permit shall display the following identification markings affixed to each Tow Truck it owns or operates that may perform Non-Consent Tows:
 - a. The owner's (or Operator's) legal business name or legal assumed name as specified on the "Vehicle Registration Listing" issued by TxDOT;
 - b. The address, including city and state, at which the owner's or Operator's business office is located;
 - c. The Towing Company name and phone number, including area code, permanently inscribed or affixed outside the Tow Truck on the doors of each side of the Permitted Tow Truck in letters that are at least three (3) inches high and one-half (½) inch thickness, in contrasting colors, and clearly visible at fifty (50) feet during normal daylight (All other required markings shall be at least two (2) inches high and one-half (½) inch thickness.);
 - d. A permit plate and/or registration insignia issued by TxDOT pursuant to TEX. TRANSP. CODE CH. 502, and as hereafter amended or its successor statute; and
 - e. On the bed of the Tow Truck visible from the roadway, the address and Vehicle Storage Facility number assigned by TxDOT, preceded by the letters "TxDOT VSF Lic. No.," for the facilities to which the Operator of the Tow Truck delivers vehicles.
2. It is a violation of these Rules for a permitted Towing Company to:
 - a. Fail to satisfy any requirements for identification markings, as set out in this Section I of Article II; or
 - b. Use magnetic or removable signs in lieu of the markings required to be affixed to Tow Trucks.

J. RECORD RETENTION

1. Each Towing Company that has been issued a Permit shall maintain a record of Non-Consent Tows for a minimum period of three (3) years. The Department may inspect all records on any Working Day at any time during normal business hours, including but not limited to, Tow Truck Slips from Law Enforcement Officers and records on charges to customers for vehicles moved in Non-Consent Tows.
2. A Towing Company's failure to provide the Department with access to records or failure to provide requested records is a violation of these Rules.

K. NONCOMPLIANCE WITH ARTICLE II

The Department shall deny, refuse to renew, suspend, or revoke a Tow Truck Permit or Chip requested or issued under this Article II, in accordance with the provisions of Article VII hereof.

III. TOW TRUCK OPERATORS

A. IDENTIFICATION CARD REQUIRED

1. The Operator of a Permitted Tow Truck must have his/her current, valid ID Card visible in order to perform Non-Consent Towing services originating in the unincorporated areas of Montgomery County.
2. No person shall drive or be in physical control of, or allow, permit, or cause any other person to drive or be in physical control of, any Permitted Tow Truck at a Law Enforcement Scene or Evidentiary Crime Scene, under the pretext of performing Non-Consent Towing services, unless the Operator of the Permitted Tow Truck has a current, valid ID Card visible.
3. An Operator of a Permitted Tow Truck shall wear his/her ID Card at all times while at a Law Enforcement Scene.
4. An ID Card worn by an Operator must be attached flush to the Tow Truck Operator's clothing using a badge clip or pin, or worn around the neck using a break-away lanyard.
5. **AN APPLICATION FOR ID CARD SHALL INCLUDE AN AGREEMENT BY THE APPLICANT THAT NO MOTOR VEHICLE WILL BE LOADED, RECOVERED AND TOWED USING ANY TOW TRUCK NOT PROPERLY EQUIPPED AND QUALIFIED TO HANDLE THAT VEHICLE, AND THAT ANY MOTOR VEHICLE LOADED, RECOVERED AND TOWED BY THE APPLICANT AS TOW TRUCK OPERATOR PURSUANT TO NON-CONSENT TOWING SERVICES WILL BE LOADED, RECOVERED AND TOWED PURSUANT TO SAFE PROCEDURES. THE APPLICATION FOR ID CARD SHALL ALSO INCLUDE A PROVISION FOR INDEMNIFICATION AND HOLD HARMLESS OF MONTGOMERY COUNTY BY THE INDIVIDUAL APPLICANT AGAINST ANY CLAIMS OF DAMAGE TO A MOTOR VEHICLE TOWED, OR THE CONTENTS THEREOF, AND AGAINST ANY INJURY OR DAMAGE TO ANY PERSON OR ANY OTHER VEHICLE AS A RESULT OF NON-CONSENT TOWING SERVICES PERFORMED BY APPLICANT.**
6. An ID Card is not required for any person assisting an Operator of a Tow Truck at a Law Enforcement Scene unless that person actually drives or is in physical control of the Tow Truck.
7. A Tow Truck Operator shall have the appropriate Texas driver's license to perform any Non-Consent Towing services.

[Rev. 1/20/06]

B. APPLICATION PROCESS

1. To obtain an ID Card, a person may request an Application form from the Department at the Information Booth located in the main lobby of the Sheriff's Office during normal business hours or download the Application form from the Department's internet website (www.mocosheriff.com), then file a completed Application with the Department. The form of the Application shall be prescribed by the Department. Application forms will be available beginning January 15, 2006. The Application shall include at least the following:
 - a. The full name and address of the applicant;
 - b. The applicant's date of birth;
 - c. The height, weight, hair color, eye color and gender of the applicant;
 - d. The full name of the applicant's employer (*i.e.*, Towing Company), with address and phone number;
 - e. Statement by the applicant that:
 - (1) the applicant was not convicted within the past three years of:
 - (i) a serious traffic violation;
 - (ii) a violation of law that regulates the operation of a Motor Vehicle at a railroad grade crossing;
 - (iii) driving a Motor Vehicle under the influence of alcohol or a controlled substance;
 - (iv) leaving the scene of an accident;
 - (v) using a Motor Vehicle in the commission of a felony;
 - (vi) causing the death of another person through the negligent or criminal operation of a Motor Vehicle;
 - (vii) driving a commercial Motor Vehicle while the commercial driver's license was revoked, suspended or cancelled or while otherwise disqualified from driving a commercial Motor Vehicle;
 - (2) the applicant is not addicted to the use of alcohol, a controlled substance or another drug that renders a person incapable of driving, and the applicant has not refused to submit to a test during the last year to determine alcohol concentration or the presence of a controlled substance or drug while operating a commercial Motor Vehicle;
 - (3) analysis during the last year of applicant's blood, breath or urine under TEX. TRANSP.CODE Ch. 522, 524 or 724 would not disqualify applicant from driving a commercial Motor Vehicle;
 - (4) the applicant does not hold a driver's license issued by this State or another state or country that has been revoked, cancelled or suspended;
 - (5) the applicant has not been determined by judgment of a court to be mentally incompetent, unless declared restored to competency by a court or certificate of competency issued by an attending hospital physician; and

[Rev. 1/20/06]

- (6) the applicant does not have any mental or physical disability that prevents the person from exercising reasonable and ordinary control over operation of a Tow Truck;
 - f. Statement whether the applicant is subject to the registration requirements of the Sex Offender Registration Program, as required by Chapter 62 of the Texas Code of Criminal Procedure;
 - g. The applicant's current, valid Texas driver's license number;
 - h. **AGREEMENT TO INDEMNIFY AND HOLD HARMLESS MONTGOMERY COUNTY IN THE EVENT OF DAMAGE TO OR LOSS OF ANY MOTOR VEHICLE, OR THE CONTENTS THEREOF, OR INJURY OR DAMAGE TO ANY PERSON OR OTHER PROPERTY CAUSED BY ANY NON-CONSENT TOWING SERVICES PERFORMED BY APPLICANT;** and
 - i. The applicant's original signature.
2. An Application for ID Card shall be accompanied by:
 - a. A copy of applicant's Texas commercial driver's license;
 - b. A colored photograph of the entire face of the applicant, which shall be obtained from the Department's Crime Lab at the time the Application for ID Card is submitted to the Department; and
 - c. Fingerprint impressions, which shall be obtained from the Department's Crime Lab at the time the Application for ID Card is submitted to the Department. [At the time the applicant requests fingerprint impressions from the Department's Crime Lab, applicant must also complete a Texas Department of Public Safety ("DPS") fingerprint card, which will be available at the Crime Lab, authorizing DPS to submit Texas background check information to the Department and must make payment by check or money order payable to DPS for the background check (as of the effective date hereof, the fee is \$15.⁰⁰).]
 3. Applications for ID Cards will be accepted by the Department on or after February 1, 2006.
 4. Changes, corrections and updates to any information on file with the Department should be filed within twenty (20) days of learning that the information on file is incorrect, on a new Application form indicating that filing of the form is a change to an existing Application on file.
 5. Applications must be submitted to the Department by hand-delivery or by delivery through the United States Postal Service or any private courier service. No Application, or supporting documentation, may be submitted by facsimile or electronic mail.

C. APPLICATION FEE

An Application for an ID Card shall include payment of a fee, as provided in Article VIII.

D. ISSUANCE OF ID CARD

The Department may issue an ID Card after the applicant satisfies the requirements of this Article III.

E. EXPIRATION AND RENEWAL /REPLACEMENT OF ID CARD

1. Each ID Card shall expire one (1) year from the date the ID Card was issued.

[Rev. 1/20/06]

2. To renew an ID Card, a Tow Truck Operator shall file an Application for renewal and pay the renewal fee set out in Article VIII.
3. Renewal and replacement applications shall contain the same information as required for an original application in Subsections 1 and 2, Section B of this Article III.
3. If an ID Card is lost or destroyed, a Tow Truck Operator may obtain a replacement ID Card by:
 - a. Filing with the Department a sworn affidavit stating that the ID Card was lost or stolen and describing in detail how the ID Card was lost or stolen; and
 - b. Paying a replacement fee as provided in Article VIII.

F. NONCOMPLIANCE WITH ARTICLE III

The Department shall deny, refuse to renew or replace, suspend, or revoke an ID Card requested or issued under these Rules, in accordance with the provisions of Article VII hereof.

IV. OPERATION OF TOW TRUCKS IN NON-CONSENT TOWING

A. EQUIPMENT REQUIREMENTS

1. No person shall perform a Non-Consent Tow originating in the unincorporated areas of Montgomery County unless the Tow Truck being used is equipped with all of the following equipment:
 - a. Brakes that meet braking performance requirements under all loading conditions, consistent with TEX. TRANSP. CODE § 547.408;
 - b. A power winch, winch line, and boom, with factory-rated lifting capacity of not less than eight thousand (8,000) pounds, single line capacity or a hydraulic and mechanical wheel lift with a lifting capacity of not less than two thousand five hundred (2,500) pounds;
 - c. A tow sling or hydraulic lift sufficient to prevent swinging of any equipment and/or vehicle being transported and/or Towed (This requirement does not apply to a vehicle carrier or rollback unless the wheels of a vehicle being Towed are in contact with the ground. A vehicle using a self-contained non-propelled towing device, or some other form of auxiliary device whereby the vehicle to which that device is attached is providing the motion and braking force, is not required to be equipped with this equipment.);
 - d. At least five-sixteenth (5/16)-inch link steel safety chains for Tow Trucks with a gross vehicle weight of ten thousand (10,000) pounds or less, and at least three-eighths (3/8)-inch highest steel chains, or their equivalent, for Tow Trucks with a gross vehicle weight over ten thousand (10,000) pounds (These link sizes are minimums, but shall not override manufacturer's requirements for maintaining warranty provisions applicable to the Tow Truck.);

- c. A ten (10)-pound BC fire extinguisher or two (2) five (5)-pound BC fire extinguishers (All fire extinguishers shall be properly filled, operable, and located so as to be readily accessible. Tow Truck Operators must be trained in use of fire extinguishers, and the extinguishers clearly labeled as to proper usage. Fire extinguishers shall meet the minimum requirements of the National Fire Protection Handbook, 2003 edition, and shall be labeled by a national testing laboratory.);
 - f. One crowbar or wrecking bar that is not less than thirty-six (36) inches in length with a wedge head;
 - g. One broom of a type designed for pushing with an eighteen (18) inch head, and a handle of not less than thirty-six (36) inches;
 - h. One flat-edge shovel of at least nine (9) inches, with a handle of not less than thirty-six (36) inches;
 - i. A box or bucket to carry glass and/or debris removed from accident scenes, that could be closed or sealed;
 - j. Rope or wire suitable for securing doors, hoods, trunks, etc.;
 - k. A functioning spotlight or flashlight;
 - l. Outside rearview mirrors on both sides of the truck;
 - m. Alternately flashing emergency lights, consistent with the requirements of TEX. TRANSP. CODE §§ 547.305 and 547.702 [The lights shall be mounted as high and as wide as possible with a light or combination of lights at least forty-six (46) inches in width and visible in all directions when activated. Emergency lights shall be only amber in color. A rearward facing directional arrow panel, mounted contiguous with the emergency lights, is permitted.];
 - n. Three portable red emergency triangle reflectors, orange cones at least 18" tall, or flares;
 - o. Magnetic Tow Lights, consistent with Subsection 4 of this Section A of Article IV;
 - p. A High-Mounted Stop Lamp (This equipment shall be mounted on each Tow Truck with an overall width less than eighty (80) inches or certified gross vehicle weight of ten thousand (10,000) pounds or less that is manufactured on or after September 1, 1993.); and
 - q. Work lights wired to a separate switch that are not illuminated when the Tow Truck is in motion (These lights must be steady burning white lights that project light to the rear of the Tow Truck.).
2. **In addition to the equipment listed in Subsection 1 of this Section A, all Tow Trucks used in performing Non-Consent Towing services originating in unincorporated areas of Montgomery County shall be dual-wheeled vehicles; provided, however, a Towing Company may obtain a Tow Truck Permit for Tow**

[Rev. 1/20/06]

Trucks that are not dual-wheeled vehicles and use them to perform Non-Consent Towing services prior to February 1, 2007, if: (i) the vehicle was owned by that Towing Company prior to issuance of these Rules; (ii) an Application for Tow Truck Permit is filed prior to February 1, 2006; (iii) the particular recovery and Towing services can be performed safely without damage to the vehicle being Towed; and, (iv) the Towing Company agrees to convert the vehicle to dual wheels before it files any Application for renewal of the Tow Truck Permit. A Tow Truck Permit shall not be renewed for any such vehicle, unless the Towing Company provides proof that the truck was brought into compliance with higher lift capacity. Renewal of a Tow Truck Permit shall be denied for any vehicle that is not dual-wheeled or properly converted to dual wheel. Applications for Tow Truck Permits or renewals of Tow Truck Permits to be effective on or after February 1, 2007, will be denied for vehicles that were not factory-equipped with dual-wheels or properly converted to dual-wheels.

3. In addition to the equipment listed in Subsection 1 of this Section A, all Tow Trucks used in performing Non-Consent Towing services originating in unincorporated areas of Montgomery County shall have and use wheel-lift or flatbed equipment; provided, however, a Towing Company may obtain a Tow Truck Permit for Tow Trucks with only sling Towing equipment and use them to perform Non-Consent Towing services prior to February 1, 2007, if: (i) the vehicle with that equipment was owned by the Towing Company prior to issuance of these Rules; (ii) an Application for Tow Truck Permit is filed prior to February 1, 2006; (iii) the particular Towing and recovery services can be performed safely without damaging the vehicle being Towed; and, (iv) the Towing Company agrees to convert the vehicle to add or replace the sling equipment with wheel-lift or flatbed equipment before any Application is submitted for renewal of the Tow Truck Permit for that vehicle. A Tow Truck Permit shall not be renewed or issued for any Tow Truck equipped solely with sling equipment on or after February 1, 2007.
4. No person shall use or operate a Tow Truck for a Non-Consent Tow without using Magnetic Tow Lights, unless the Towed vehicle is loaded on a rollback Tow Truck.
5. No person shall equip a Permitted Tow Truck with any two-way radio capable of transmitting on any law enforcement frequency or Tow using a Tow Truck equipped with any such device. Any Operator or Towing Company found transmitting on any law enforcement frequency shall be subject to suspension or revocation of their Tow Truck Permit(s) or ID Card, in accordance with the provisions of Article VII.
6. No person shall equip a Permitted Tow Truck with any device designed to detect or monitor radar, laser, or any other speed-measuring instrument or perform a Non-Consent Tow using a Tow Truck so equipped.
7. No person shall perform a Non-Consent Tow without using safety chains.
8. No person shall operate a Permitted Tow Truck with a slip-in bed unless the bed is properly secured to the body of the truck by a minimum of eight (8) one-half (½)-inch diameter bolts; nor shall any person use any Permitted Tow Truck with a slip-in bed to Tow any Motor Vehicle when not secured as required herein. At least four (4) of these bolts shall be in front of the slip-in bed.

9. No person shall use a Permitted Tow Truck to lift more than its factory-rated lifting capacity allows, or its revised gross vehicle weight carrying capacity if properly converted.
10. A Towing Company operating Permitted Tow Trucks and Operators of such Tow Trucks shall maintain and keep in good working order all safety mechanisms of the Tow Truck, including, but not limited to, all headlights, tail lights, turn signals, brakes, brake lights, hazard lights, flashing warning lights, windshield wipers, wiper blades, handles opening doors and windows, and tires and all other equipment referenced in Subsection 1 of this Section A of Article IV.
11. All Permitted Tow Trucks shall be operated in compliance with the applicable vehicle manufacturer's recommended safety policies and procedures for Towing vehicles.
12. No Tow Truck Operator performing a Non-Consent Tow may use a tow bar with pins of any kind, or any other tow pin method of attachment typically used for repossession or rapid recovery.
13. Each Permitted Tow Truck must be in compliance with the safety requirements of all other applicable State and Federal statutes in addition to meeting the safety requirements of these Rules.

B. LAW ENFORCEMENT SCENES

The following Rules apply to Law Enforcement Scenes:

1. Except in an emergency or at the direction of a Law Enforcement Officer, an Operator shall park the Tow Truck at least **one hundred (100) feet from a Law Enforcement Scene**. An Operator may use only beacon lights as required by State law.
2. An Operator shall park the Tow Truck on the same side of the road as the Motor Vehicle to be Towed, unless a Law Enforcement Officer directs the Operator to park elsewhere.
3. The Operator(s) selected to Tow shall remove all debris, except large volumes of cargo spilled from rigs or trailers and requiring separate removal, from the Law Enforcement Scene and shall properly dispose of all debris collected.
4. Any Tow Truck Operator soliciting an Operator of a Motor Vehicle involved in an injury accident or any injured party involved in the Law Enforcement Scene shall not be allowed to perform a Non-Consent Tow. An injured party is defined as a person who has visible injuries or who claims injuries and/or is waiting for a dispatched ambulance to administer first aid. Tow Truck Operators shall not enter a Law Enforcement Scene, and shall return to their vehicles after arrival of a Law Enforcement Officer or other emergency personnel, unless requested to remain on the scene by that officer or emergency personnel.
5. A Motor Vehicle Towed pursuant to a Non-Consent Tow must be taken to a permitted Vehicle Storage Facility located in the specific Zone in which the vehicle was loaded, unless the Tow Truck Operator agrees to deliver the vehicle loaded to a different location at the request of the Vehicle Owner.

6. Each Tow Truck Operator responding to a Call and participating in a Match must be able to demonstrate privileges in a licensed Vehicle Storage Facility located within the same Zone as the Law Enforcement Scene.
7. All Tow Truck Operators shall wear appropriate dress while at a Law Enforcement Scene and performing Non-Consent Towing services. Tow Truck Operators shall wear enclosed shoes or boots when performing Non-Consent Towing services.
8. Tow Truck Operators shall obey all Federal, State, and County laws and policies. Violators may be subject to citation and/or arrest, as well as the suspension or revocation of any Permit and/or ID Card.
9. If a Vehicle Owner or operator present at the Law Enforcement Scene contacts a Tow Truck Company before arrival of the Law Enforcement Officer, the Law Enforcement Officer may proceed with removal and Towing services by the Tow Truck Company contacted by that owner or operator, if the Towing Company has indicated it can timely respond and the Law Enforcement Officer determines the Vehicle Owner or operator had the ability and mental capacity at the time to initiate Towing services. Such Towing services initiated by the Vehicle Owner or operator are Consent Tows, and the maximum Towing fees set forth in Article VIII hereof do not apply. However, if the Tow Truck Company contacted cannot or does not respond within thirty (30) minutes, or the Law Enforcement Officer on the scene determines that the vehicle is an obvious safety hazard requiring immediate removal, that officer may make a general call through dispatch or may use the Match procedure for eligible Tow Trucks already on the scene without making a call. **Once the officer initiates the Towing services, the services become a Non-Consent Tow and the maximum Towing fees set forth in Article VIII hereof do apply.**
10. If a Vehicle Owner or operator present at the Law Enforcement Scene expresses a preference for a particular Towing Company or Tow Truck to Tow his/her vehicle at any time before the officer makes a general call through dispatch, the Law Enforcement Officer investigating the scene may air a call for that named Towing Company or Tow Truck and forego making a general call through dispatch. The Law Enforcement Officer has discretion to wait for that Tow Truck designated or air a general call through dispatch. Should the Vehicle Owner or operator be allowed to designate a Towing Company to move their vehicle, the Towing services will be performed as a Consent Tow. If the Vehicle Owner arrives at the Law Enforcement Scene after the Law Enforcement Officer at the scene has made a general dispatch call for Tow Truck service, the officer will proceed with the Match procedure for Tow Trucks responding to the call. **Once a general call has been dispatched, a Tow Truck will be chosen through Match of Tow Trucks responding to the call, and services will continue as a Non-Consent Tow.**
11. Once a Tow Truck has been completely hooked up to a Motor Vehicle, the Tow Truck Company may charge the Vehicle Owner as authorized by these Rules.
12. Tow Truck Operators must wear their current, valid ID Cards while at a Law Enforcement Scene so that ID Cards are clearly visible to the Law Enforcement Officer at the scene. Law Enforcement Officers may inspect the ID Card of any Tow Truck Operator and the Tow Truck Permit for their vehicle at any Law Enforcement Scene.

13. Passengers of a Permitted Tow Truck that have not been issued a current, valid ID Card by the Department may not be permitted to exit the vehicle within one hundred (100) feet of a Law Enforcement Scene, unless instructed by a Law Enforcement Officer or unless and until assisting a Tow Truck Operator who holds a current, valid ID Card in performing Towing services and, then, only under strict supervision of the Tow Truck Operator. It is a violation of these Rules for the Operator of a Permitted Tow Truck responding to a call from a Law Enforcement Scene to permit a passenger to exit his/her Tow Truck within one hundred (100) feet of the scene unless and until that passenger is assisting the Tow Truck Operator in performing Towing services. Prior to award of a Match, no passenger should be allowed within one hundred (100) feet of the scene.
14. It is a violation of these Rules for any Operator of a Permitted Tow Truck to permit children to exit the vehicle within one hundred (100) feet of a Law Enforcement Scene unless and until assisting the Tow Truck Operator in performing Towing services as permitted in the previous Subsection 13 of this Section B.
15. No Operator having an ID Card shall possess or allow any prohibited weapon, firearm, alcoholic beverage or illegal/controlled drug or other substance in or around a Permitted Tow Truck when operating the Tow Truck. This provision does not prohibit a Peace Officer as defined by TEX. CODE OF CRIM. PROC. § 2.12, or a person possessing a valid concealed handgun permit issued by the Texas Department of Public Safety from carrying a firearm while operating or riding in a Tow Truck.
16. A Tow Truck Operator shall ensure that, while lifting a Motor Vehicle in preparation for a Non-Consent Tow, all nonessential persons are a safe distance from the Tow Truck and Motor Vehicle. A safe distance is at least twice the distance between the end of the boom and the point of hook-up on the Motor Vehicle being winched or twice the distance the Motor Vehicle is being lifted, whichever is greater. If a hydraulic lift is being used, a safe distance is twice the distance to which the lift arm is extended. An Operator is responsible for maintaining safe conditions around the Tow Truck during any Towing and winching of a Motor Vehicle.
17. If a Tow Truck or Motor Vehicle to be Towed is in a lane of traffic, an Operator shall not place or operate a Tow Truck cable across a lane or lanes of traffic unless the traffic is stopped or diverted by a Law Enforcement Officer to permit safe winching or lifting of the Motor Vehicle to be Towed.
18. It shall be unlawful for any person to ignite a match, lighter or any other flammable object within a distance of fifty (50) feet in any direction from the location of a vehicle accident or where emergency flares (except safety flares) are in use. In addition, it shall be unlawful for any person to enter into such area with a lighted cigarette, cigar, pipe or other burning material.
19. Non-Consent Towed vehicles picked up at any Law Enforcement Scene shall be taken to a licensed Vehicle Storage Facility or other location designated by the Vehicle Owner, prior to the Tow Truck Operator participating in a subsequent Match or loading another vehicle in Non-Consent Towing services; and, Towed vehicles shall be delivered and accepted by the Vehicle Storage Facility or delivered to the location designated by the Vehicle Owner within two (2) hours from the time the Tow Truck Operator completed loading the vehicle.

20. All Tow Trucks are subject to an inspection on any Working Day during normal business hours at the discretion of a Department supervisor with the rank of Sergeant or above, or by Department personnel designated as Tow Truck Inspectors, and at any time by a Law Enforcement Officer while on a Law Enforcement Scene.
21. A Towing Company or Tow Truck Operator may not break into or enter a vehicle, or any part thereof, for purposes of performing a Non-Consent Tow without consent of the Vehicle Owner.

C. EVIDENTIARY CRIME SCENES

Non-Consent Tows from Evidentiary Crime Scenes shall be subject to the same Rules stated herein for Law Enforcement Scenes in addition to the following provisions, which shall prevail over any conflicting provisions respecting Law Enforcement Scenes:

1. Should additional evidentiary processing beyond the Evidentiary Crime Scene be necessary and the Law Enforcement Agency requires assistance in Towing a vehicle, the Law Enforcement Officer investigating a scene will make a call to dispatch for Towing from the scene by a Contract Tow Truck (*i.e.*, a Towing Company that has contracted to perform Towing services on behalf of a law enforcement agency or political subdivision) to a special location designated for evidentiary processing. If a Contract Tow Truck is not available for timely response, the Law Enforcement Officer has discretion to determine whether to make a general call for Towing services by a Permitted Tow Truck to be selected through a Match.
2. Once the additional evidentiary processing has been completed and the vehicle released by the Department, the Vehicle Owner may choose a Tow Truck Company to move his/her vehicle by Consent Towing services. Should the Department initiate movement of the vehicle from the evidentiary processing location, the Department will make a call to a Contract Tow Truck for Towing services.
3. Any Towing Company that performs Non-Consent Tows under this Subsection and is selected through a Match must possess a current, valid Permit and individual Operators must have current, valid ID Cards.
4. Fees and charges for Non-Consent Tows from an Evidentiary Crime Scene not exceed the maximum allowable fees set out in Article VIII hereof.

D. MATCHING PROCESS

The following Rules apply to the selection of a Permitted Tow Truck at Law Enforcement and Evidentiary Crime Scenes:

1. A Law Enforcement Officer investigating a Law Enforcement or Evidentiary Crime Scene in the unincorporated areas of Montgomery County shall allow one eligible Operator of each Permitted Tow Truck that arrives on the scene within fifteen (15) minutes after general dispatch call to participate in a Match process. Only one Operator per Tow Truck timely arriving at the scene is eligible to be present for Matching.
2. When conducting a Match, the Law Enforcement Officer will collect the Chip corresponding to the Tow Truck Permit from each eligible Tow Truck Operator at the scene within fifteen (15) minutes of the general dispatch call and deposit the Chips in a hat or other similar container. The Law Enforcement Officer, or other person

designated by the Law Enforcement Officer, will then draw a Chip from the container. If a Tow Truck Operator's Chip is drawn, he/she may then load the Motor Vehicle. If a Tow Truck Operator's Chip is selected but that Tow Truck Operator refuses to Tow, cannot perform the Tow or cannot designate another eligible Tow Truck Operator at the scene to perform the Tow on his/her behalf, the Law Enforcement Officer may repeat the procedure to select another Tow Truck.

3. The Tow Truck Operator whose Chip is drawn in a Match must be able to promptly load the vehicle and complete the Tow. Should back-up assistance be required for that Tow Truck Operator to complete the recovery and Tow, and compensation for back-up assistance is expected, the Tow Truck Operator must be able to demonstrate to the Law Enforcement Officer on the scene that back-up assistance is available from eligible Tow Trucks on the scene, as provided in Subsection 7 of Section F in Article I herein. Should that Tow Truck Operator be unable to complete the Tow and back-up assistance is not available, the Law Enforcement Officer on the scene may conduct another Match, or dispatch another general call, as appropriate.
4. If only one Tow Truck arrives at a Law Enforcement Scene within fifteen (15) minutes after the Law Enforcement Officer's general dispatch call, a Match is not required; that Tow Truck Operator, if eligible and able to conduct the Tow, may proceed to load the vehicle.
5. If a Law Enforcement Officer arrives on a scene and the vehicle to be Towed is an obvious safety hazard requiring immediate removal, as determined by the officer, that officer may use the Match procedure for eligible Tow Trucks already on the scene without making a call. If the scene is secure when the officer arrives, a standard (15) fifteen minute general call will be dispatched before conducting a Match.
6. Only Tow Truck Operators possessing a current, valid ID Card, and using Tow Trucks with a current, valid Tow Truck Permit and Chip, will be allowed to participate in a Match.
7. Any Tow Truck Operator or Towing Company that interferes with the loading of a Motor Vehicle by another Operator or Towing Company or retaliates against a Tow Truck Operator or Towing Company for participating in a Match and Non-Consent Tow commits a violation of these Rules.
8. A Vehicle Owner or operator whose vehicle could be moved without Towing, may request that a passenger of the vehicle or another person be called to drive the vehicle to a location of the Vehicle Owner or operator's choice. The Law Enforcement Officer at the scene has discretion to determine whether the person designated has capacity to drive the vehicle, wait for that person designated or air a general call through dispatch. Once a call has been dispatched, the vehicle shall be Towed by use of a Tow Truck chosen through Match.

E. **TOW TRUCK SLIP**

1. Once a determination is made as to which Tow Truck Operator will perform the Tow, the Law Enforcement Officer on the scene will provide the Tow Truck Operator with duplicate copies of a Tow Truck Slip in a form designated by the Department. The Tow Truck Slip shall contain the following information:

- a. A complete description of the Motor Vehicle to be Towed, including the license plate number, the vehicle identification number and weight reported on vehicle registration and lading documents;
 - b. Any visible damage to the inside or outside of the Motor Vehicle;
 - c. Any personal property contained within the Motor Vehicle that is visible from outside the vehicle;
 - d. Any visible missing parts or paraphernalia;
 - e. The location from which the vehicle is being Towed;
 - f. The time the Tow Truck Operator completes loading the vehicle;
 - g. The reason the Motor Vehicle is being Towed;
 - h. The designated Vehicle Storage Facility, or other location designated by the Vehicle Owner or Law Enforcement Agency, to which the Motor Vehicle is to be Towed;
 - i. The State license plate number of the Tow Truck being used for the Tow;
 - j. The signature and employee number or badge number of the Law Enforcement Officer authorizing the Tow;
 - k. The signature of the Tow Truck Operator performing the Tow; and
 - l. A brief description of Towing services performed at the scene, including whether back-up assistance was required for recovery of the vehicle.
2. The Tow Truck Operator signing the Tow Truck Slip shall be responsible to account for the Motor Vehicle from the time it is loaded until it is accepted by a permitted Vehicle Storage Facility or another location designated by the Vehicle Owner. The Tow Truck Operator shall provide the Vehicle Storage Facility or other location where the Motor Vehicle is taken with a copy of the Tow Truck Slip.

F. NOTICE TO MOTOR VEHICLE OWNERS

Once a Motor Vehicle has been Towed upon authorization of a Law Enforcement Officer and delivered to a Vehicle Storage Facility, the Vehicle Storage Facility shall give notice to the registered owner of the Motor Vehicle as required by Chapter 2303, Subchapter D of the Texas Occupations Code.

G. NONCOMPLIANCE WITH ARTICLE IV

The Department shall deny, refuse to renew, suspend, or revoke an ID Card or Tow Truck Permit for violations under this Article IV, in accordance with the provisions of Article VII hereof.

[Rev. 1/20/06]

V. HEAVY-DUTY TOW TRUCKS

A. PERMIT REQUIRED

1. No person shall drive or be in physical control of a Heavy-Duty Tow Truck to perform a Non-Consent Tow originating in the unincorporated areas of Montgomery County without the appropriate Tow Truck Permit issued pursuant to these Rules.
2. It is a violation of these Rules for a Towing Company to perform any Non-Consent Tow originating in the unincorporated areas of Montgomery County using a Heavy-Duty Tow Truck without a current, valid Tow Truck Permit properly displayed in the Tow Truck performing the Non-Consent Tow. A separate Tow Truck Permit shall be required for each Heavy-Duty Tow Truck used for Non-Consent Towing services originating in the unincorporated areas of Montgomery County.
3. The Heavy-Duty Tow Truck Permit shall be a sticker properly displayed on the upper left driver's side of the front windshield of the Tow Truck and clearly visible at all times.
4. Towing Companies are responsible for the Tow Truck Permits issued to them. If a Permit is lost or stolen, the Towing Company shall be responsible for its replacement before participating in a subsequent Non-Consent Tow originating in Montgomery County.
5. An ID Card issued by the Department pursuant to the procedure prescribed in Article III hereof is required for driving or physically controlling any Heavy-Duty Tow Truck in a Non-Consent Tow originating from any Law Enforcement Scene or Evidentiary Crime Scene in Montgomery County.
6. A missing, lost, altered or mutilated ID Card or Tow Truck Permit shall disqualify any Tow Truck from performing Non-Consent Towing services originating in Montgomery County.
7. Heavy-Duty Tow Trucks will be dispatched by the Department upon call by the Law Enforcement Officer at the scene requesting dispatch call for a Heavy-Duty Tow Truck; there is no necessity for a Matching process. The determination of whether a Heavy-Duty Tow Truck is required shall be at the discretion of the Law Enforcement Officer at the scene.
8. Vehicles Towed by a Heavy-Duty Tow Truck in a Non-Consent Tow originating in Montgomery County shall deliver the vehicle loaded to a licensed Vehicle Storage Facility located within Montgomery County and with the capability and capacity to store the vehicle Towed, or to another location designated by the Vehicle Owner or by the Law Enforcement Agency, should additional evidentiary processing be deemed necessary.
9. Maximum allowable charges for Non-Consent Towing services requiring the use of Heavy-Duty Tow Trucks shall be calculated as provided in Article VIII hereof and supported information recorded by the Law Enforcement Officer on the Tow Truck Slip.

B. APPLICATION PROCESS

Each person or Towing Company that desires authorization to operate a Heavy-Duty Tow Truck to perform Non-Consent Tows originating in Montgomery County shall file an Application for Tow Truck Permit with the Department including the same information as required in Section B of Article II hereof.

C. APPLICATION FEE

An applicant for a Heavy-Duty Tow Truck Permit shall pay the applicable fee provided in Article VIII hereof.

D. DEPARTMENT DISPATCH OF HEAVY-DUTY TOW TRUCKS

1. The Department will maintain an official list of Towing Companies with Heavy-Duty Tow Trucks; the list will be expanded as additional Tow Truck Permits are issued and inspections completed for Heavy-Duty Tow Trucks. Upon determination by a Law Enforcement Officer investigating a Law Enforcement Scene that a Heavy-Duty Tow Truck is required, the Officer will advise Department dispatch; the Department will then dispatch a call to the Towing Company for that Zone closest to the Law Enforcement Scene.
2. If a Law Enforcement Officer at a Law Enforcement Scene determines the Towing Company receiving the dispatch call does not have a Heavy-Duty Tow Truck that can arrive within thirty (30) minutes, the Officer may request the Department send a dispatch call to the next Towing Company on the rotation list for that Zone, or the closest in an adjacent Zone.
3. A Towing Company that responds to a dispatch call and performs a Tow, refuses the dispatch or does not timely respond to a dispatch call is rotated to the bottom of the rotation list.
4. The Department may send a dispatch call for Heavy-Duty Tow Truck to only those Towing Companies with permitted Heavy-Duty Tow Trucks on the Department's official list. Once a Towing Company has responded to a dispatch call and notified the Department that its Heavy-Duty Tow Truck is en route, no other Tow Trucks will be allowed to load at the Law Enforcement or Evidentiary Crime Scene.
5. Failure to arrive at the scene within thirty (30) minutes of notifying the Department's Communications Division that a Heavy-Duty Tow Truck is en route, absent exigent circumstances, is a violation of these Rules.

E. EQUIPMENT REQUIREMENTS

No person shall operate a Heavy-Duty Tow Truck to perform Non-Consent Tows originating in Montgomery County unless the Tow Truck meets all of the equipment requirements required in Section A of Article IV hereof, as well as the following requirements:

1. A Heavy-Duty Tow Truck shall be at least a five (5)-ton vehicle or more and shall be equipped with air brakes and tandem axles; and
2. Heavy-Duty Tow Trucks shall have a twenty-four (24)-hour telephone service and be equipped with two-way radio communication with a twenty-four (24)-hour dispatch service.

F. INSURANCE REQUIREMENTS

A Towing Company shall obtain insurance coverage for Heavy-Duty Tow Trucks consistent with coverage required in Section H of Article II herein.

G. NONCOMPLIANCE WITH ARTICLE V

The Department shall deny, refuse to renew, suspend or revoke a Heavy-Duty Tow Truck Permit requested or issued under this Article V, in accordance with the provisions of Article VII hereof.

VI. VEHICLE STORAGE FACILITIES

A. ELIGIBLE FACILITIES

1. No person shall store or permit a Motor Vehicle subject to a Non-Consent Tow originating in Montgomery County to be stored in any facility that does not have a current, valid license granted by TxDOT (See 43 TEX. ADMIN. CODE §18.80, *et seq.*).
2. Vehicle Storage Facilities used for storage of Motor Vehicles transported through the use of Non-Consent Towing services must be located within the specific Zone in which the vehicle was loaded, except in the case of Non-Consent Tows by Heavy-Duty Tow Trucks which are subject to Subsection 8 of Section A of Article V herein.
3. Once a vehicle is transported by Non-Consent Towing services to a Vehicle Storage Facility, it may not be moved to a different facility if that movement results in charging the Vehicle Owner more for transporting and storage services had it not been moved beyond the initial storage facility.
4. If a vehicle Towed pursuant to Non-Consent Towing services is moved between Vehicle Storage Facilities, the location of each facility storing the vehicle must be in compliance with Subsection 2 of this Section A. In addition, each Storage Company must comply with notification provisions of Subsection 3 of Section C of this Article VI.

B. OPERATION OF VEHICLE STORAGE FACILITY

1. Each Storage Company shall operate its Vehicle Storage Facility in compliance with all requirements of the Texas Vehicle Storage Facility Act, Chapter 2303 of the Texas Occupations Code, as hereafter amended or its successor statute, and shall be licensed by TxDOT in order to store Motor Vehicles that have been subjected to Non-Consent Towing.
2. Motor Vehicles stored after Non-Consent Towing services shall be disposed of pursuant to applicable provisions of Section 2303.157 of the Texas Occupations Code and Chapter 683 of the Texas Transportation Code.
3. No person shall allow a Motor Vehicle subject to a Non-Consent Tow to be stored at a Vehicle Storage Facility not identified on the Tow Truck that conducted the Tow and approved as a part of the Tow Truck Application, except where the vehicle was taken to a location designated by the Vehicle Owner or an evidentiary processing location designated by the Law Enforcement Agency.

4. Each Storage Company shall post, at each Vehicle Storage Facility it owns or operates and at which it accepts vehicles Towed by Non-Consent, a sign plainly visible to the public clearly displaying the Vehicle Storage Facility Permit number, hours of operation, maximum charges allowed and whom to contact with complaints, consistent with the requirements of 43 TEX. ADMIN. CODE §§ 18.89 and 18.91.

C. DUTIES AND RESPONSIBILITIES OF STORAGE COMPANY

1. Vehicle Storage Facility operators shall comply with 43 TEX. ADMIN. CODE §§ 18.80, *et seq.*, and as hereafter amended.
2. Storage Companies shall keep and maintain records of all Motor Vehicles received through Non-Consent Tows in a manner and form required by TxDOT, pursuant to 43 TEX. ADMIN. CODE § 18.88.
3. All Vehicle Storage Facilities shall make notifications to Vehicle Owners regarding the storage and disposal of vehicles moved through Non-Consent Tows in accordance with applicable provisions of Chapter 2303 of the Texas Occupations Code and Chapter 43 of the Texas Administrative Code, and as either may be hereafter amended.
4. All Vehicle Storage Facility operators designated for storage of vehicles moved in Non-Consent Tows shall permit inspection of premises or books and records by Department personnel on any Working Day during normal business hours, as necessary to ensure compliance with these Rules.

D. NONCOMPLIANCE WITH ARTICLE VI

Pursuant to TEX. OCC. CODE § 2303.303, a Law Enforcement Officer may make an arrest for violation of a rule adopted under the Vehicle Storage Facility Act found in Chapter 2303 of the Texas Occupations Code, and rules and regulations implementing the Act found in 43 TEX. ADMIN. CODE Subch. G; in addition, the Department or another Law Enforcement Agency may refer the matter to TxDOT for disciplinary action.

VII. VIOLATIONS OR INSUFFICIENT APPLICATIONS

A. DENIAL, REFUSAL TO RENEW, SUSPENSION, OR REVOCATION OF PERMIT AND/OR ID CARD

1. The Department, may deny, refuse to renew, suspend or revoke any Tow Truck Permit or ID Card issued under these Rules for any of the following reasons:
 - a. Knowingly supplying false or incomplete information on the Application;
 - b. Noncompliance with or violation of any of these Rules;
 - c. Applicability of any provisions of Subsection 1.e. of Section B of Article III applies disqualification by the Texas Department of Public Safety as a commercial driver's license holder or suspension or revocation of his/her commercial driver's license;

- d. Noncompliance of the Vehicle Storage Facility used by the permit or ID Card holder with these Rules;
 - e. Falsifying records;
 - f. Charging an amount that exceeds the amounts authorized under Article VIII;
 - g. Performing or attempting to perform a Non-Consent Tow without authorization; or
 - h. Knowingly Towing a Motor Vehicle that is reported stolen without first contacting a Law Enforcement Agency and receiving specific authority from a Law Enforcement Agency to Tow said vehicle reported stolen.
2. A Violation of any part of these Rules may subject a Towing Company or Tow Truck Operator to immediate suspension or revocation of a Permit or ID Card.
 3. Upon determination by the Department that any condition of Subsection 1 of this Section A of Article VII applies, a Department supervisor with the rank of Sergeant or above, or personnel designated as Tow Truck Inspectors shall have the authority to deny, refuse to renew, suspend or revoke, and/or demand surrender of any ID Card or Permit issued pursuant to these Rules. The Towing Company or Tow Truck Operator shall be required to comply with any order to surrender any ID Card or permit.

B. COMPLAINT PROCEDURE

A Tow Truck Operator or any Vehicle Owner complaining of a Tow Truck Operator, permit holder or Law Enforcement Officer involved in a Non-Consent Tow originating in Montgomery County may file a written complaint with the Department's Tow Truck Enforcement Division. Complaints against Law Enforcement Officers will be referred to the appropriate Law Enforcement Agency for their investigation and disposition; other complaints shall be investigated and action shall be taken as the Department deems appropriate and as authorized under these Rules.

C. NOTICE TO APPLICANT OF ADVERSE ACTION BY THE DEPARTMENT

1. If the Department denies or refuses to renew any ID Card or permit, a written notice shall be forwarded to the applicant setting forth the following:
 - a. The specific grounds for the Department's adverse action; and/or
 - b. Any specific noncompliance or violations of these Rules and/or any Federal or State laws that the Department relied on in its adverse action.
2. The Department shall send written notices to applicants by First Class Mail, via the United States Postal Service.
3. The Department's denial or refusal to renew any ID Card or permit disqualifies the person or business from participating in a subsequent Non-Consent Tow until an ID Card or permit is reinstated.
4. Upon a refusal to renew, suspension or revocation, a Department supervisor with the rank of Sergeant or above, or personnel designated as Tow Truck Inspector, shall

request return of the permit and/or ID Card pending any investigation or appeal and will provide the permit or ID Card holder a "Report of Circumstances." The person or company possessing the permit and/or ID Card shall surrender them to the Department Tow Truck Inspector or Department supervisor no later than the NEXT Working Day following request.

5. Law Enforcement Officers from agencies other than the Department, upon determination of a violation of these Rules, shall have the authority to deny a Tow Truck Operator participation in a Non-Consent Tow and may refer violations or suspected violations to the Department for investigation and further action under these Rules.

D. HEARING PROCESS

1. A person or company may appeal adverse action by the Department by delivering a written notice of appeal to the Department within five (5) Working Days from the date of receipt of the written notice of the Department's adverse action.
2. Delivery of a notice of appeal to the Department is effective if hand-delivered, or forwarded by United States, return receipt requested, to the Department, to the attention of the Sheriff's Office, Supervisor of Tow Truck Enforcement (hereinafter referred to as "Supervisor").
3. Upon receipt of a written notice of appeal, the Supervisor shall convene a Disciplinary Hearing Committee to hear the appeal; the Committee shall be comprised of the following individuals:
 - (a) Department Lieutenant of Administration;
 - (b) Lieutenant of the Department's Patrol District or the district of the law enforcement agency in which the violation occurred; and
 - (c) Another Patrol Supervising Officer designated by the Sheriff, or the Supervisor acting on behalf of the Sheriff.
4. The Disciplinary Hearing Committee shall give the person or company making the appeal a written notice stating the date, time and place of an appeal hearing to be conducted by the Committee. Both the person or company that made the appeal and the Department are entitled to offer evidence and argument at the appeal hearing. Following that hearing, the Committee shall render a decision and provide written notice of their decision no later than fifteen (15) Working Days from the hearing date. A decision of the Committee shall become final, if not appealed to the Patrol Division Captain, within five (5) Working Days after receipt of notice of the Committee's decision.
5. An adverse decision of the Disciplinary Hearing Committee may be appealed to the Patrol Division Captain by delivering a written notice of second appeal within five (5) Working Days from receipt of notice of the Disciplinary Hearing Committee's decision. The Patrol Division Captain's decision shall be based upon a review of the Committee's decision, written materials submitted at the hearing and any additional written information (limited to five (5) pages, double-spaced) that either party submits. The Patrol Division Captain will render a written decision within fifteen (15) Working Days

from the date written notice of a second appeal is received. A decision of the Patrol Division Captain shall be final if not appealed to the Sheriff within five (5) Working Days from receipt of notice of the Patrol Division Captain's decision.

6. An adverse decision of the Patrol Division Captain may be appealed to the Sheriff by delivering a written notice of final appeal within five (5) Working Days of receipt of notice of the Patrol Division Captain's decision. Additional information may not be submitted in a final appeal to the Sheriff. Rather, the Sheriff's decision shall be based only on a review of the written information previously submitted to the Disciplinary Hearing Committee and to the Patrol Division Captain. The Sheriff may render a written decision within fifteen (15) Working Days from the receipt of the final notice of appeal. The County shall consider decisions of the Sheriff final resolution.
7. A person or company forfeits its right to any appeal available under the provisions hereof by failing to timely file an appeal under this Article.
8. All notices of appeal shall be sent to:

MONTGOMERY COUNTY SHERIFF
ATTN: SUPERVISOR OF TOW TRUCK ENFORCEMENT
#1 Criminal Justice Dr
Conroe, Texas 77301

E. SANCTIONS

1. The Disciplinary Hearing Committee, Patrol Division Captain or the Sheriff may continue the suspension of an ID Card or any permit for an additional period not less than seven (7) Working Days nor more than ninety (90) Working Days from the date the decision on an appeal is rendered and require the payment of the appropriate fee as provided in Article VIII for a new Application to reinstate a permit or ID Card.
2. A person or company subject to a denial of a new Application, refusal to renew or revocation of a permit or ID Card issued under these Rules may submit a new application with the Department, together with payment of the appropriate fees as provided in Article VIII, as follows:
 - a. No earlier than one hundred eighty (180) Working Days from the date of the Disciplinary Hearing Committee's final decision, if no appeal was made to the Patrol Division Captain or the Sheriff; or
 - b. No earlier than ninety (90) Working Days from the date of a final decision by either the Disciplinary Hearing Committee, Patrol Division Captain or the Sheriff, whichever rendered the decision that is latest in time.
3. As a further condition of extension or cancellation of a suspension or revocation, the Disciplinary Hearing Committee, Patrol Division Captain or the Sheriff may require the submission of a new Application and payment of the appropriate reinstatement fees under Article VIII in order to perform a subsequent Non-Consent Tow.

F. AFFIRMATIVE DEFENSES TO SUSPENSION OR REVOCATION

It is an affirmative defense to Suspension or Revocation that:

1. The Tow Truck used to Tow the vehicle was owned by the owner of the vehicle being Towed, carried or otherwise transported by the Tow Truck;
2. The vehicle Towed, carried, or otherwise transported was originally picked up or loaded onto the Tow Truck at a specific location not within the unincorporated areas of Montgomery County, that was not a Law Enforcement Scene, or that was not a Public Road;
3. The Towing was incidental to a lawful repossession of the Towed Motor Vehicle;
4. The Tow Truck Operator complied with all requirements of these Rules that would be applicable if the lienholder were the owner of the vehicle being Towed; or
5. The Operator, Tow Truck Company, or Vehicle Storage Facility involved was not at the time of the offense required to be permitted or licensed under these Rules or other applicable laws, statutes, rules or regulations.

VIII. FEES AND MAXIMUM ALLOWABLE CHARGES

A. APPLICATION FEES

- | | | |
|----|------------------------|----------------------|
| 1. | Tow Truck Permit | \$175. ⁰⁰ |
| 2. | ID Card | 15. ⁰⁰ |
| 3. | Zone Sticker | 50. ⁰⁰ |

B. RENEWAL AND REPLACEMENT APPLICATION FEES

- | | | |
|----|---|--------------------|
| 1. | Tow Truck Permit: | |
| | Renewal | 175. ⁰⁰ |
| | Replacement or Amendment of Permit | 75. ⁰⁰ |
| | Replacement or Substitute Tow Truck | 100. ⁰⁰ |
| | Replacement of Zone Sticker..... | 25. ⁰⁰ |
| 3. | ID Card: | |
| | Renewal | 15. ⁰⁰ |
| | Replacement | 15. ⁰⁰ |

C. MAXIMUM ALLOWABLE TOW TRUCK TOWING CHARGES

- | | | |
|----|--|--------------------|
| 1. | Maximum Towing Charge ¹ | 175. ⁰⁰ |
| 2. | Maximum Towing Charge for Back-up Assistance | 75. ⁰⁰ |

¹ Includes compensation for all equipment and services associated with a basic Towing service, including but not limited to, hooking up, winching, loading, Towing, debris clean-up, wait time and rollover.

D. MAXIMUM ALLOWABLE HEAVY-DUTY TOW TRUCK TOWING CHARGES

1. Maximum Towing Charge – Driver Arrest, and/or No Damage..... 400.⁰⁰
2. Maximum Towing Charge – Abandoned Vehicle with No Cargo
or Weight to be Loaded is 15,000 lbs or Less. 400.⁰⁰
3. Maximum Towing Charge – Weight to be Loaded is more than
15,000 lbs, Computed as Cents per Pound for one of the following categories:
 Contained Recovery, including Winching..... 3.5
 Total Loss Recovery..... 5.0
 Rollover..... 4.0
 Embankment or Incline..... 4.5

E. TOWING FEE STUDIES

Any person may file with the Department, at any time but not more often than once annually, a request for Towing Fee Study to be performed by the Department. In that event, the Department will make a determination whether it believes a Towing Fee Study is warranted and advise the Commissioners' Court of the request with a recommendation whether to conduct a Towing Fee Study. The Commissioners' Court may accept the recommendation of the Department or order a Towing Fee Study despite a recommendation otherwise. The Commissioners' Court is not absolutely obligated to order a Towing Fee Study. If so ordered, the Department shall review the maximum allowable fees for Non-Consent Towing services and present to the Commissioners' Court a recommendation whether the maximum allowable fees then in effect represent the fair value of the services of a Towing Company and are reasonably related to any financial or accounting information collected by the Department during the course of its Towing Fee Study. The Commissioners' Court shall determine whether the maximum allowable fees should be amended, and proceed accordingly.

IX. ENFORCEMENT

A person commits an offense if the person violates any provision of these Rules and Regulations. An offense under these Rules and Regulations is a misdemeanor punishable by a fine of not less than two hundred dollars (\$200.⁰⁰) or more than one thousand dollars (\$1,000.⁰⁰) per violation. See TEX. TRANSP. CODE § 643.253 (e). A Law Enforcement Officer may issue a citation for any violation. Citation may be issued in addition to any action taken by the County in accordance with Article VII of these Rules and Regulations. Each day that a violation continues shall be punishable as a separate offense.

X. COMMUNICATIONS AND COUNTY CONTACT

Questions concerning these Rules may be submitted by e-mail to the Department's designated e-mail address (tow.truck@mctx.org) or by letter delivered to the Department's Information Booth in the main lobby of the Sheriff's Office, or communications may be directed as follows:

Montgomery County Sheriff's Office
Attn: Tow Truck Enforcement
 #1 Criminal Justice Dr.
 Conroe, Texas 77301

Phone: 936-760-5871
Fax: 936-538-7797
Tow Truck Info. No.:
 936-760-5801

[Rev. 1/20/06]

XI. EFFECTIVE DATE

These Rules and Regulations, with approval of Montgomery County Commissioners' Court, shall become effective on March 1, 2006. Consequently, on and after March 1, 2006, all Towing Companies and persons operating a Tow Truck in the performance of Non-Consent Towing services originating in the unincorporated areas of Montgomery County shall be subject to the provisions herein.

ORDINANCE NO. 86

ORDINANCE BY THE TOWN COUNCIL OF CUT AND SHOOT, TEXAS CALLING MAY 13, 2006, ELECTION FOR THE ELECTION OF THREE COUNCIL MEMBERS; PROVIDING THAT THE COUNTY ELECTIONS ADMINISTRATOR SHALL CONDUCT EARLY VOTING AND ELECTION DAY VOTING FOR THE TOWN; SETTING COUNTY POLLING PLACES FOR EARLY VOTING AND FOR THE TOWN ELECTION; NAMING THE TOWN SECRETARY AS THE CUSTODIAN OF THE VOTING RECORDS; PROVIDING FOR NOTICE OF THE ELECTION; PROVIDING ALTERNATE VOTING LOCATIONS AT THE TOWN HALL IF THE HOSPITAL DISTRICT DOES NOT CONDUCT A COUNTY-WIDE ELECTION; AND AUTHORIZING THE MAYOR AND CITY SECRETARY TO DO ALL THINGS NECESSARY TO CONDUCT THE ELECTION

WHEREAS, the Town Council ("the Council") of the Town of Cut and Shoot, Texas (the "Town") has the authority to call an election (the "Election") on May 13, 2006, for the election of members of the Council; and

WHEREAS, the Council pursuant to Chapter 31, Texas Election Code, anticipates that it will enter into a Contract for Election Services with Carol Chedsey Gaultney, Elections Administrator ("Administrator") for Montgomery County, Texas, for purposes of providing election administration services on behalf of the Town, and

WHEREAS, the Council also anticipates that it will enter into a Joint Election Agreement with the Montgomery County Hospital District for the purpose of sharing election equipment, election officials and precinct polling places;

IT IS THEREFORE ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CUT AND SHOOT, TEXAS THAT:

SECTION I

CALL OF ELECTION; DATE; ELIGIBLE ELECTORS; AND HOURS

An election (the "Election") shall be held on Saturday, May 13, 2006, which is forty-five (45) or more days from the date of the adoption of this ordinance (the "Ordinance") within the entire territory of the Town for the election of the following positions:

Alderman Position #1

Alderman Position #3

Alderman Position #5

Each of the members to be elected shall serve two-year terms. All resident, qualified electors of the Town shall be entitled to vote in the Election for candidates for the council members' positions. The Council hereby finds that holding the Election on such date, which is a uniform election date, is in the public interest. The hours during which the polling places are to be open at the Election shall be from 7 a.m. to 7 p.m.

SECTION II CONDUCT OF ELECTION

The election shall be conducted by election officers, in accordance with the Texas Election Code and the Constitution and laws of the State of Texas and the United States of America.

Pursuant to Chapter 31 of the Texas Election Code, the Council anticipates that this election will be conducted under the terms and conditions of the Contract for Election Services. Chapter 31 of the Texas Election Code provides that the Administrator may contract with the governing body of a political subdivision situated wholly or partly within the County served by the Administrator to perform election services in an election ordered by the political subdivision

SECTION III VOTING PRECINCTS

The presently existing boundaries and territory of the Montgomery County Election Precincts #2, #8 and #17, which are wholly or partially within the territorial boundaries of the Town, are hereby designated as the voting precincts of the Town Election. The polling location for Precinct 2 is the Four Corners Fire Station at 12051 FM 3083, Conroe, Texas 77301; for Precinct 8 it is the Browder Community Center, Cedar Lane Loop and County Line Road, Willis, Texas 77378; and for Precinct 17 it is the Cut-N-Shoot VFD Community Building, 14419 E. Hwy 105, Cut and Shoot, Texas 77306.

SECTION IV APPOINTMENT OF CUSTODIAN OF RECORDS

To the extent not otherwise provided for in the Election Services Agreement, the Council appoints Amy Wade, Town Secretary, as the Custodian of Records ("Custodian") and agent to the Council to perform the duties related to the conduct and maintenance of records of the Election as required under the Texas Election Code during the period ending not earlier than the sixtieth (60) day after the Election. In particular, the Custodian shall provide applications for candidates, accept applications from candidates for a place on the ballot, and determine the order in which names will

appear on the ballot for the council member positions and accept and maintain records regarding campaign expenditures that may be filed with the Town.

The Custodian shall maintain an office open for election duties for at least three hours each day, during regular office hours, on regular business days during the period required by law. The Custodian shall post notice of the location and hours of her office as required by the Texas Election Code. The Custodian shall maintain in her office, the documents, records and other items relating to the election and shall be the person designated to receive documents on behalf of the Town that are required by the Texas Election Code.

SECTION V **CANDIDATE APPLICATIONS**

Pursuant to the provisions of the Election Code, all candidates for a position on the Town Council in the Election shall file an application for a place on the ballot with the Town Secretary at the Town Hall at 14391 Hwy 105 East, Cut and Shoot, Texas 77306 on or before 5 p.m., Monday, March 13, 2006, a date which is sixty-two (62) days prior to the date of the Election pursuant to S. B. 1215 Section 5(b) of the 78th Legislature. All candidates shall file with said application the loyalty affidavit required by Subsection B, Section 141.031 of the Election Code.

SECTION VI **EARLY VOTING**

Pursuant to Chapter 31 of the Texas Election Code and the Election Services Agreement, the Council appoints the Administrator as the Town's Early Voting Clerk for the Election. Early voting shall be conducted at the Election Central office, 225 Collins Street, Conroe, Texas 77301, from 8 a.m. until 5 p.m. each weekday that is not a county holiday, beginning May 1, 2006, and ending May 5, 2006. Early voting on May 8 and 9, 2006, shall be from 7 a.m. to 7 p.m. The Administrator's office shall also remain open on the day of the Election during the hours the polls are required to be open for voting by the Texas Election Code.

Early voting mailed in ballot applications shall be addressed to the attention of Amy Wade, Cut and Shoot Town Hall, 14391 Hwy 105 East, Cut and Shoot, Texas 77306.

SECTION VII
NOTICE OF ELECTION

Notice of the Election, stating in substance the contents of this Ordinance, shall be published one (1) time in the English and Spanish languages, in a newspaper published within the Town's territory at least ten (10) days and no more than thirty (30) days before the Election and as otherwise may be required by the Texas Election Code. A joint Notice of Election may be published by the Administrator. Notice of the Election shall also be posted on the bulletin board used by the Board to post notices of the Town's meetings no later than the 21st day before the Election, or if the 21st day before the Election falls on a weekend or holiday, on the first business day thereafter.

SECTION VIII
ALTERNATE POLLING LOCATION AT THE TOWN HALL

In the event that the Montgomery County Hospital District does not hold a county-wide election on May 13, 2006, pursuant to the Contract for Election Services, then the Town Secretary is designated as the Early Voting Clerk for the Election, and early voting shall be conducted at the same times and dates as prescribed above at the Cut and Shoot Town Hall at 14391 Highway 105 East, Cut and Shoot, Texas 77306. The Mayor is authorized to rent an eSlate voting machine from the County Elections Administrator for the purpose of the Early Voting election.

Furthermore, in such event, the polling place for the Election on May 13, 2006 shall be at the Cut and Shoot Town Hall, 14391 Highway 105 East, Cut and Shoot, Texas 77306 at the same hours as prescribed above. The Town Secretary and her designated election officers shall administer the Election in accordance with the Texas Election Code. The Mayor is authorized in such event to rent an eSlate voting machine(s) from the County Elections Administrator for the purpose of the Election Day voting.

SECTION IX
AUTHORIZATION TO EXECUTE

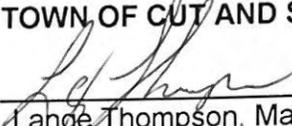
The Mayor of the Town is authorized to execute and the Town Secretary is authorized to attest this Ordinance on behalf of the Town Council; and the Mayor of the Town is authorized to do all other things legal and necessary in connection with the holding and consummation of the Election. The Council finds that notice of the date, place, and subject of this meeting was posted in accordance with the terms and provisions of the Texas Open Meetings Act at least 72 hours proceeding the scheduled time of this meeting.

**SECTION X
EFFECTIVE DATE**

This Ordinance is effective immediately upon its passage and approval.

PASSED AND APPROVED this the 9th day of February 2006.

TOWN OF CUT AND SHOOT, TEXAS



Lange Thompson, Mayor

ATTEST:



Amy Wade, Town Secretary



CONTRACT FOR ELECTION SERVICES

STATE OF TEXAS

COUNTY OF MONTGOMERY

THIS CONTRACT, made this 9th day of FEBRUARY, 2006 by and between the Political Subdivision of Town of Cretz Shoat, hereinafter called "Political Subdivision" and Montgomery County, Texas, by its County Elections Officer, Carol Gaultney, hereinafter called "Contracting Officer," pursuant to Texas Election Code Section 31.092, for a Joint May 13, 2006, Election. This Contract is entered into in consideration of the mutual covenants and promises hereinafter set out:

1 **RECITALS.** Contracting Officer is the Elections Administrator of Montgomery County, Texas, and is the County Officer in charge of election duties. Political Subdivision is a political entity situated wholly or partially within Montgomery County, Texas. Political Subdivision and Contracting Officer have determined that it is in the public interest of Montgomery County voters that the following contract be made and entered into for the purpose of having Contracting Officer furnish to Political Subdivision certain election services and equipment needed by Political Subdivision in connection with the holding of its May 13, 2006 Joint Election. If for any reason there is not a joint election between Political Subdivision and any other political subdivision, all references to a joint election are disregarded and Contracting Officer will provide election services to Political Subdivision as agreed to with amended Exhibits to this Contract. Montgomery County's certified electronic voting equipment is to be used in the Joint Election.

2. **DUTIES AND SERVICES OF CONTRACTING OFFICER.** Contracting Officer shall be responsible for performing the following duties and shall furnish the following services and equipment:

(a) Recruit and notify persons of their appointment as presiding election judges, alternate judges, and other election officials. Make emergency appointments of election officials if necessary. Train the judges and clerks through an elections training school after providing notification to such personnel of the date, time and place thereof.

(b) Arrange for the use of early voting locations per the attached Exhibit A and election day polling places per the attached Exhibit B. If emergency replacement polling locations are needed, Contracting Officer shall make necessary alternate arrangements to locate some other public place (or if unavailable, private building), and shall notify Political Subdivision as soon as possible.

(c) Procure and distribute election supplies. Assemble and edit lists of registered voters to be used in conducting the election, in conformity with the boundaries of Political Subdivision and the election precincts established for the election. The Election Day list of registered voters shall be arranged in alphabetical order by voting precinct, in lieu of alphabetic by political entity.

(d) Procure and prepare equipment, format ballot styles, program, record audio, and test all election equipment, transport equipment to and from the polling places and prepare the voting machines and equipment for use at the voting locations, and issue election kits and supplies to the precinct judges.

(e) Serve as Joint Early Voting Clerk for the Joint Election and process, mail, and tabulate ballots for any eligible voter who applies to Political Subdivision for a ballot by mail pursuant to Section 3-c of this Contract. Supervise the conduct of early voting in person and provide personnel to serve as deputy early voting clerks.

(f) Arrange for the tabulating, personnel, and equipment needed at central counting station and assist in preparation of programs and test materials for tabulation of the ballots to be used with electronic voting equipment.

(g) Publish legal notice of the date, time and place of the testing of the electronic tabulating equipment and conduct such testing. Contracting Officer may publish a joint election notice one time in *The Courier* newspaper.

(h) Serve as Joint Custodian of Records for all election records and provide for the storage of election records as provided by law.

(i) Supervise the handling and disposition of election returns, tabulate unofficial returns, and assist in preparing the tabulation for the official canvass.

(j) Provide information services for voters and election officers.

(k) Maintain accurate records of all expenses incurred in connection with the responsibilities under this Contract and provide Political Subdivision a final invoice after the conduct of the election. Provide any detailed backup to such invoice, if requested, reflecting the charges or components of the costs set forth on the invoice submitted to Political Subdivision.

(l) Assist in providing general overall supervision of the election and provide advisory services in connection with the decisions to be made and action to be taken by officers of the Political Subdivision who are responsible for holding the election.

(m) The Contracting Officer shall conduct a manual count as prescribed by Section 127.201 of the Texas Election Code, unless waived by the Secretary of State. If applicable, a written report shall be submitted to the Secretary of State as required by Section 127.201(E) of the aforementioned Election Code. If requested, Contracting Officer shall provide a written report to Political Subdivision in a timely manner.

(n) The Contracting Officer shall place the funds paid by Political Subdivision hereunder in a "contract fund" as prescribed by Section 31.100 of the Texas Election Code.

3. **DUTIES AND SERVICES OF POLITICAL SUBDIVISION.** Political Subdivision shall be responsible for performing the following duties:

(a) Prepare all election orders resolutions, notices, and other pertinent documents for adoption for execution by the appropriate Political Subdivision officer or body, and take all actions necessary under law for calling the Joint Election. Execute a Joint Election Agreement for the purpose of sharing election equipment, election officials, county precinct polling locations, and costs.

(b) Establish and adopt, if possible, the county voting precincts for this election. Adopt the early voting dates, times, and locations on the attached Exhibit A. Montgomery County has 85 election

county voting precinct polling locations as shown on the attached Exhibit B. Political Subdivision shall adopt the election day polling places on the attached Exhibit B that are within its jurisdictional boundaries as listed on the appropriate chart of jurisdictions in the attached Exhibit B-1. In the event there is not a joint election, this Contract and polling locations may be amended as agreed by the parties.

(c) Appoint a qualified person in Political Subdivision to serve as the Regular Early Voting Clerk to receive ballot by mail applications. Include name and address of Regular Early Voting Clerk in notice of election. Forward name and address to Contracting Officer by March 21, 2006. All ballot by mail applications received by the Regular Early Voting Clerk must be hand delivered or faxed to Contracting Officer on the day of receipt and the original application mailed or delivered to Contracting Officer. Contracting Officer will process applications, mail ballots, and tabulate.

(d) Prepare any preclearance submission on voting changes made by the Political Subdivision and timely submit to the US. Department of Justice under the Federal Voting Rights Act of 1965, as amended.

(e) Appoint the presiding judges, tabulating supervisor, central counting station manager, early ballot board and other election officials as recommended by the Contracting Officer.

(f) Prepare, post, and publish all required election notices except the joint election notice published in *The Courier* newspaper as provided in Paragraph 2(g) above that Contracting Officer may publish. In addition, if this election's polling locations are different than Political Subdivision's previous election, Political Subdivision shall post notice on May 12, 2006, at the entrance to any previous polling places in the jurisdiction stating that the location has changed and provide the polling location and address for those voters for this election, pursuant to Texas Election Code Section 43.062. Educate the voters in Political Subdivision as much as possible on early voting and election day polling locations.

(g) Deliver to the Contracting Officer according to the Timetable on the attached Exhibit C: ballot language with Spanish translations and Vietnamese if required, the candidate names or measures and the order as they are to be printed on the ballot with the exact form and spelling, provide pronunciation for difficult names or words to use on the audio recording, review and sign off on ballot proofs. Confirm with Contracting Officer the Political Subdivision's boundaries and county voting precincts within those boundaries. If boundaries are not defined properly within Montgomery County Election's voter registration database, maps and street lists with block ranges and odd/even/both indicators must be provided to Contracting Officer, and Political Subdivision must proof and approve all programming work done for the jurisdiction. The parties agree that the timing is critical on all of these duties because of the short time frame between elections and the number of entities contracting for elections. Lack of adherence to the Exhibit C - Timetable without prior agreement of the Contracting Officer may result in a cancellation of Contracting Officer's duties and obligations to conduct the Political Subdivision's election under this Contract.

(h) Deliver names of pollworkers, including judges and alternates used by Political Subdivision in its past election. Provide names of as many potential bilingual pollworkers as possible. Assist Contracting Officer in recruiting bilingual pollworkers and, if needed by the Department of Justice, provide documentation on Political Subdivision's efforts to recruit bilingual pollworkers.

(i) Pay any additional costs incurred by the Contracting Officer if a recount for said election is required or if the election is contested in any manner or if a runoff is required.

(j) Canvass the returns and declare the election results for the Political Subdivision.

(k) Political Subdivision shall pay 60% of its estimated cost per the Exhibit D Cost Estimate, as amended after candidate filing deadlines. Checks should be made payable to Montgomery County Elections Administrator and received by Contracting Officer on or before April 20, 2006. Political Subdivision shall pay the balance of conducting said election within thirty days from the date of final invoice. If the amount owed for conducting the election is less than the deposit paid by Political Subdivision, Contracting Officer shall return the overpayment together with the final invoice of costs of conducting the election with such refund to be paid in a prompt manner. All payments shall be made from current revenues available to Political Subdivision.

4. COST OF SERVICES. Political Subdivision shall share expenses for the above services, supplies and equipment in accordance with the attached Exhibit D "Cost Estimate", which may be amended after candidate filing deadlines and uncontested elections are cancelled. It is understood that other political entities may wish to participate in the use of the County's election equipment and polling locations and it is agreed that Contracting Officer may contract with entities for those purposes on terms and conditions generally similar to those set forth in this Contract. Only the actual expenses directly attributable to this Contract may be charged to Political Subdivision including administrative fees.

5. GENERAL CONDITIONS.

(a) All 85 county voting precinct polling locations within Montgomery County, and the six county early voting sites as per the attached Exhibits A and B will be used for the Joint May 13, 2006 Election.

(b) Montgomery County Elections Department is contracting with numerous political entities for the Joint May 13, 2006 Election and the parties agree that all ballot styles will be programmed into one electronic voting system. Qualified voters will receive only the ballot styles they are eligible to vote. During early voting all qualified voters will be eligible to vote at any one of the six early voting locations. One joint voter sign-in process consisting of a common list of registered voters and common signature rosters shall be used in precincts in which the common county polling places are used.

(c) The Contracting Officer shall file copies of this Contract with the Treasurer and the County Auditor of Montgomery not later than the 10th day from receipt of the fully executed contract by Contracting Officer.

(d) Montgomery County is self insured for personal liability issues and should Political Subdivision desire insurance for injuries during this election or other liabilities, they shall make such arrangements separate from this Contract.

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

(f) Notwithstanding any of the terms set out above, the parties to this Contract agree that the Political Subdivision may cancel this Contract in the event that it has no need to conduct an election on May 13, 2006. Political Subdivision shall notify Contracting Officer on March 14, 2006, if there are any

contested races after the candidate filing deadline of March 13. After the write-in deadline of March 20, the Political Subdivision may cancel this Contract without further obligation to either party if it notifies Contracting Officer in writing and by telephone no later than 5 p.m. on March 21, 2006, that Political Subdivision does not have a contested election.

(g) In the event the Montgomery County Hospital District does not have an election on May 13, 2006, such that there is no opportunity for a countywide joint election, Contracting Officer will provide for services and rent voting equipment to the Political Subdivision as able and agreed by both parties at a cost that is yet to be determined.

(h) In the event of a runoff, Political Subdivision agrees to hold its runoff election on June 17, 2006. If Political Subdivision elects to have Contracting Officer conduct a joint runoff election, the cost of the runoff election will be determined by the number of entities participating in a runoff election agreement. Political Subdivision is not required to utilize the services of Contracting Officer for a runoff if it should decide not to do so.

This Contract is made in Montgomery County, Texas, and signed on the dates below.

MONTGOMERY COUNTY, TEXAS

February 8, 2006
Date Signed

By Carol Cheday Gaultney
Carol Gaultney, Elections Administrator
"Contracting Officer"
225 Collins Street, Conroe, Texas 77301
Phone: 936-539-7843 FAX: 936-538-8143
cgaultney@co.montgomery.tx.us

Town of Cut and Shoot
"Political Subdivision"

February 9, 2006
Date Signed

By: Lay Thompson
Title: MAYOR
Address: PO Box 7364
City, State, Zip: Cut and Shoot, Tx 77306
Phone, FAX: 936-264-3100 / 936-264-3114
Email: MAYOR@cutandshoot.org

MAY 13, 2006 JOINT ELECTION
Early Voting Locations

Election Central
225 Collins Street
Conroe, Texas 77301

Malcolm Purvis Library
510 Melton Street
Magnolia, Texas 77354

South County Community Building
2235 Lake Robbins Drive
The Woodlands, Texas 77380

Constable / J.P. 1 Precinct Building
300 South Danville (State Highway 75)
Willis, Texas 77378

East County Courthouse Annex
21130 U.S. Highway 59 South
New Caney, Texas 77357

West County Courthouse Annex
19380 Hwy 105 W., Suite 507
Montgomery, Texas 77356

Early Voting Times

May 1 – May 5	8:00 am – 5:00 pm
May 6 (West County Annex only)	8:00 am – 5:00 pm
May 8 – May 9	7:00 am – 7:00 pm

2006 MONTGOMERY COUNTY ELECTION DAY POLLING LOCATIONS

Pct.	Name of Facility	Physical Address	City	Zip Code
1	Willis Community Bldg	109 W Mink	Willis	77378
2	Four Corners Fire Station	12051 FM 3083	Conroe	77301
3	The Woodlands High School 9th Grade Campus	10010 Branch Crossing Drive	The Woodlands	77382
4	Copperwood Apartment Bldg	4407 S Panther Creek Dr	The Woodlands	77381
5	Longstreet Community Bldg	20240 Bays Chapel Rd	Richards	77873
6	Oak Ridge Sr. High School	27330 Oak Ridge School Rd	Oak Ridge	77385
7	New Caney Special Education Department	20387 FM 1485 W	New Caney	77357
8	Browder Community Center	Cedar Lane Loop & County Line Rd	Willis	77378
9	Dobbin Community Center	695 S FM 1486	Montgomery	77316
10	Washington Jr. High School	507 Dr Martin L. King, Jr. Place N	Conroe	77301
11	Lake Conroe Forest Community Bldg	610 Navajo	Montgomery	77316
12	Security Community Bldg 12	18760 E Hwy 105	Cut & Shoot	77306
13	Decker Prairie Community Bldg	32434 Decker Prairie Rd	Magnolia	77355
14	Crippen Elementary School	18690 Cumberland Blvd	Porter	77365
15	River Plantation Fire Station	Country Club Dr	Conroe	77302
16	Splendora Intermediate School	26175 FM 2090	Splendora	77372
17	Cut-N-Shoot VFD Community Building	14419 E Hwy 105	Conroe	77306
18	Malcolm Purvis Library	510 Melton	Magnolia	77354
19	Arnold-Simonton House	905 Stewart	Montgomery	77356
20	Travis Intermediate School	1100 N Thompson	Conroe	77301
21	Conroe High School	3200 W Davis	Conroe	77304
22	Lake Conroe Hills Community Bldg	13319 Lake Breeze	Willis	77318
23	Cargill Education Support Center	204 W Rogers	Willis	77378
24	Needham Road Fire Station	9430 Hwy 242	Conroe	77385
25	ESD 5 Fire Station 172	13821 FM 1314	Conroe	77302
26	East County Courthouse Annex	21130 Hwy 59 S	New Caney	77357
27	Rice Elementary School	904 Gladstell	Conroe	77304
28	Decker Prairie Elementary School	27427 Decker Prairie Rosehill Rd	Magnolia	77355
29	Southwest Montgomery County Annex	31350 Industrial Ln	Magnolia	77355
30	Magnolia High School	14250 FM 1488	Magnolia	77354
31	Shenandoah City Hall	29955 I-45 North	Shenandoah	77381
32	Wilkerson Intermediate School	12312 Sawmill Rd	The Woodlands	77380
33	South County Community Bldg	2235 Lake Robbins Dr	The Woodlands	77380
34	Lakewood Estates Civic Bldg	15339 Lake Lamond Rd	Conroe	77384
35	Robinson Road Community Bldg	27434 Robinson Rd	Oak Ridge	77385
36	Bennette Estates Fire Station	15038 Calhoun Rd	Conroe	77302
37	Friendship United Methodist Church	22388 Ford Rd	Porter	77365
38	Cape Conroe Fire Station	100 Cape Conroe Dr	Montgomery	77356
39	Honea Baptist Church	16430 FM 2854	Montgomery	77316
40	West Conroe Baptist Church	1855 Longmire Rd	Conroe	77304
41	Splendora Jr. High School	23411 FM 2090	Splendora	77372
42	Grangerland Community Bldg	15961 FM 3083	Grangerland	77302
43	Panorama City Hall	99 Hiwon Dr	Panorama	77304
44	Lone Star Convention Center - Yellow Rose Room	9055 FM 1484	Conroe	77303

2006 MONTGOMERY COUNTY ELECTION DAY POLLING LOCATIONS

Pct.	Name of Facility	Physical Address	City	Zip Code
45	Timber Lakes/Timber Ridge Fire Station	3434 Royal Oaks Dr	Spring	77380
46	Rayford Rd Community Bldg	2325 Rayford Rd	Spring	77386
47	Spring Woodlands Church of Christ	1021 Sawdust Road	Spring	77380
48	Sally K Ride Elementary School	4920 W Panther Creek Dr	The Woodlands	77381
49	David Elementary School	5301 Shadowbend Pl	The Woodlands	77381
50	Lake View Manor Clubhouse	12091 Lakeview Manor	Willis	77318
51	VFW Hall	1303 W Semands Ave	Conroe	77301
52	New Caney ISD Transportation Center	21026 Loop 494	New Caney	77357
53	New Caney Fire Station	Roman Forest Blvd	New Caney	77357
54	Peach Creek Baptist Church	25963 FM 1485 E	New Caney	77357
55	Grangerland Fire Station #41	16723 FM 2090	Grangerland	77306
56	Conroe Fire Station #4	250 Harpers Landing Blvd	The Woodlands	77385
57	Stow Away Marina Café	13988 Calvary Rd	Willis	77318
58	South County YMCA	6145 Shadowbend Pl	The Woodlands	77381
59	Powell Elementary School	7332 Cochrans Crossing Dr	The Woodlands	77381
60	Montgomery County Juvenile Facility	200 Academy Dr	Conroe	77301
61	The John Cooper School	One John Cooper Dr	The Woodlands	77381
62	Collins Intermediate School	6020 Shadowbend Pl	The Woodlands	77381
63	Montgomery ISD District Office	13159 Walden Rd	Montgomery	77356
64	Whispering Pines Baptist Church	15200 FM 1485	Conroe	77306
65	J L Lyons Elementary School	27035 Nichols Sawmill Rd	Magnolia	77355
66	Outback (Longbranch Pavilion)	30337 Dobbin Huffsmith Rd	Magnolia	77354
67	Lamar Elementary School	1300 Many Pines Rd	The Woodlands	77380
68	Ford Elementary School	25460 Richards Rd	Spring	77386
69	Barbara Bush Elementary School	7420 Crownridge Dr	The Woodlands	77382
70	Bear Branch Recreation Center	5310 Research Forest Dr	The Woodlands	77381
71	Buckalew Elementary School	4909 W Alden Bridge	The Woodlands	77382
72	Bentwater Country Club	800 Bentwater Dr	Montgomery	77356
73	Conroe YMCA	10245 Owen Dr	Conroe	77304
74	Smith Elementary	28747 Hardin Store Rd	Magnolia	77354
75	Montgomery County Community College Bldg A Commons	3200 College Park Dr	The Woodlands	77384
76	Woodland Place Baptist Church	5148 FM 1488	Magnolia	77354
77	April Sound Country Club	1000 April Sound Blvd	Montgomery	77356
78	Galatas Elementary School	9001 Cochrans Crossing Dr	The Woodlands	77381
79	Glen Loch Elementary School	27505 Glen Loch Dr	The Woodlands	77381
80	Tamina Community Park	Sleepy Hollow and Main	Oak Ridge	77385
81	Mitchell Intermediate School	6800 Alden Bridge	The Woodlands	77382
82	Kingwood College Fine Arts Bldg	500 Royston Dr	Kingwood	77339
83	Security Community Bldg 83	18760 E Hwy 105	Cut & Shoot	77306
84	South Montgomery Fire Station # 1	335 Volunteer Ln @ Budde	Spring	77380
85	Northridge Baptist Church	10681 FM 1484	Conroe	77303

EXHIBIT C - Timetable

February 9 – March 13, 2006

Execute Joint Election Agreement with the Montgomery County Hospital District and fax to Connie Bryant at 936-523-5050. *Section 3(a)*

Execute and complete a Contract for Election Services with Montgomery County Elections Administrator "Contracting Officer" and an Entity Fact Sheet and forward to Montgomery County Elections.

In the event Montgomery County Hospital District does not have an election on May 13, 2006, Contracting Officer will provide for services and rent voting equipment to political subdivisions giving priority to prior customers and then to entities based upon receipt date of a completed Contract and Entity Fact Sheet as well as compliance with all other deadlines in this Timetable. It is highly unlikely that, without a Joint Election, Montgomery County will have enough electronic voting equipment for all political subdivisions to conduct their own elections. Section 5(g)

Please notify Contracting Officer (cgaultney@co.montgomery.tx.us or 936-539-7843) immediately when you receive candidate filings which indicate you will have a contested election. This is particularly essential if your Political Subdivision's jurisdiction boundaries are not defined in our voter registration database (all entities other than cities and schools.)

Wednesday, March 1, 2006

By this date confirm with Marcy Zwall (mzwall@co.montgomery.tx.us or 936-539-7843) that Political Subdivision's boundaries and county voting precincts within those boundaries are correct on Exhibit B-1. *Sec. 3(g)*

In addition, all entities other than schools and cities must complete Montgomery County's Street Guide defining jurisdictional boundaries. Timely proofread and approve jurisdictional programming upon receipt back from Contracting Officer. *Section 3(g)*

Monday, March 13, 2006

Last day for political subdivisions to order a general election unless otherwise provided by the Election Code. Please forward Contracting Officer a copy of your Order of Election.

Last date to receive Contracts and Entity Fact Sheets and Joint Election Agreement.

Candidate filing deadline at 5:00 unless otherwise provided by the Election Code.

Tuesday, March 14, 2006

First day to accept applications for early voting ballots by mail. Forward to Contracting Officer the name, address, and phone of your Regular Early Voting Clerk appointed to receive ballot by mail applications. *Section 3(c)*

All entities must notify Contracting Officer before noon by email or telephone (cgaultney@co.montgomery.tx.us, 936-539-7843) whether Political Subdivision has contested races or does not have contested races. *Section 5(f)*

Recommended ballot drawing date. Notice must be posted for 72 hours immediately preceding the time of the drawing per Texas Election Code Section 52.094(c). Forward ballot language listed under Friday, March 17, as soon as possible after drawing.

Friday, March 17, 2006

Ballot Language due in Elections Department Office by 1:00 p.m. (email to cgaultney@co.montgomery.tx.us AND jlay@co.montgomery.tx.us or hand deliver to 225 Collins Street, Conroe):

Election Headings for Political Subdivision, Race Titles, and Proposition Titles and Language in both English and Spanish. Candidate Names listed in proper ballot order in English only with phonetic pronunciations for audio recording. *Section 3(g)*

Monday, March 20, 2006

5:00 PM—Deadline for write-in candidates to file declarations of write-in candidacy for city, school district, library district, junior college district, hospital district, Chapter 36 and 49 Water Code districts, and other political subdivision elections, unless otherwise provided by law.

Tuesday, March 21, 2006

Recommended first day that an election may be cancelled **IF** all filing deadlines have passed and each candidate whose names is to appear on the ballot is unopposed and there is no proposition to appear on the ballot. Last day for a candidate to withdraw from an election. Notify Contracting Officer in writing and by telephone by 5:00 p.m. of candidate withdrawals or cancellation of election. *Section 5(f)*

Forward names of prior pollworkers and names of potential bilingual pollworkers to Sandy Hawkins (shawkins@co.montgomery.tx.us or mail to 225 Collins, Conroe, Texas 77301).

Notification of any write-in candidates and phonetic pronunciations should be sent by email to cgaultney@co.montgomery.tx.us AND jlay@co.montgomery.tx.us

Monday, March 28, 2006

Last day to proofread and approve the ballot *.

* Due to anticipated high volume of elections to be programmed this date may be extended.

Thursday, April 13, 2006

Last day to register to vote.

Monday, April 20, 2006

Last day to deliver 60% deposit to Montgomery County Elections Department. *Section 3(k)*

Wednesday, April 26, 2006

10:00 a.m. Public Logic & Accuracy Test of election equipment.

Monday, May 1, 2006

First day to vote early in person

Tuesday, May 9, 2006

Last day to vote early by personal appearance.

Friday, May 12, 2006

Post notice at the entrance to any previous polling location in Political Subdivision's Jurisdiction showing May 13, 2006 polling location and address pursuant to Texas Election Code Section 43.062. *Section 3(f)*

Saturday, May 13, 2006

Election Day 7:00 a.m. to 7:00 p.m.

Tuesday, May 16, 2006

First day to conduct official local canvass of returns as long as the ballot board has finished processing and counting late and provisional ballots. Since we are also the Voter Registrar and will be processing mail and provisional ballots for numerous entities, canvass reports will not be available until after the deadline for voters who voted outside the U.S. (May 18) plus a day for the Early Ballot Board to process. Please schedule your canvass May 22 – 24. *Section 3(j)*

Wednesday, May 24, 2006

Last day for official canvass of returns.

30 days from date of final invoice

Pay balance due for election services. Checks payable to Montgomery County Elections Administrator. *Section 3(k)*

Saturday, June 17, 2006

Runoff election, if needed, scheduled for this date if using county equipment. *Section 5(h)*

NOTES:

Information in **Blue** reflects Political Subdivision's deadlines pursuant to Montgomery County Contract for Election Services and the *Contract Section Number* if applicable. The parties agree that timing is critical because of the short time frame between 2006 elections and the number of entities contracting for elections. Lack of adherence to this Timetable without prior agreement of Contracting Officer may result in a cancellation of Contracting Officer's duties and obligations to conduct Political Subdivision's election under this Contract.

For a complete calendar of events including citations to the Texas Election Code and for information specific to the type of entity, please refer to the Secretary of State's website at www.sos.state.tx.us/elections/index.shtml Please refer to the Secretary of State's May 13, 2006 election calendar and comply with all postings and notices. Contracting Officer will notify all Joint Election participants regarding the possible publication of one joint notice in the Conroe Courier. *Sections 2(g) and 3(f)*

EXHIBIT B-1
MONTGOMERY COUNTY VOTING PRECINCTS IN SCHOOL DISTRICT

# of Dist's 9	SCHOOL DISTRICTS								
	Conroe ISD*	Cleveland ISD *	Magnolia ISD*	Montgomery ISD	New Caney ISD* (also Harris Co)	Richards ISD	Splendora ISD*	Tomball ISD *	Willis ISD* (also San Jac Co)
2		41	3	5	7	5	7	13	1
3			9	9	14		12	28	8
4			13	11	26		16	29	22
6			18	19	37		41	66	23
7			28	30	52		53		40
8			29	38	53				43
10			30	39	54				44
11			34	63	64				50
12			39	72	82				57
14			65	76					85
15			66	77					
17			69						
20			74						
21			76						
24			78						
25			81						
26									
27									
31									
32									
33									
34									
35									
36									
39									
40									
42									
44									
45									
46									
47									
48									
49									
51									
55									
56									
58									
59									
60									
61									
62									
64									
67									
68									
69									
70									
71									
73									
75									
76									
77									
78									
79									
80									
81									
83									
84									
85									
TL Pcts: 116	58	1	16	11	10	1	5	4	10

MONTGOMERY COUNTY VOTING PRECINCTS

ENTITY FACT SHEET

* NHMCCD Member ISDs

Complete and forward to: **Managers Training Program**

Name of Political Organization	
Address (including zip code)	
Phone	
E-mail	
Fax	
Website	
Party/affiliation to New Hampshire	
Appointed member of May 2006 election and any reappointment dates to be reported	
Type of election (candidate, fund, referendum, etc.) and number of votes received	
Was elected member district or at large?	
Is there a primary of a run-off election?	
If so, what is run-off date (and by June 17)?	
Do you need to pay individually for us to contact with voting on Saturday, May 6 from 8:00 am to 8:00 pm?	
If so, how much?	
Comments (please see remarks on Timetable)	
Is there any reason your precinct is precinct tabulation reports received by County Voting Precinct?	
List the early voting sites used in the election:	
List the election day polling locations used in your precinct (attach a separate sheet if needed)	
Attach list of part-time workers and pre-arranged alternate poll workers to be forwarded to Registrar before August 21, 2006 deadline	
Attach a copy of the ballot book, the list of voters with the voting times as they appear on the ballot book and the list of voters with the voting times as they appear on the poll book (including the number of ballots for each voter)	

ENTITY FACT SHEET

(Please complete and forward to Montgomery County Elections with Contract)

Name of Political Subdivision:	
Contact Information including	
<input type="checkbox"/> Name	
<input type="checkbox"/> Address	
<input type="checkbox"/> Phone	
<input type="checkbox"/> FAX	
<input type="checkbox"/> email:	
Voter turnout in last two elections:	
Anticipated turnout in May, 2006 election and any comments that may be helpful:	
Type of election (candidates, bond, referendum, etc.) and number of races on Ballot:	
Any single member districts or all at large:	
Is there a possibility of a runoff election:	
If so, could a runoff be ordered for June 17:	
Do you want to pay individually for us to conduct early voting on Saturday, May 6 from 8:00 am to 5:00 pm?	
<input type="checkbox"/> Which sites?	
Canvass date (please see remarks on Timetable):	
Is there any reason your precinct by precinct tabulation reports cannot be by County Voting Precincts?	
List the early voting sites used in last election:	
List the election day polling locations used in your last election: (Attach a separate sheet if needed)	
Attach list of past pollworkers and potential bilingual pollworkers now or forward to Elections before March 21, 2006 deadline.	
Attach a copy of the ballot from the last election with the same races as this election.	
Do you anticipate holding an election November 2006 or May 2007?	

Motion was made by TERRY MANN, seconded by Robert Moore, that the following Ordinance be passed:

ORDINANCE NO. 87

AN ORDINANCE BY THE TOWN COUNCIL OF THE TOWN OF CUT AND SHOOT, MONTGOMERY COUNTY, TEXAS, A TYPE A GENERAL LAW MUNICIPALITY OF THE STATE OF TEXAS, TO CHANGE ITS DESIGNATION FROM "TOWN" TO "CITY"; PROVIDING A MODIFYING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A TEXAS OPEN MEETINGS ACT CLAUSE; AND PROVIDING AN EFFECTIVE DATE AFTER PUBLICATION OF SEPTEMBER 1, 2006.

WHEREAS, the Town of Cut and Shoot, Montgomery County, Texas, is a Type A general law municipality and political subdivision of the State of Texas; and

WHEREAS, Section 5.902 of the Texas Local Government Code permits the governing body of a Type A, general law municipality that is designated as a "town" to change by ordinance its designation to a "city"; and

WHEREAS, the Town Council of the Town of Cut and Shoot believes it is the best interest of the town and its citizens that the Town of Cut and Shoot be designated the "City of Cut and Shoot";

NOW THEREFORE BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CUT AND SHOOT, TEXAS, THAT:

SECTION 1. The foregoing recitals are incorporated into this Ordinance as findings of fact.

SECTION 2. The Town Council hereby changes the designation of the Town of Cut and Shoot to the "City of Cut and Shoot". This change in designation does not affect the Town's corporate existence or powers, or in any way affect the validity of its existing ordinances and resolutions.

SECTION 3. The Town Secretary is hereby authorized to order stationery and notify all vendors and other necessary parties of this new name as designated in this Ordinance. A copy of this Ordinance shall be served on all bond holders of the Town of Cut and Shoot.

SECTION 4. The Town Secretary is further directed to file a certified copy of this Ordinance in the Real Property Records of Montgomery County and further to deliver a certified copy to the Montgomery County Appraisal District and the Montgomery County Tax Assessor - Collector.

SECTION 5. Modification All of the existing town ordinances in conflict with the provisions of this Ordinance are modified to the extent of the conflict.

SECTION 6. Savings Clause

The Town Council of the Town of Cut and Shoot, Texas, does hereby declare that if any section, subsection, paragraph, sentence, clause, phrase, work or portion of this Ordinance is declared invalid, or unconstitutional, by a court of competent jurisdiction, that, in such event it would have passed and ordained and all remaining portions of this Ordinance without the inclusion of that portion of portions which may be so found to be unconstitutional or invalid, and declares its intent is to make no portion of this Ordinance dependent upon the validity of any other portion thereof, and that all said remaining portions shall continue in full force and effect.

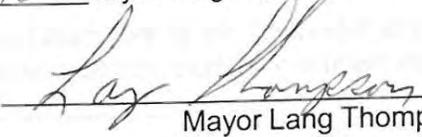
SECTION 7. Texas Open Meetings Clause

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

SECTION 8. Effective Date after Publication

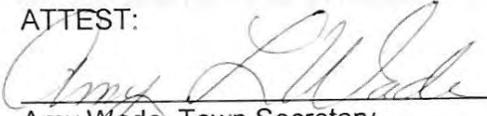
This Ordinance shall be effective on September 1, 2006, after publication as provided by law.

PASSED AND APPROVED this 10th day of August, 2006.



Mayor Lang Thompson

ATTEST:



Amy Wade, Town Secretary

APPROVED AS TO FORM:

Larry L. Foerster, Town Attorney

STATE OF TEXAS §

COUNTY OF MONTGOMERY §

CERTIFICATE OF ORDINANCE

I.

On the 10th day of August 2006, the Town Council of the Town of Cut and Shoot, Texas, consisting of the following qualified members, to-wit:

Mayor Lang Thompson,
Councilman J. D. Roberts,
Councilman Robert Moore

Councilman Bill Oliphant
Councilman Terry Mann
Councilman Marvin Musgrove

did convene in public session in the Council Chambers of the Town Hall at Cut and Shoot, Texas. The roll being first called, a quorum was established, all members being present except the following to wit: _____

_____ The meeting was open to the public and public notice of the time, place and purpose of the meeting was given, all as required by Chapter 551, Texas Government Code.

II.

WHEREUPON, AMONG OTHER BUSINESS transacted, the Council considered adoption of the following written ordinance, to-wit:

ORDINANCE NO. 87

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF CUT AND SHOOT, TEXAS,

AN ORDINANCE BY THE TOWN COUNCIL OF THE TOWN OF CUT AND SHOOT, MONTGOMERY COUNTY, TEXAS, A TYPE A GENERAL LAW MUNICIPALITY OF THE STATE OF TEXAS, TO CHANGE ITS DESIGNATION FROM "TOWN" TO "CITY"; PROVIDING A MODIFYING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A TEXAS OPEN MEETINGS ACT CLAUSE; AND PROVIDING AN EFFECTIVE DATE AFTER PUBLICATION OF SEPTEMBER 1, 2006.

III.

Upon motion of Council Member TERRY MANN, second by Council Member ROBERT MOORE, all members present voted for adoption of the Ordinance, except the following voted against: NONE and NONE abstained. A majority of those Council Members present having voted for adoption, the presiding officer declared the Ordinance passed on first reading. A majority of those Council Members present having voted for adoption, the Ordinance passed.

A true, full and correct copy of the Ordinance adopted at the meeting is attached to and follows this certificate.

SIGNED AND SEALED this 10th day of August 2006.

Amy L. Wade
City Secretary

SUBSCRIBED AND SWORN TO BEFORE ME on August 10 2006, by Amy L. Wade who is personally know to me to be the person whose name is subscribed for the foregoing affidavit.

Lay [Signature]
Notary Public State of Texas



Ord. #87

ORDINANCE

A ORDINANCE OF THE CITY COUNCIL OF *Cut And Shoot*
TEXAS, AUTHORIZING PARTICIPATION WITH OTHER ENERGY
SERVICE AREA CITIES IN MATTERS CONCERNING ENERGY
TEXAS, INC. AT THE PUBLIC UTILITY COMMISSION OF TEXAS
AND THE FEDERAL ENERGY REGULATORY COMMISSION IN
2017

WHEREAS, Entergy Texas, Inc.'s ("ETI") implementation of customer choice has ceased due to Senate Bill 1492 and ETI will continue to be regulated under traditional cost-of-service regulation;

WHEREAS, changes to the Public Utility Regulatory Act addressing rates and rate proceedings will have a direct impact on ETI and customer bills during 2017 and into the future;

WHEREAS, ETI is scheduled to litigate requests in various proceedings before the Public Utility Commission of Texas, before municipalities, or before the Federal Energy Regulatory Commission in 2017 related to ETI's continued integration with the Midwest Independent System Operator ("MISO"), ETI's exit from the Entergy System Agreement (effective August 31, 2016), various fuel cost refunds or surcharges and reconciliations, and for any type of base rate proceedings or cost adjustments, such as a new base rate increase request, transmission cost recovery rider, a distribution cost recovery rider, energy efficiency cost recovery factor, or hurricane restoration cost or offset true-ups;

WHEREAS, ETI is scheduled to file fuel factor proceedings at the Public Utility Commission in February and August 2017, and to file other fuel proceedings to refund or surcharge fuel charges;

WHEREAS, ETI is scheduled to file a proceeding to recover costs incurred in association with its Energy Efficiency Plan as well as reconcile past costs;

WHEREAS, Cities have the statutory right to set fair and reasonable rates for both the Company and customers within Cities;

WHEREAS, Cities have exclusive original jurisdiction over rates, operations, and services of an electric utility in areas in the municipality pursuant to *Tex. Util. Code* § 33.001;

WHEREAS, Cities have standing in each case before the Public Utility Commission of Texas that relates to an electric utility providing service in the municipality pursuant to *Tex. Util. Code* § 33.025, and standing before each Federal Energy Regulatory Commission case in which the City may be affected pursuant to 18 *C.F.R.* § 385.214;

WHEREAS, Cities are entitled to reimbursement by the utility of their reasonable rate case expenses to participate in cases that are deemed rate proceedings pursuant to *Tex. Util. Code* § 33.023.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF Cut And Shoot, TEXAS, that:

SECTION 1. The City of Cut And Shoot shall participate with other Cities to intervene in ETI's various rate filings related to the various fuel cost surcharges and reconciliations, any interim or incremental surcharge proceedings or surcharge adjustments, and for any base rate adjustment proceedings or cost of service adjustments on file with the Public Utility Commission of Texas or with municipalities in 2017 and seek appropriate regulatory scrutiny in any case on file at the Federal Energy Regulatory Commission affecting the City and its residents.

The City of Cut And Shoot shall participate with other Cities to intervene in fuel or fuel related proceedings at the Public Utility Commission and the Federal Energy Regulatory Commission on file in 2017 concerning ETI's rates charged to Texas customers.

All such actions shall be taken pursuant to the direction of the Cities' Steering Committee. Cities' Steering Committee shall have authority to retain rate consultants and lawyers. Cities' Steering Committee shall direct the actions of Cities' representatives in the above proceedings. The Steering Committee is directed to obtain reimbursement from ETI of all reasonable expenses associated with participation in said proceedings.

SECTION 2. This Ordinance shall be effective from and after the date of its passage.

PASSED by MAJORITY vote of the City Council of the City of Cut And Shoot, Texas, this 13 day of April 2017.

THE CITY OF Cut And Shoot TEXAS

By: Nepa Akin Dalhaus

ATTEST:

Amy L Wade
City Secretary

APPROVED AS TO FORM:

STATE OF TEXAS §

COUNTY OF MONTGOMERY §

CERTIFICATE OF ORDINANCE

I.

On the 10th day of August 2006, the Town Council of the Town of Cut and Shoot, Texas, consisting of the following qualified members, to-wit:

Mayor Lang Thompson,
Councilman J. D. Roberts,
Councilman Robert Moore

Councilman Bill Oliphant
Councilman Terry Mann
Councilman Marvin Musgrove

did convene in public session in the Council Chambers of the Town Hall at Cut and Shoot, Texas. The roll being first called, a quorum was established, all members being present except the following to wit: _____

The meeting was open to the public and public notice of the time, place and purpose of the meeting was given, all as required by Chapter 551, Texas Government Code.

II.

WHEREUPON, AMONG OTHER BUSINESS transacted, the Council considered adoption of the following written ordinance, to-wit:

ORDINANCE NO. 87

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF
CUT AND SHOOT, TEXAS,

**AN ORDINANCE BY THE TOWN COUNCIL OF THE TOWN OF CUT AND SHOOT,
MONTGOMERY COUNTY, TEXAS, A TYPE A GENERAL LAW MUNICIPALITY OF
THE STATE OF TEXAS, TO CHANGE ITS DESIGNATION FROM "TOWN" TO "CITY";
PROVIDING A MODIFYING CLAUSE; PROVIDING A SAVINGS CLAUSE;
PROVIDING A TEXAS OPEN MEETINGS ACT CLAUSE; AND PROVIDING AN
EFFECTIVE DATE AFTER PUBLICATION OF SEPTEMBER 1, 2006.**

III.

Upon motion of Council Member TERRY MAW, second by Council Member ROBERT MOORE, all members present voted for adoption of the Ordinance, except the _____ following voted against: NONE and NONE abstained. A majority of those Council Members present having voted for adoption, the presiding officer declared the Ordinance passed on first reading. A majority of those Council Members present having voted for adoption, the Ordinance passed.

A true, full and correct copy of the Ordinance adopted at the meeting is attached to and follows this certificate.

SIGNED AND SEALED this 10th day of August 2006.

Amy L Wade
City Secretary

SUBSCRIBED AND SWORN TO BEFORE ME on August 10 2006, by Amy L. Wade who is personally know to me to be the person whose name is subscribed for the foregoing affidavit.

Laf [Signature]
Notary Public State of Texas



Motion was made by Bill Oliphant, seconded by Terry Mann, that the following Ordinance be passed:

ORDINANCE NO. 88

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS, AUTHORIZING THE ACCEPTANCE OF PAYMENTS OF FINES, COURT COSTS AND OTHER CHARGES BY CREDIT CARD, AND AUTHORIZING THE ACCEPTANCE OF PAYMENTS OF WATER BILLS BY CREDIT CARD; REPEALING ALL ORDINANCES IN CONFLICT; PROVIDING SAVINGS CLAUSE; PROVIDING TEXAS OPEN MEETINGS CLAUSE; AND PROVIDING FOR THE EFFECTIVE DATE AFTER PASSAGE.

WHEREAS, Chapter 132 of the Texas Local Government Code authorizes city councils to approve the use of credit cards or electronic payments for payments of fines, court costs and other charges; and

WHEREAS, the City Council has the authority to use credit cards for the collection of its water utility bills; and

WHEREAS, the City Council believes that it is the best interest of the citizens of the City of Cut and Shoot, Texas, that credit card payments be available;

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS, THAT:

I.

The City Council hereby adopts the recitals and findings set out above.

II.

The City Council hereby authorizes the Cut and Shoot Municipal Court to accept payments of fines, court costs and other charges by credit card. In addition, the City Council sets a process fee of five percent (5%) of the amount of fees, fines, court costs, or other charges being made to a credit card.

III.

The City further authorizes the City Secretary to collect payments for city water utility bills by credit card.

IV.

The City hereby authorizes the Mayor and City Secretary to contract with companies that issue credit cards to establish a credit card arrangement for the City of Cut & Shoot.

V.

All fees or charges collected by credit card shall be deposited into the general fund of the City of Cut and Shoot.

VI.

Savings Clause

The City Council of the City of Cut and Shoot, Texas, does hereby declares that if any section, subsection, paragraph, sentence, clause, phrase, work or portion of this Ordinance is declared invalid, or unconstitutional, by a court of competent jurisdiction, that, in such event it would have passed and ordained and all remaining portions of this Ordinance without the inclusion of that portion of portions which may be so found to be unconstitutional or invalid, and declares its intent is to make no portion of this Ordinance dependent upon the validity of any other portion thereof, and that all said remaining portions shall continue in full force and effect.

VII.

Repealing Clause

All ordinances and parts of ordinances, in conflict with the provisions of this Ordinance are hereby expressly repealed; provided, however, that such repeal shall be only to the extent of such inconsistency and in all other respects, this Ordinance shall be cumulative of other Ordinances regulating and governing the subject matter covered by this Ordinance.

VIII.

Texas Open Meetings Clause

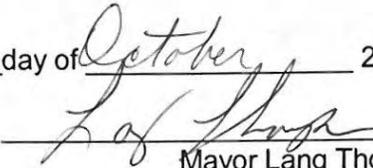
It is hereby officially found and determined that the meeting at which this Ordinance was considered was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

IX.

Effective Date after Publication

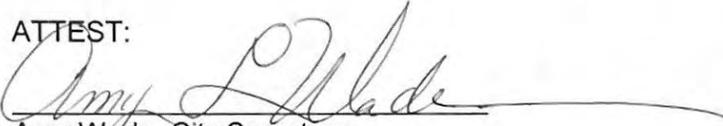
This Ordinance shall take effect upon its passage.

PASSED AND APPROVED this 12 day of October, 2006.



Mayor Lang Thompson

ATTEST:



Amy Wade, City Secretary

S U S A N

C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

WWW.WINDOW.STATE.TX.US



April 18, 2007

Ms. Amy Wade
City Secretary
City of Cut and Shoot
Post Office Box 7364
Cut and Shoot, Texas 77306-0364

Dear Ms. Wade:

We have received Cut and Shoot's Ordinance Number 89 re-imposing the local sales and use tax on the residential use of natural gas and electricity as allowed by Section 321.105(c), Tax Code.

The ordinance re-imposing the local sales tax on residential use of gas and electricity will become effective July 1, 2007. We will also need for you to provide us with a list of all businesses that provide gas and electric utility services within the city.

If you have any questions or need more information, please call me toll-free at 1-800-531-5441, extension 50665. My regular number is 512/475-0665.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gerard Washington", is written over the typed name.

Gerard Washington
Tax Allocation Section
Revenue Accounting Division

Motion made by Robert Moore, seconded by
Bill Oliphant that

ORDINANCE No. 89

**AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF
CUT AND SHOOT, MONTGOMERY COUNTY, TEXAS, REPEALING THE
SALES AND USE TAX EXEMPTION FOR TELECOMMUNICATIONS
SERVICES AND REIMPOSING THE SALES AND USE TAX FOR
ELECTRICITY FOR RESIDENTIAL USE**

WHEREAS, Section 321.105 of the Texas Tax Code provides that the sale, production, distribution, lease, or rental of electricity for residential use within the City are exempted from sales and use tax within the City unless the tax is reimposed under Section 321.105 (c); and

WHEREAS, Section 321.105 (c) of the Texas Tax Code authorizes the city council of the City in which residential use of electricity is exempted with the City, to reimpose the taxes on electricity for residential use by majority vote of the membership of the city council; and

WHEREAS, Section 321.210 of the Texas Tax Code provides that telecommunications services are exempted from sales and use tax within the City unless the application of the exemption is repealed under that section; and

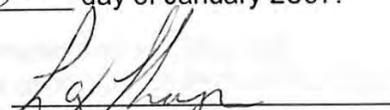
WHEREAS, Section 321.210 (b) of the Texas Tax Code authorizes the city council of a City by a majority vote to repeal the application of the exemption for telecommunications services sold within the City; and

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
CUT & SHOOT, TEXAS, THAT:**

1. A tax is hereby authorized on all telecommunication services and residential use of electricity sold within the geographical limits of the City of Cut & Shoot, Montgomery County, Texas.
2. For purposes of this Ordinance, the sale of telecommunication services is consummated at the location of the telephone or other communications device from which the call or other communication originates. If the point of origin cannot be determined, the sales are consummated at the address to which the call or other communication service is billed.

3. For purposes of this Ordinance, the residential use of electricity shall include the sale, production, distribution, lease and rental of electricity.
4. The sales and use tax for residential use of electricity is hereby reimposed by the City Council as authorized by Section 321.105 (c).
5. The application of exemption provided for in Section 321.210 (a) of the Texas Tax Code is hereby repealed by the City Council as authorized by Section 321.210 (b) thereof.
6. The rate of tax imposed by this Order shall be one and one half percent (1.5%) as authorized by law.
7. The City Attorney shall forward to the Comptroller of the State of Texas by U. S. Postal Service certified mail a copy of this Ordinance, along with a copy of the Agenda and Minutes of the Board's vote and discussion on this issue.
8. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held unconstitutional, such holding shall not affect the validity of the remaining portions of this Ordinance.
9. It is hereby officially found and determined that the meeting at which this Ordinance was considered was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.
10. This Order shall become effective as of February 8, 2007, or as soon thereafter as allowed by law.

PASSED AND APPROVED on this 8th day of January 2007.


Lang Thompson, Mayor

ATTEST:


Amy Wade, City Secretary

APPROVED AS TO FORM:

Larry L. Foerster, City Attorney

Motion made by J. D. Roberts, seconded by
Robert Moore that

ORDINANCE NO. 89-A

**AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF
CUT AND SHOOT, MONTGOMERY COUNTY, TEXAS, AMENDING
ORDINANCE NO. 89, DATED FEBRUARY 8, 2007, BY REIMPOSING THE
SALES AND USE TAX FOR NATURAL GAS FOR RESIDENTIAL USE AS
WELL AS ELECTRICITY**

WHEREAS, Section 321.105 of the Texas Tax Code provides that the sale, production, distribution, lease, or rental of gas and electricity for residential use within the City are exempted from sales and use tax within the City unless the tax is reimposed under Section 321.105 (c); and

WHEREAS, Section 321.105 (c) of the Texas Tax Code authorizes the city council of the City in which residential use of gas and electricity is exempted with the City, to reimpose the taxes on gas and electricity for residential use by majority vote of the membership of the city council; and

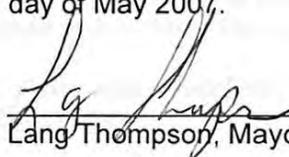
WHEREAS, the City Council desires to amend City Ordinance No. 89, dated February 8, 2007, to reimpose a sales and use tax within the City for residential use of gas as it did for electricity;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
CUT AND SHOOT, TEXAS, THAT:**

1. A tax is hereby authorized on all residential use of gas as well as electricity sold within the geographical limits of the City of Cut and Shoot, Montgomery County, Texas.
2. City Ordinance No. 89, dated February 8, 2007, is hereby amended at Sections 1, 3, and 4 to reimpose a sales and use tax for gas as well as electricity for residential use in the City.
3. For purposes of this Ordinance, the residential use of gas and electricity shall include the sale, production, distribution, lease and rental of electricity.
4. The sales and use tax for residential use of gas as well as electricity is hereby reimposed by the City Council as authorized by Section 321.105 (c).

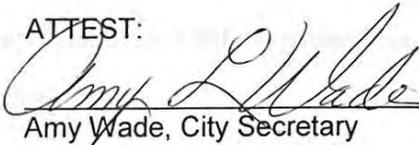
5. The rate of tax imposed by this Order shall be one and one half percent (1.5%) as authorized by law.
6. The City Secretary shall forward to the Comptroller of the State of Texas by U. S. Postal Service certified mail and telefax a copy of this Ordinance, along with a copy of the Agenda and Minutes of the Board's vote and discussion on this issue.
7. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held unconstitutional, such holding shall not affect the validity of the remaining portions of this Ordinance.
8. It is hereby officially found and determined that the meeting at which this Ordinance was considered was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.
9. This Order shall become effective as of May 10, 2007, or as soon thereafter as allowed by law.

PASSED AND APPROVED on this 10th day of May 2007.



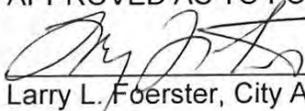
Lang Thompson, Mayor

ATTEST:



Amy Wade, City Secretary

APPROVED AS TO FORM:



Larry L. Foerster, City Attorney

MAYOR
LANG THOMPSON
936-264-2175

CITY OF CUT and SHOOT

P.O. BOX 7364
CUT and SHOOT, TEXAS 77306

Phone 936-264-3100 Fax 936-264-3114

POLICE CHIEF
ARNIE SCHULZE
936-264-2173

ALDERMEN
POS. 1 - BILL OLIPHANT
POS. 2 - MARVIN MUSGROVE

BILL PATTILLO, MUNICIPAL JUDGE

ALDERMEN
POS. 3 - ROBERT MOORE
POS. 4 TERRY L. MANN
POS. 5 - J. D. ROBERTS

May 11, 2007

Texas Comptroller of Public Accounts
Attn: Gerard Washington
Tax Allocation Section
Revenue Accounting Division
Austin, TX

RE: Ordinance No. 89

Dear Sir:

The City Council met in regular session on May 10, 2007 and approved the attached amendment to the above referenced ordinance. This action was taken to include gas which was left out of the original ordinance as allowed by Section 321.105 (c), Tax Code.

In addition to the list of companies previously stated, please add CenterPoint Energy. This is the company that delivers natural gas within Cut and Shoot, Texas.

I appreciate your help in getting this matter corrected.

Respectfully;


Amy J. Wade
City Secretary

FAX

Date May 11 2007

Number of pages including cover sheet 04

TO: *Texas Comptroller of
Public Accounts*

Attn: *Gerard Washington*

Phone *800-531-5441 ext.50665*

Fax Phone *512-475-1523*

FROM: *City of Cut and Shoot
P.O. Box 7364
Cut and Shoot, Texas
77306*

Phone *936-264-3100*

Fax Phone *936-264-3114*

CC:

REMARKS: *Urgent* *For your review* *Reply ASAP* *Please Comment*

Mr. Washington;

Amended City Ordinance No. 89-A.

If you need additional information, please call.

Amy

ENDING REPORT

May. 11 2007 10:20AM

YOUR LOGO : Town of Cut and Shoot
YOUR FAX NO. : 936-264-3114

NO.	OTHER FACSIMILE	START TIME	USAGE TIME	MODE	PAGES	RESULT
01	15124751523	May. 11 10:18AM	01'22	SND	04	OK

TO TURN OFF REPORT, PRESS 'MENU' #04.
THEN SELECT OFF BY USING '+' OR '-'.

FOR FAX ADVANTAGE ASSISTANCE, PLEASE CALL 1-800-HELP-FAX (435-7329).

MOTION made by Bill Oliphant SECONDED by TERRY Mann
to pass the following ordinance.

ORDINANCE NO. 90

**AN ORDINANCE BY THE CITY COUNCIL
OF THE CITY OF CUT AND SHOOT, TEXAS TO
CANCEL THE 2007 CITY OFFICERS ELECTION ON
MAY 12TH AND DECLARE EACH UNOPPOSED CANDIDATE
ELECTED TO OFFICE, IN ACCORDANCE WITH SECTION 2.052
AND SECTION 2.053 OF THE ELECTION CODE.**

WHEREAS, the City Council of Cut and Shoot, Texas has duly conducted an election filing period for the purpose of holding the 2007 City Officers Election within the incorporated limits of the City of Cut and Shoot on May 12th, 2007 as set out in the Election Code, and positions for election for two year terms of office are Mayor, council person, Position #2; and council person, Position #4.

WHEREAS, only one candidate filed all paperwork to have his/her name placed on the official ballot for each of the positions available for the May 12th election; and

WHEREAS, no candidate applied to have his/her name placed on a list of write-in candidates for the May 12th election; and

WHEREAS, the above declarations have been certified by the City Secretary as attached hereto;

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF CUT AND SHOOT THAT in accordance with Section 2.052 and Section 2.053 of the Election Code, it declares that each unopposed candidate be elected to the office by order of this ordinance; and cancels the city election set for May 12, 2007.

PASSED at a regular meeting of the City Council of Cut and Shoot, Texas held on the 12th day of April, 2007.


Amy L. Wade, City Secretary


Lang Thompson, Mayor

City Secretary Certification

This is to certify that the filing period for places on the ballot of the **2007 City Officers Election** to be held on Saturday, May 012th was conducted at the City Hall during regular office hours beginning Monday, February 10th (Sec. 143.007, Election Code) and concluded Monday, March 12th at 5:00 p.m. (Section 144.055 (a), Election Code. Deadline for write-in candidates to file declarations of write-in candidates to file declarations of write-in candidacy was Monday, March 19, 2007 at 5:00 p.m. (The 5th day after the regular filing deadline is Saturday, March 17th, the date is moved to Monday, March 19) Section 146.054, Election Code).

As the authority responsible for having the official ballot prepared, I hereby certify that the following candidates are unopposed for election to office for the election scheduled to be held on May 12, 2007.

Filing results are as follows:

Mayor	Lang Thompson
Alderman Position 2	Marvin Musgrove
Alderman Position 4	Terry Mann

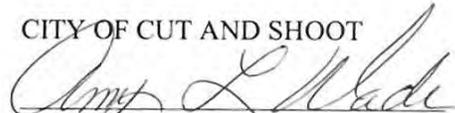
Only one candidate's name is to be placed on the ballot for Mayor, Council Person Position 2, and Council Person Position No. 4.

Election Code, Subchapter C, Election of Unopposed Candidate, Section 2.053.

Action on certification.

- (a) On receipt of the certification, the governing body of the political subdivision by order or ordinance may declare each unopposed candidate elected to the office.
- (b) If a declaration is made under Subsection (a), the election is not held. A copy of the order or ordinance shall be posted on Election Day at each polling place that would have been used in the election.
- (b) A certificate of election shall be issued to each candidate in the same manner as provided for a candidate elected at the election.

CITY OF CUT AND SHOOT


Amy L. Wade, City Secretary

Motion was made by Robert Moore III, seconded by Jerry Mann, that the following Ordinance be passed:

ORDINANCE No. 91

AN ORDINANCE REGULATING THE PLACEMENT OF SIGNS IN THE CITY OF CUT AND SHOOT AND ITS EXTRA-TERRITORIAL JURISDICTION AND ESTABLISHING EXCEPTIONS TO SUCH PROHIBITION; PROVIDING ENFORCEMENT AUTHORITY; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PENALTIES FOR THE VIOLATION OF THIS ORDINANCE; PROVIDING A SAVINS CLAUSE IF ANY PORTION HEREOF IS DEEMED TO BE INVALID; PROVIDING A TEXAS OPEN MEETINGS ACT CLAUSE; AND PROVIDING AN EFFECTIVE DATE AFTER PUBLICATION AS PROVIDED BY LAW.

WHEREAS, Section 216.001, et. Seq., V.T.C.A., Local Government Code authorizes a municipality to license, regulate, control, or prohibit the erection of signs by Ordinance; and

WHEREAS, it is the desire of the City Council of the City of Cut and Shoot, Texas to establish rules governing the placement of signs, handbills, circulars and other printed matter or material in, at, on, upon or attached to any city property at any location, which includes buildings, streets, alleys, easements, rights-of-way, and/or parks;

WHEREAS, the city does not wish to impede in any manner the right of public speech or expression, but only wishes to reasonably control in a clear, neutral and consistent manner the placement of signs, handbills, circulars and other printed matter or material in, at, on, upon or attached to any city property at any location, which includes buildings, streets, alleys, easements, rights-of-way, and/or parks;

WHEREAS, the city council finds and determines that the location of signs within and adjacent to public streets, roads and alleys, and at the intersection thereof constitutes an obstruction to the vision of drivers of motor vehicles and a menace to both vehicular and pedestrian traffic upon the public streets, requiring the adoption of reasonable regulations in the interest of the public health, safety and welfare; therefore the purpose of limiting signs is to prevent unwanted visual blight, and maintain an orderly appearance of public streets and right-of ways.

WHEREAS, to promote orderly development of the City and to promote the health and safety of its residents, the City Council has determined that it is advisable and desirable to enact an Ordinance regulating the placement of signs and providing for exceptions to such prohibition;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS, THAT:

ARTICLE I IN GENERAL

Section 1 Scope

Except as provided herein, the provisions of this Ordinance shall apply to all off-premises signs, as that term is defined in this section, within the corporate limits of the City of Cut and Shoot, Texas, and within the area of extraterritorial jurisdiction of the City as defined by Chapter 42 of the Local Government Code, as the same may be hereafter amended.

Section 2 Definitions

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

“Abandoned sign” means a sign which was erected on property in conjunction with a particular use which has been discontinued for a period of 30 days or more, or a sign, the content of which pertains to a time, event, or purpose which no longer applies.

“Business Establishment” means a project or undertaking which involves the use of any property, building or structure, permanent or temporary, for the primary purpose of conducting on the property a legitimate commercial enterprise, or other non-residential use, in compliance with all Ordinances and regulations of the City. Multiple services and/or goods offered by a business establishment shall be considered one business establishment for purposes of this Ordinance.

“Code Enforcement Officer” means the person designated by the City of Cut and shoot, Texas, who is charged with the enforcement of the provisions of this ordinance. The term also includes any Cut and Shoot Police Officer.

“Ground Sign or Freestanding Sign” means any sign supported by one or more columns, poles, uprights, or braces anchored in or on the ground and not attached to any building.

“Monument Sign” means any ground sign less than six feet (6') from the natural ground level to the top of the sign.

“Off-Premises Sign” means a sign which is located on property and transmits a message pertaining to a product, use occupancy or function which is not located on the same property as the sign.

“On-Premise Sign” means a sign that transmits a message pertaining to a product, use occupancy or function that is located on the same property as the sign.

“Person” means an individual, company, corporation, partnership, association, or any other entity howsoever designated.

“Right-of-Way” means the area lying within the dedicated or prescriptive public easement of any street, road or alley located within the city, whether improved or not, including the sidewalk, ditches, drains, median and esplanade thereof.

“Sign” means a permanent, temporary or portable structure or device, figure, symbol, insignia, medallion, flag, banner, balloon, etc., which advertises, represents or calls attention to a product, service, person, business, operation, use or even t, or transmits information or an idea.

Section 3 Off-Premises Signs Prohibited

Except as provided herein, off-premises signs shall be expressly prohibited from and after the effective date of this Ordinance.

Section 4 Exceptions

The below listed off-premises signs shall be exempt from the prohibition set forth in Section 3 of this Ordinance:

- (1) Off-premise signs which lawfully exist or for which a permit has been issued prior to the effective date of this Ordinance;
- (2) Signs which advertise the sale or lease of property provided that the sign is displayed on the property for sale or lease and only one (1) sign is placed on each street frontage;
- (3) Signs or markers giving information about the location of underground electric transmission lines, telegraph or telephone properties and facilities, pipelines, public sewers or sewer lines, or water lines or other public utilities;
- (4) Signs erected by an agency of the state or a political subdivision of the state, which may or may not be located on public property;
- (5) Signs erected solely for and relating to a public election, but only if;
 - a. The sign is on private property;
 - b. The sign is erected no earlier than the 45th day before the election and is removed no later than the 10th day after the election;
 - c. The sign shall be placed so as not to obstruct the view at intersections of streets, alleys, driveways and/or easements;
 - d. The sign shall not be placed on city street rights-of-way, alleys or easements and public parks in such a position or manner which may

- create a hazard to the public.
- e. The area of the sign does not exceed thirty-two (32) square feet per sign fact;
- f. The sign does not exceed six (6) feet in height; and,
- g. The sign is self-supporting.

(6) Memorial and/or historical signs as designated by federal, state or local government;

(7) Signs erected by the City of Cut and Shoot as a public service announcement or greeting; and

(8) One (1) directional monument sign per business establishment which shall not exceed sixteen (16) square feet and shall be located on a main street nearest the business; however the directional sign shall not be placed in the public right-of-way.

Section 5 Posting Signs on Public Rights-of-Way

It shall be unlawful for any person to place or cause to be placed, constructed or built upon, in, over and/or across any pavement, median, esplanade, traffic island, curb, sidewalk, bridge, overpass, underpass, telephone pole, electric pole, traffic sign, standard, pole, post, or other improvements located within any public street, sidewalk or right-of-way of the city any sign, poster, placard or other printed material or advertising of any nature.

Section 6 Abandoned Signs

Except as provided herein, abandoned signs or signs in a state of disrepair shall be expressly prohibited from and after the effective date of this Ordinance.

ARTICLE II SIGN ADMINISTRATION

Section 7 Enforcement Authority

(1) The Code Enforcement Officer is appointed to administer and enforce the terms and conditions of this Ordinance and all other provisions of law relating to signs. The Code Enforcement Officer may appoint persons serving under him/her to assist in the enforcement of this Ordinance.

(2) The Code Enforcement Officer or his/her representative may enter any building, structure, or other premises or property between the hours of 8:00 a.m. and 5:00 p.m., Mondays through Fridays, for the purpose of inspecting and investigating signs or sign structures; provided, however, that in cases of emergency where extreme hazards are known to exist which may involve imminent injury to persons, loss of life, or severe property damage, and where the owner,

agent or tenant in charge of the property is not available after the Code Enforcement Officer has made good faith effort to locate same, the Code Enforcement Officer may enter aforementioned structures and premises at any time upon presentation of proper identification to any other person on the premises or property.

(3) Whenever the Code Enforcement Officer and/or designated representative shall enter upon private property, under any circumstances, for the purpose of inspecting and/or investigating signs or sign structures, which property has management in residence, such management or the person then in charge shall be notified of his/her presence and shown his/her official credentials.

(4) Whenever the Code Enforcement Officer and/or designated representative are denied admission to inspect any premises, inspection shall be made under authority of a warrant issued by a magistrate authorizing the inspection for violation of this chapter. In applying for such warrant, the Code Enforcement Officer shall submit the magistrate his/her affidavit setting forth his/her belief that a violation of this Ordinance exists with respect to the place sought to be inspected and his/her reasons for such belief such affidavit shall designate the location of such place and the name of the person believed to be the owner, operator or occupant thereof.

(5) If the magistrate finds that probable cause exists for a search of the premises in question, he/she shall issue a warrant authorizing the search, such warrant describing the premises with sufficient certainty to identify same. Any warrant so issued shall constitute authority for the Code Enforcement Officer and/or designated representative to enter upon and inspect the premises therein.

Section 8 Stop Work Orders

The Code Enforcement Officer shall have authority to issue stop work orders in cases where signs are being installed or constructed in violation of this ordinance. Upon issuance of a stop work order from the Code Enforcement Officer, work on any sign that is being installed shall immediately cease. Such stop work order shall be in writing and shall be given to the owner of the property, or to his agent, or to the person doing the work. Following the issuance of a stop work order, the Code Enforcement Officer shall order removal of the sign.

Section 9 Removal Procedures Sign In Right-of-Way

A sign that is illegally posted or displayed on public property or within a public right-of-way may be summarily removed and disposed of by the Code Enforcement Officer or designee.

Section 10**Removal Procedures Sign Not in Right-of-Way**

A sign that is illegally posted or displayed on private property or business establishment, the Code Enforcement Officer or designee shall give written notice of the violation to the owner, permittee, or agent of the owner of permittee. Such notice shall order removal of the sign. Written notice shall be given by certified mail or personally served upon the owner, permittee or owner's or permittee's agent. If the order is not complied with within ten (10) days of the notice, the Code Enforcement Officer or designee shall impound the sign according to the provisions of Section 11 of this Ordinance.

The provisions of this section shall be considered in addition to and not in lieu of the remedy provided by charging a violation of this Ordinance in municipal court, or any other remedy provided by law or in equity.

Section 11**Impounded Signs**

Signs removed in accordance with this chapter shall be transported to a location designated by the City for storage. The Code Enforcement officer shall maintain records denoting the location of such signs at the time they were impounded and the date on which they were impounded and shall hold the same in the storage area for a period of not less than twenty-one (21) days. Any sign so held may be redeemed by the owner thereof upon payment of an impoundment fee of fifty dollars (\$50.00) and storage fee of twenty-five dollars (\$25.00) per day. Such fee shall be in addition to and not in lieu of any fine imposed for a violation of this Ordinance. Any impounded sign not redeemed within twenty-one (21) days shall either be destroyed or transferred to surplus and sold or disposed of in the same manner as surplus property of the City.

Section 12**Citations**

The Code Enforcement Officer or designee of the city, as defined in section 2, shall have the authority to issue citations for violations of this Code.

Section 13**Severability**

If any provision, section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity of the remaining portions of this Ordinance. It is the intent of the City in adopting this Ordinance that no portion or provision thereof shall become inoperative or fail by reason of any invalidity or unconstitutionality of any other portion or provision and to this end all provisions of this Ordinance are declared to be severable.

Section 14**Headings**

Title and headings of the sections herein shall be read as part of the sections used in determining the meaning thereof.

Section 15

Violations and Penalties

Any person who violates any provision of this Ordinance shall be guilty of a Class "C" misdemeanor and upon conviction thereof by a court of competent jurisdiction, shall be punished by a fine in an amount not to exceed five hundred dollars (\$500.00). Each and every day any such violation continues or is allowed to exist shall constitute a separate offense.

Section 16

Savings Clause

If any part of this Ordinance shall be held unconstitutional or otherwise invalid by a Court, such part shall be deemed severable and invalidity thereof shall not affect the remaining parts of this Ordinance.

Section 17

Texas Open Meetings Clause

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

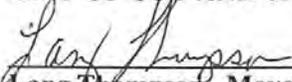
Section 18

Effective Date

This Ordinance shall become effective upon its publication as provided by law.

PASSED AND APPROVED on the, the 9th day of August, 2007.

CITY OF CUT AND SHOOT, TEXAS



Lang Thompson, Mayor

ATTEST:



Amy L. Wade, City Secretary

APPROVED AS TO FORM:

Larry L. Foerster, City Attorney



HOUSTON COMMUNITY NEWSPAPERS

Order:	009TC0	Pubs:	1,35	Rate:	LE
Phone:	(936)264-3100	Class:	920	Charges:	\$ 0.00
Account:	6503800	Start Date:	08/26/2007	List Price:	\$ 195.80
Name:	ACCOUNTS PAYABLE,	Stop Date:	08/29/2007	Payments:	\$ 0.00
Sales	2019				
Firm:	TOWN OF CUT & SHOOT	Insertions:	4	Balance:	\$ 195.80

AN ORDINANCE REGULATING THE PLACEMENT OF SIGNS IN THE CITY OF CUT AND SHOOT AND ITS EXTRA-TERRITORIAL JURISDICTION AND ESTABLISHING EXCEPTIONS TO SUCH PROHIBITION; PROVIDING DEFINITIONS; PROVIDING REMOVAL PROCEDURES; PROVIDING ENFORCEMENT AUTHORITY; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PENALTIES FOR THE VIOLATION OF THIS ORDINANCE; PROVIDING A SAVINGS CLAUSE IF ANY PORTION HEREOF IS DEEMED TO BE INVALID; PROVIDING A TEXAS OPEN MEETINGS ACT CLAUSE; AND PROVIDING AN EFFECTIVE DATE AFTER PUBLICATION AS PROVIDED BY LAW.

PASSED AND APPROVED ON THE 9TH DAY OF AUGUST, 2007.

This Ordinance shall become effective after publication as provided by law. The effective date will be September 1, 2007.

36366 August 26, 29, 2007

THIS IS NOT A BILL

AN ORDINANCE REGULATING THE PLACEMENT OF SIGNS IN THE CITY OF CUT AND SHOOT AND ITS EXTRA-TERRITORIAL JURISDICTION AND ESTABLISHING EXCEPTIONS TO SUCH PROHIBITION; PROVIDING DEFINITIONS; PROVIDING REMOVAL PROCEDURES; PROVIDING ENFORCEMENT AUTHORITY; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PENALTIES FOR THE VIOLATION OF THIS ORDINANCE; PROVIDING A SAVINGS CLAUSE IF ANY PORTION HEREOF IS DEEMED TO BE INVALID; PROVIDING A TEXAS OPEN MEETINGS ACT CLAUSE; AND PROVIDING AN EFFECTIVE DATE AFTER PUBLICATION AS PROVIDED BY LAW.

PASSED AND APPROVED ON THE 9TH DAY OF AUGUST, 2007.

This Ordinance shall become effective after publication as provided by law. The effective date will be September 1, 2007.

36366 August 26, 29, 2007

ORDINANCE NO. 92

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS (or "City") declining to approve the change in rates requested in Entergy Gulf States, Inc.'s ("EGSI" or "Company") Statement of Intent filed with the City on September 26, 2007; AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE WAS CONSIDERED WAS OPEN TO THE PUBLIC AND IN ACCORDANCE WITH TEXAS LAW.

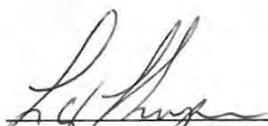
WHEREAS, EGSI, by letter dated August 17, 2007, notified the City of its intent to file a statement of intent to change rates, including a reconciliation of fuel and purchased power costs;

WHEREAS, on September 26, 2007, EGSI filed with the City its Statement of Intent and Application for Authority to Change Rates and to Reconcile Fuel Costs ("Statement of Intent");

WHEREAS, the City has duly noticed its consideration of the Company's Statement of Intent and is acting within its authority under applicable law;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS THAT the City DECLINES to approve any and all changes in rates requested by EGSI and included in EGSI's Statement of Intent and that EGSI's existing rates should stay in effect.

PASSED, APPROVED AND APPROVED ON THE FIRST READING this 11th day of October 2007.


MAYOR, Lang Thompson

ATTEST:

Amy L. Wade, City Secretary

MOTION was made by Marvin Musgrave seconded by Bill Oliphant to pass the following ordinance.

ORDINANCE NO. 93

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS TO CANCEL THE 2008 CITY OFFICERS ELECTION ON MAY 10TH AND DECLARE EACH UNOPPOSED CANDIDATE ELECTED TO OFFICE, IN ACCORDANCE WITH SECTION 2.052 AND SECTION 2.053 OF THE ELECTION CODE.

WHEREAS, the City Council of Cut and Shoot, Texas has duly conducted an election filing period for the purpose of holding the 2008 City Officers Election within the incorporated limits of the City of Cut and Shoot on May 10th, 2008 as set out in the Election Code, and positions for election for two year terms of office are Alderman Position No. 1, Alderman Position No. 3, and Alderman Position No. 5.

WHEREAS, only one candidate filed all paperwork to have his/her name placed on the official ballot for each of the positions available for the May 10th election; and

WHEREAS, no candidate applied to have his/her name placed on a list of write-in candidates for the May 10th election; and

WHEREAS, the above declarations have been certified by the City Secretary as attached hereto;

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF CUT AND SHOOT THAT in accordance with Section 2.052 and Section 2.053 of the Election Code, it declares that each unopposed candidate be elected to the office by order of this ordinance; and cancels the city election set for May 10, 2008.

PASSED at a regular meeting of the City Council of Cut and Shoot, Texas held on the 10th day of April, 2008.



Lang Thompson, Mayor



Amy L. Wade, City Secretary

City Secretary Certification

This is to certify that the filing period for places on the ballot of the **2008 City Officers Election** to be held on Saturday, May 10th was conducted at the City Hall during regular office hours beginning Monday, February 11th (Sec. 143.007, Election Code) and concluded Monday, March 10th at 5:00 p.m. (Section 144.055 (a), Election Code. Deadline for write-in candidates to file declarations of write-in candidacy was Monday, March 17, 2008 at 5:00 p.m.(5th day after the regular filing deadline, deadline is extended since regular deadline falls on weekend, Section 146.054, Election Code).

As the authority responsible for having the official ballot prepared, I hereby certify that the following candidates are unopposed for election to office for the election scheduled to be held on May 10, 2008.

Filing results are as follows:

<u>CANDIDATE</u>	<u>OFFICE SOUGHT</u>
Billy R. Oliphant	Alderman Position No. 1
Robert L. Moore III	Alderman Position No. 3
J. David Roberts	Alderman Position No. 5

Only one candidate's name is to be placed on the ballot for Alderman Person Position No. 1, Alderman Person Position No. 3 and Alderman Person Position No. 5.

Election Code, Subchapter C, Election of Unopposed Candidate, Section 2.053.

Action on certification.

- (a) On receipt of the certification, the governing body of the political subdivision by order or ordinance may declare each unopposed candidate elected to the office.
- (b) If a declaration is made under Subsection (a), the election is not held. A copy of the order or ordinance shall be posted on Election Day at each polling place that would have been used in the election.
- (b) A certificate of election shall be issued to each candidate in the same manner as provided for a candidate elected at the election.

CITY OF CUT AND SHOOT


Amy L. Wade, City Secretary

Motion was made by MARVIN Musgrove, seconded by TERRY Mann, that the following Ordinance be passed:

ORDINANCE NO. 94

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS, TO AMEND THE CITY SCHEDULE OF WATER RATES AND RULES OF OPERATION BY PASSING ON THE MONTHLY GALLONAGE PRODUCTION FEES CHARGED BY THE LONE STAR GROUNDWATER CONSERVATION DISTRICT TO EACH CUSTOMER; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALING CLAUSE; PROVIDING AN OPEN MEETINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE UPON PASSAGE.

WHEREAS, the City Council of the City of Cut and Shoot, Texas has authorized a Schedule of Rates and Rules of Operation for the potable water utility service provided to its customers; and

WHEREAS, the Lone Star Groundwater Conservation District charges the City a per gallon production fee each month for water used by its customers; and

WHEREAS, the City Council believes it is in the best interest of the citizens of the City that the production fee be passed on to its water customers based upon the amount of water each customer consumes each month;

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS THAT:

SECTION I.

Section F, Paragraph 5 (d) of the Water Schedule of Rates and Rules of Operation for the City of Cut and Shoot, Texas is hereby amended to provide as follows:

d. Lone Star Groundwater Conservation District Fee—a gallonage charge shall be added to each monthly bill at a rate to cover the production fees charged by the Lone Star Groundwater Conservation District.

SECTION II.

REPEALING ALL ORDINANCES IN CONFLICT

All other ordinances or parts of ordinances inconsistent or in conflict herewith, or

to the extent of such inconsistency or conflict are hereby repealed.

**SECTION III.
SAVINGS CLAUSE**

This City Council of the City of Cut and Shoot, Texas does hereby declares that if any section, subsection, paragraph, sentence, clause, phrase, work or portion of this Ordinance is declared invalid, or unconstitutional, by a court of competent jurisdiction, that, in such event that it would have passed and ordained any and all remaining portions of this Ordinance without the inclusion of that portion or portions which may be so found to be unconstitutional or invalid, and declare that its intent is to make no portion of this Ordinance dependent upon the validity of any portion thereof, and that all said remaining portions shall continue in full force and effect.

**SECTION IV.
COMPLIANCE WITH OPEN MEETINGS ACT**

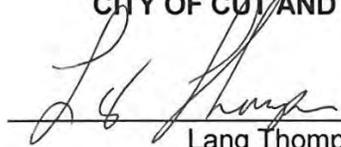
It is hereby officially found and determined that the meeting at which this Ordinance was considered was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

**SECTION V.
EFFECTIVE DATE**

This Ordinance shall become effective upon its passage by the City Council.

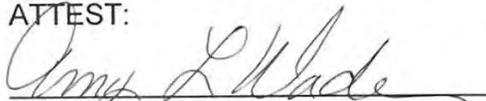
PASSED AND APPROVED this 12th day of February 2009.

CITY OF CUT AND SHOOT, TEXAS



Lang Thompson, Mayor

ATTEST:



Amy Wade, City Secretary



HOUSTON COMMUNITY NEWSPAPERS

Order:	00CEY6	Pubs:	1,35	Rate:	LE
Phone:	(936)264-3100	Class:	920	Charges:	\$ 2.00
Account:	6503800	Start Date:	02/26/2009	List Price:	\$ 173.50
Name:	ACCOUNTS PAYABLE,	Stop Date:	02/27/2009	Payments:	\$ 0.00
Sales	2020				
Firm:	TOWN OF CUT & SHOOT	Insertions:	4	Balance:	\$ 175.50

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS, TO AMEND THE CITY SCHEDULE OF WATER RATES AND RULES OF OPERATION BY PASSING ON THE MONTHLY GALLONAGE PRODUCTION FEES CHARGED BY THE LONE STAR GROUNDWATER CONSERVATION DISTRICT TO EACH CUSTOMER; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALING CLAUSE; PROVIDING AN OPEN MEETINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE UPON PASSAGE.

PASSED AND APPROVED THIS 12TH day of February, 2009.

Lang Thompson, Mayor

60057lg February 26 & 27, 2009

THIS IS NOT A BILL



**HOUSTON
COMMUNITY
NEWSPAPERS**

AFFIDAVIT OF PUBLICATION

**STATE OF TEXAS
COUNTY OF MONTGOMERY**

Personally appeared before the undersigned, a Notary Public within and for said County and State. Lucia Bates, Representative for Kevin Barry, Publisher of the Conroe Courier, a newspaper of general circulation in the County of Montgomery, State of Texas. Who being duly sworn, states under oath that the report of Legal Notices, a true copy of which is hereto annexed was published in said newspapers in its issue(s) of the

26 day of February, 2009

and the 27 day of February, 2009

Lucia Bates

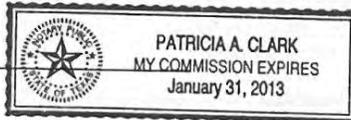
Publisher's Representative

Sworn to and subscribed before me this 5 day of March, 2009

Patricia A. Clark

Notary Public

My commission expires on _____



AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS, TO AMEND THE CITY SCHEDULE OF WATER RATES AND RULES OF OPERATION BY PASSING ON THE MONTHLY GALLONAGE PRODUCTION FEES CHARGED BY THE LONE STAR GROUNDWATER CONSERVATION DISTRICT TO EACH CUSTOMER; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALING CLAUSE; PROVIDING AN OPEN MEETINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE UPON PASSAGE.

PASSED AND APPROVED THIS 12TH day of February, 2009.

Lang Thompson, Mayor

600571g February 26 & 27, 2009



**HOUSTON
COMMUNITY
NEWSPAPERS**

AFFIDAVIT OF PUBLICATION

**STATE OF TEXAS
COUNTY OF MONTGOMERY**

Personally appeared before the undersigned, a Notary Public within and for said County and State, Lucia Bates, Representative for Kevin Barry, Publisher of the Conroe Courier, a newspaper of general circulation in the County of Montgomery, State of Texas. Who being duly sworn, states under oath that the report of Legal Notices, a true copy of which is hereto annexed was published in said newspapers in its issue(s) of the

26 day of February, 2009

and the 27 day of February, 2009

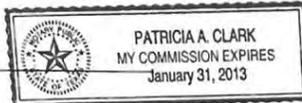
Lucia Bates

Publisher's Representative

Sworn to and subscribed before me this 5 day of March, 2009

Patricia A. Clark
Notary Public

My commission expires on _____



Motion was made by Bill Green, seconded by Ryan Wallace, that the following Ordinance be passed:

ORDINANCE NO. 94-A

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS, TO AMEND THE CITY SCHEDULE OF RATES AND RULES OF OPERATION FOR WATER, BY INCREASING THE MINIMUM WATER RATE FOR RESIDENTIAL USE BY \$5.00 AND INCREASING THE WATER RATE FOR COMMERCIAL USE BY \$10.00; PROVIDING A PENALTY OF UP TO \$500 FOR VIOLATIONS OF THE SCHEDULE OF WATER RATES AND RULES OF OPERATION; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING AN OPEN MEETINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE OF DECEMBER 20, 2019 UPON PUBLICATION.

WHEREAS, the City Council of the City of Cut and Shoot, Texas has authorized a Schedule of Rates and Rules of Operation for the potable water utility service provided to its customers by City Ordinance No. 59, dated April 13, 1995, as amended; and

WHEREAS, the City Council has authorized by City Ordinance No. 94, dated February 12, 2009, that the "Water Use" production fees assessed to the City by the Lone Star Groundwater Conservation District be passed through to the City's customers as a gallonage charge; and

WHEREAS, the City has entered into a Contract for Groundwater Reduction Planning, Alternative Water Supply, and Related Goods and Services by and between the San Jacinto River Authority (hereinafter "the Contract"); and

WHEREAS, the Contract provides that the City will begin paying certain monthly pumpage fees, rates, and charges to the San Jacinto River Authority (hereinafter "SJRA pumpage fees") in accordance with the SJRA Rate Order, commencing on August 1, 2010; and

WHEREAS, the SJRA has adopted a Rate Order that imposes SJRA pumpage fees to the City and all other participants under the Contract of \$0.50 per thousand gallons of water consumed, effective August 1, 2010, with annual increases in the SJRA pumpage fees each year thereafter; and

WHEREAS, the City Council further believes that it is in the best interest of the City and its customers that the monthly minimum water rate for residential use be increased by \$5.00 and the monthly minimum water rate for commercial use be increased to \$10.00; and

WHEREAS, the City Council believes that it is appropriate to amend City Ordinance No. 59, dated April 13, 1995, together with all amendments thereof;

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS THAT:

SECTION I.

Section F, Paragraph 5e of the Schedule of Rates and Rules of Operation for the operation of water for the City of Cut and Shoot, Texas is hereby amended to provide as follows:

A copy of the Schedule of Rates and Rules of Operation for water for the City of Cut and Shoot, Texas, as amended, is attached hereto and approved.

SECTION II.
PENALTIES FOR NON-COMPLIANCE

Violation of the provisions of the City's Schedule of Rates and Rules of Operation by failure to comply with any of its requirements shall constitute a misdemeanor. Any person or entity in violation shall upon conviction be fined not more than \$500.00 for each violation, and in addition shall pay all costs and expenses involved in the case. Nothing herein contained shall prevent the City of Cut and Shoot from taking such other lawful action as is necessary to prevent or remedy any violation.

SECTION III.
REPEALING ALL ORDINANCES IN CONFLICT

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

SECTION IV
SAVINGS CLAUSE

This City Council of the City of Cut and Shoot, Texas does hereby declares that if any section, subsection, paragraph, sentence, clause, phrase, work or portion of this Ordinance is declared invalid, or unconstitutional, by a court of competent jurisdiction, that, in such event that it would have passed and ordained any and all remaining portions of this Ordinance without the inclusion of that portion or portions which may be so found to be unconstitutional or invalid, and declare that its intent is to make no portion of this Ordinance dependent upon the validity of any portion thereof, and that all said remaining portions shall continue in full force and effect.

SECTION V.
COMPLIANCE WITH OPEN MEETINGS ACT

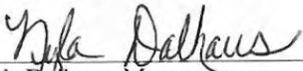
It is hereby officially found and determined that the meeting at which this Ordinance was considered was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

SECTION VI.
EFFECTIVE DATE

This Ordinance shall become effective on December 20, 2019 after its passage and publication as provided by law.

PASSED AND APPROVED this 10th day of October 2019.

CITY OF CUT AND SHOOT, TEXAS



Nyla Dalhaus, Mayor

ATTEST:



Amy Wade, City Secretary

MOTION made by Bill Olyphant SECONDED by Terry Mann
to pass the following ordinance.

ORDINANCE NO. 95

**AN ORDINANCE BY THE CITY COUNCIL OF THE
CITY OF CUT AND SHOOT, TEXAS TO CANCEL THE
2009 CITY OFFICERS ELECTION ON MAY 9TH AND
DECLARE EACH UNOPPOSED CANDIDATE ELECTED
TO OFFICE, IN ACCORDANCE WITH SECTION 2.052
AND SECTION 2.053 OF THE ELECTION CODE.**

WHEREAS, the City Council of Cut and Shoot, Texas has duly conducted an election filing period for the purpose of holding the 2009 City Officers Election within the incorporated limits of the City of Cut and Shoot on May 9th, 2009 as set out in the Election Code, and positions for election for two year terms of office are Mayor, Council person, Position #2; and Council person, Position #4.

WHEREAS, pursuant to Sections 143.077 and 146.054 of the Texas Election Code, the filing deadlines for filing applications for a place on the ballot and declarations of write-in candidacy for the City's regular municipal election have expired; and

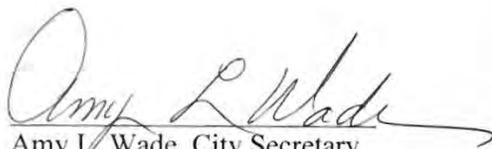
WHEREAS, only one candidate filed all paperwork to have his/her name placed on the official ballot for each of the positions available for the May 9th election; and

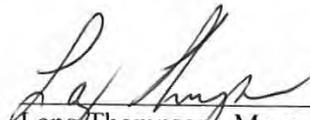
WHEREAS, no candidate applied to have his/her name placed on a list of write-in candidates for the May 9th election; and

WHEREAS, the above declarations have been certified by the City Secretary as attached hereto;

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF CUT AND SHOOT, TEXAS that in accordance with Section 2.052 and Section 2.053 of the Election Code, it declares that each unopposed candidate be elected to the office by order of this ordinance; and cancels the city election set for May 9, 2009.

PASSED at a regular meeting of the City Council of Cut and Shoot, Texas held on the 9th day of April, 2009.


Amy L. Wade, City Secretary


Lang Thompson, Mayor

ORDINANCE NO. 96

ORDINANCE BY THE CITY OF Cit and Shoot, TEXAS (CITY) APPROVING THE RATE REFUND OF ENTERGY TEXAS INC. CONTAINED IN THE APPLICATION OF ENTERGY FOR AUTHORITY TO IMPLEMENT NEW RPCEA RATE FILED BY ENTERGY TEXAS, INC. ON MAY 26, 2009; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE

WHEREAS, on or about May 26, 2009, Entergy Texas, Inc. (ETI) filed a Application for Authority to Implement New Rough Production Cost Equalization (oRPCEAR) Rider (dApplicationi) with the City to refund to customers rough production equalization receipts for ETI's Texas service territory;

WHEREAS, the RPCEA rates are anticipated to refund \$13.24 in July, \$12.71 in August, and \$14.79 in September for average residential customers using 1000 kWh per month of electricity;

WHEREAS, the rough production cost equalization receipts were received by ETI in 2008 pursuant to an order of the Federal Energy Regulatory Commission (rFERCe). The FERC determined that the Entergy System Agreement no longer operated to maintain the production costs of the various Entergy operating companies within a reasonable level of parity. As a remedy, FERC implemented a Rough Production Cost Equalization system as part of the Entergy System Agreement. The remedy requires payments among the Entergy Operating Companies whenever an operating company's production costs are greater or less than a percentage of the system average production costs. For 2007, Entergy Arkansas, Inc.'s (nEAIp) production costs were substantially below system average production costs. FERC ordered EAI to make payments to the other operating companies in order to roughly equalize the production cost disparity;

WHEREAS, ETI calculates the total rough production cost equalization receipts from EAI due to Texas retail customers to be \$67.4 million and such amount is subject to future adjustment;

WHEREAS, the RPCEA is designed to refund the amounts calculated by ETI to be currently due in a timely manner over the summer of 2009;

WHEREAS, the law firm and consultant hired by City have reviewed the Application, find it to be sufficient, and recommend the Application's approval; and

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF Cut and Shoot, TEXAS, THAT:

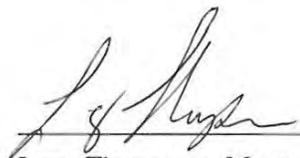
Section 1. That the statement and findings set out in the preamble to this Ordinance are hereby in all things approved and adopted.

Section 2. The City of Cut and Shoot hereby approves the refund rates established in ETI's Application.

Section 3. The meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

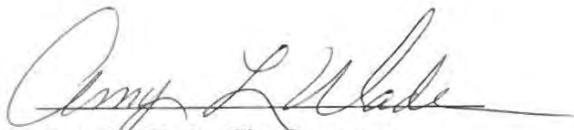
Section 4. This Ordinance shall become effective from and after its passage.

PASSED AND APPROVED this 11th day of June, 2009.



Lang Thompson, Mayor

ATTEST:


Amy L. Wade, City Secretary

ORDINANCE

Motion was made by MARVIN Musgrove
seconded by Bill Oliphant, that the
following Ordinance is adopted.

ORDINANCE NO: 97

AN ORDINANCE BY THE CITY OF CUT AND SHOOT COUNCIL TO ADOPT REGULATIONS TO MINIMIZE FLOOD LOSSES; DESIGNATING A CITY FLOODPLAIN ADMINISTRATOR; PROVIDING FOR INSPECTION ACTIVITIES BY THE FLOODPLAIN ADMINISTRATOR; PROVIDING PENALTIES NOT TO EXCEED A \$500 FINE FOR ANY VIOLATION THEREOF; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT THEREWITH; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A TEXAS OPEN MEETINGS CLAUSE; AND AN EFFECTIVE DATE AFTER PUBLICATION.

Whereas, the Federal Emergency Management Administration (FEMA) has changed/added to its requirements for municipal flood damage prevention ordinances; and

Whereas, the existing City of Cut and Shoot flood damage prevention ordinance does not meet the new FEMA requirements; and

Whereas, in order for the City of Cut and Shoot to continue eligibility in the National Flood Insurance Program (NFIP), the city council of Cut and Shoot must adopt a new and acceptable ordinance which meets or exceeds the minimum requirements of 44 CFR Section 60.3(d); and

Whereas, the following model ordinance provided by FEMA complies with the new FEMA requirements; and

Whereas, the City Council of the City of Cut and Shoot declares its intent to adopt the following FEMA Flood Damage Prevention Ordinance so as to continue its eligibility for flood insurance;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS, THAT THE FOLLOWING FLOOD DAMAGE PREVENTION ORDINANCE IS HEREBY ADOPTED:

FLOOD DAMAGE PREVENTION ORDINANCE

ARTICLE I

STATUTORY AUTHORIZATION, FINDINGS OF FACT, PURPOSE AND METHODS

SECTION A. STATUTORY AUTHORIZATION

The Legislature of the State of Texas has in the Flood Control Insurance Act, Texas Water Code, Section 16.315, delegated the responsibility of local governmental units to adopt regulations designed to minimize flood losses. Therefore, the City Council of the City of Cut and Shoot, Texas does ordain as follows:

SECTION B. FINDINGS OF FACT

(1) The flood hazard areas of the City of Cut and Shoot are subject to periodic inundation, which results in loss of life and property, health and safety hazards, disruption of commerce and governmental services, and extraordinary public expenditures for flood protection and relief, all of which adversely affect the public health, safety and general welfare.

(2) These flood losses are created by the cumulative effect of obstructions in floodplains which cause an increase in flood heights and velocities, and by the occupancy of flood hazard areas by uses vulnerable to floods and hazardous to other lands because they are inadequately elevated, flood proofed or otherwise protected from flood damage.

SECTION C. STATEMENT OF PURPOSE

It is the purpose of this ordinance to promote the public health, safety and general welfare and to minimize public and private losses due to flood conditions in specific areas by provisions designed to:

- (1) Protect human life and health;
- (2) Minimize expenditure of public money for costly flood control projects;
- (3) Minimize the need for rescue and relief efforts associated with flooding and generally undertaken at the expense of the general public;
- (4) Minimize prolonged business interruptions;

(5) Minimize damage to public facilities and utilities such as water and gas mains, electric, telephone and sewer lines, streets and bridges located in floodplains;

(6) Help maintain a stable tax base by providing for the sound use and development of flood-prone areas in such a manner as to minimize future flood blight areas; and

(7) Insure that potential buyers are notified that property is in a flood area.

SECTION D. METHODS OF REDUCING FLOOD LOSSES

In order to accomplish its purposes, this ordinance uses the following methods:

(1) Restrict or prohibit uses that are dangerous to health, safety or property in times of flood, or cause excessive increases in flood heights or velocities;

(2) Require that uses vulnerable to floods, including facilities which serve such uses, be protected against flood damage at the time of initial construction;

(3) Control the alteration of natural floodplains, stream channels, and natural protective barriers, which are involved in the accommodation of flood waters;

(4) Control filling, grading, dredging and other development which may increase flood damage;

(5) Prevent or regulate the construction of flood barriers which will unnaturally divert flood waters or which may increase flood hazards to other lands.

ARTICLE 2

DEFINITIONS

Unless specifically defined below, words or phrases used in this ordinance shall be interpreted to give them the meaning they have in common usage and to give this ordinance its' most reasonable application.

ALLUVIAL FAN FLOODING - means flooding occurring on the surface of an alluvial fan or similar landform which originates at the apex and is characterized by high-velocity flows; active processes of erosion, sediment transport, and deposition; and unpredictable flow paths.

APEX - means a point on an alluvial fan or similar landform below which the flow path of the major stream that formed the fan becomes unpredictable and alluvial fan flooding can occur.

APPURTENANT STRUCTURE – means a structure which is on the same parcel of property as the principal structure to be insured and the use of which is incidental to the use of the principal structure

AREA OF FUTURE CONDITIONS FLOOD HAZARD – means the land area that would be inundated by the 1-percent-annual chance (100 year) flood based on future conditions hydrology.

AREA OF SHALLOW FLOODING - means a designated AO, AH, AR/AO, AR/AH, or VO zone on a community's Flood Insurance Rate Map (FIRM) with a 1 percent or greater annual chance of flooding to an average depth of 1 to 3 feet where a clearly defined channel does not exist, where the path of flooding is unpredictable and where velocity flow may be evident. Such flooding is characterized by ponding or sheet flow.

AREA OF SPECIAL FLOOD HAZARD - is the land in the floodplain within a community subject to a 1 percent or greater chance of flooding in any given year. The area may be designated as Zone A on the Flood Hazard Boundary Map (FHBM). After detailed rate making has been completed in preparation for publication of the FIRM, Zone A usually is refined into Zones A, AO, AH, A1-30, AE, A99, AR, AR/A1-30, AR/AE, AR/AO, AR/AH, AR/A, VO, V1-30, VE or V.

BASE FLOOD - means the flood having a 1 percent chance of being equaled or exceeded in any given year.

BASE FLOOD ELEVATION (BFE) – The elevation shown on the Flood Insurance Rate Map (FIRM) and found in the accompanying Flood Insurance Study (FIS) for Zones A, AE, AH, A1-A30, AR, V1-V30, or VE that indicates the water surface elevation resulting from the flood that has a 1% chance of equaling or exceeding that level in any given year - also called the Base Flood.

BASEMENT - means any area of the building having its floor sub grade (below ground level) on all sides.

BREAKAWAY WALL – means a wall that is not part of the structural support of the building and is intended through its design and construction to collapse under specific lateral loading forces, without causing damage to the elevated portion of the building or supporting foundation system.

CRITICAL FEATURE - means an integral and readily identifiable part of a flood protection system, without which the flood protection provided by the entire system would be compromised.

DEVELOPMENT - means any man-made change to improved and unimproved real estate, including but not limited to buildings or other structures, mining, dredging, filling, grading, paving, excavation or drilling operations or storage of equipment or materials.

ELEVATED BUILDING – means, for insurance purposes, a non-basement building, which has its lowest elevated floor, raised above ground level by foundation walls, shear walls, posts, piers, pilings, or columns.

EXISTING CONSTRUCTION - means for the purposes of determining rates, structures for which the "start of construction" commenced before the effective date of the FIRM or before January 1, 1975, for FIRMs effective before that date. "Existing construction" may also be referred to as "existing structures."

EXISTING MANUFACTURED HOME PARK OR SUBDIVISION - means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including, at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads) is completed before the effective date of the floodplain management regulations adopted by a community.

EXPANSION TO AN EXISTING MANUFACTURED HOME PARK OR SUBDIVISION - means the preparation of additional sites by the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads).

FLOOD OR FLOODING - means a general and temporary condition of partial or complete inundation of normally dry land areas from:

- (1) The overflow of inland or tidal waters
- (2) The unusual and rapid accumulation or runoff of surface waters from any source

FLOOD ELEVATION STUDY – means an examination, evaluation and determination of flood hazards and, if appropriate, corresponding water surface elevations, or an examination, evaluation and determination of mudslide (i.e., mudflow) and/or flood-related erosion hazards.

FLOOD INSURANCE RATE MAP (FIRM) - means an official map of a community, on which the Federal Emergency Management Agency has delineated both the special flood hazard areas and the risk premium zones applicable to the community.

FLOOD INSURANCE STUDY (FIS) – see *Flood Elevation Study*

FLOODPLAIN OR FLOOD-PRONE AREA - means any land area susceptible to being inundated by water from any source (see definition of flooding).

FLOODPLAIN MANAGEMENT - means the operation of an overall program of corrective and preventive measures for reducing flood damage, including but not limited to emergency preparedness plans, flood control works and floodplain management regulations.

FLOODPLAIN MANAGEMENT REGULATIONS - means zoning ordinances, subdivision regulations, building codes, health regulations, special purpose ordinances (such as a floodplain ordinance, grading ordinance and erosion control ordinance) and other applications of police power; The term describes such state or local regulations, in any combination thereof, which provide standards for the purpose of flood damage prevention and reduction.

FLOOD PROTECTION SYSTEM - means those physical structural works for which funds have been authorized, appropriated, and expended and which have been constructed specifically to modify flooding in order to reduce the extent of the area within a community subject to a "special flood hazard" and the extent of the depths of associated flooding. Such a system typically includes hurricane tidal barriers, dams, reservoirs, levees or dikes. These specialized flood modifying works are those constructed in conformance with sound engineering standards.

FLOOD PROOFING - means any combination of structural and non-structural additions, changes, or adjustments to structures which reduce or eliminate flood damage to real estate or improved real property, water and sanitary facilities, structures and their contents.

FLOODWAY – see *Regulatory Floodway*

FUNCTIONALLY DEPENDENT USE - means a use, which cannot perform its intended purpose unless it is located or carried out in close proximity to water. The term includes only docking facilities, port facilities that are necessary for the loading and unloading of cargo or passengers, and ship building and ship repair facilities, but does not include long-term storage or related manufacturing facilities.

HIGHEST ADJACENT GRADE - means the highest natural elevation of the ground surface prior to construction next to the proposed walls of a structure.

HISTORIC STRUCTURE - means any structure that is:

(1) Listed individually in the National Register of Historic Places (a listing maintained by the Department of Interior) or preliminarily determined by the Secretary of the Interior as meeting the requirements for individual listing on the National Register;

(2) Certified or preliminarily determined by the Secretary of the Interior as contributing to the historical significance of a registered historic district or a district preliminarily determined by the Secretary to qualify as a registered historic district;

(3) Individually listed on a state inventory of historic places in states with historic preservation programs which have been approved by the Secretary of the Interior; or

(4) Individually listed on a local inventory or historic places in communities with historic preservation programs that have been certified either:

(a) By an approved state program as determined by the Secretary of the Interior or;

(b) Directly by the Secretary of the Interior in states without approved programs.

LEVEE - means a man-made structure, usually an earthen embankment, designed and constructed in accordance with sound engineering practices to contain, control, or divert the flow of water so as to provide protection from temporary flooding.

LEVEE SYSTEM - means a flood protection system which consists of a levee, or levees, and associated structures, such as closure and drainage devices, which are constructed and operated in accordance with sound engineering practices.

LOWEST FLOOR - means the lowest floor of the lowest enclosed area (including basement). An unfinished or flood resistant enclosure, usable solely for parking or vehicles, building access or storage in an area other than a basement area is not considered a building's lowest floor; **provided** that such enclosure is not built so as to render the structure in violation of the applicable non-elevation design requirement of Section 60.3 of the National Flood Insurance Program regulations.

MANUFACTURED HOME - means a structure transportable in one or more sections, which is built on a permanent chassis and is designed for use with or without a

permanent foundation when connected to the required utilities. The term "manufactured home" does not include a "recreational vehicle".

MANUFACTURED HOME PARK OR SUBDIVISION - means a parcel (or contiguous parcels) of land divided into two or more manufactured home lots for rent or sale.

MEAN SEA LEVEL - means, for purposes of the National Flood Insurance Program, the National Geodetic Vertical Datum (NGVD) of 1929 or other datum, to which base flood elevations shown on a community's Flood Insurance Rate Map are referenced.

NEW CONSTRUCTION - means, for the purpose of determining insurance rates, structures for which the "start of construction" commenced on or after the effective date of an initial FIRM or after December 31, 1974, whichever is later, and includes any subsequent improvements to such structures. For floodplain management purposes, "new construction" means structures for which the "start of construction" commenced on or after the effective date of a floodplain management regulation adopted by a community and includes any subsequent improvements to such structures.

NEW MANUFACTURED HOME PARK OR SUBDIVISION - means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads) is completed on or after the effective date of floodplain management regulations adopted by a community.

RECREATIONAL VEHICLE - means a vehicle which is (i) built on a single chassis; (ii) 400 square feet or less when measured at the largest horizontal projections; (iii) designed to be self-propelled or permanently towable by a light duty truck; and (iv) designed primarily not for use as a permanent dwelling but as temporary living quarters for recreational, camping, travel, or seasonal use.

REGULATORY FLOODWAY - means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than a designated height.

RIVERINE – means relating to, formed by, or resembling a river (including tributaries), stream, brook, etc

SPECIAL FLOOD HAZARD AREA – see *Area of Special Flood Hazard*

START OF CONSTRUCTION - (for other than new construction or substantial improvements under the Coastal Barrier Resources Act (Pub. L. 97-348)), includes

substantial improvement and means the date the building permit was issued, provided the actual start of construction, repair, reconstruction, rehabilitation, addition placement, or other improvement was within 180 days of the permit date. The actual start means either the first placement of permanent construction of a structure on a site, such as the pouring of slab or footings, the installation of piles, the construction of columns, or any work beyond the stage of excavation; or the placement of a manufactured home on a foundation. Permanent construction does not include land preparation, such as clearing, grading and filling; nor does it include the installation of streets and/or walkways; nor does it include excavation for basement, footings, piers or foundations or the erection of temporary forms; nor does it include the installation on the property of accessory buildings, such as garages or sheds not occupied as dwelling units or not part of the main structure. For a substantial improvement, the actual start of construction means the first alteration of any wall, ceiling, floor, or other structural part of a building, whether or not that alteration affects the external dimensions of the building.

STRUCTURE – means, for floodplain management purposes, a walled and roofed building, including a gas or liquid storage tank, which is principally above ground, as well as a manufactured home

SUBSTANTIAL DAMAGE - means damage of any origin sustained by a structure whereby the cost of restoring the structure to its before damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred.

SUBSTANTIAL IMPROVEMENT - means any reconstruction, rehabilitation, addition, or other improvement of a structure, the cost of which equals or exceeds 50 percent of the market value of the structure before "start of construction" of the improvement. This term includes structures which have incurred "substantial damage", regardless of the actual repair work performed. The term does not, however, include either: (1) Any project for improvement of a structure to correct existing violations of state or local health, sanitary, or safety code specifications which have been identified by the local code enforcement official and which are the minimum necessary to assure safe living conditions or (2) Any alteration of a "historic structure", provided that the alteration will not preclude the structure's continued designation as a "historic structure."

VARIANCE – means a grant of relief by a community from the terms of a floodplain management regulation. (For full requirements see Section 60.6 of the National Flood Insurance Program regulations.)

VIOLATION - means the failure of a structure or other development to be fully compliant with the community's floodplain management regulations. A structure or other development without the elevation certificate, other certifications, or other evidence of compliance required in Section 60.3(b)(5), (c)(4), (c)(10), (d)(3), (e)(2),

(e)(4), or (e)(5) is presumed to be in violation until such time as that documentation is provided.

WATER SURFACE ELEVATION - means the height, in relation to the National Geodetic Vertical Datum (NGVD) of 1929 (or other datum, where specified), of floods of various magnitudes and frequencies in the floodplains of coastal or riverine areas.

ARTICLE 3

GENERAL PROVISIONS

SECTION A. LANDS TO WHICH THIS ORDINANCE APPLIES

The ordinance shall apply to all areas of special flood hazard with the jurisdiction of the City of Cut and Shoot.

SECTION B. BASIS FOR ESTABLISHING THE AREAS OF SPECIAL FLOOD HAZARD

The areas of special flood hazard identified by the Federal Emergency Management Agency in the current scientific and engineering report entitled, "The Flood Insurance Study (FIS) for Montgomery County, Texas," dated 1996 with accompanying Flood Insurance Rate Maps and/or Flood Boundary-Floodway Maps (FIRM and/or FBFM) dated December 19, 1996, Panel 0236 and any revisions thereto are hereby adopted by reference and declared to be a part of this ordinance.

SECTION C. ESTABLISHMENT OF DEVELOPMENT PERMIT

A Floodplain Development Permit shall be required to ensure conformance with the provisions of this ordinance.

SECTION D. COMPLIANCE

No structure or land shall hereafter be located, altered, or have its use changed without full compliance with the terms of this ordinance and other applicable regulations.

SECTION E. ABROGATION AND GREATER RESTRICTIONS

This ordinance is not intended to repeal, abrogate, or impair any existing easements, covenants, or deed restrictions. However, where this ordinance and another ordinance, easement, covenant, or deed restriction conflict or overlap, whichever imposes the more stringent restrictions shall prevail.

SECTION F. INTERPRETATION

In the interpretation and application of this ordinance, all provisions shall be; (1) considered as minimum requirements; (2) liberally construed in favor of the governing body; and (3) deemed neither to limit nor repeal any other powers granted under State statutes.

SECTION G. WARNING AND DISCLAIMER OR LIABILITY

The degree of flood protection required by this ordinance is considered reasonable for regulatory purposes and is based on scientific and engineering considerations. On rare occasions greater floods can and will occur and flood heights may be increased by man-made or natural causes. This ordinance does not imply that land outside the areas of special flood hazards or uses permitted within such areas will be free from flooding or flood damages. This ordinance shall not create liability on the part of the community or any official or employee thereof for any flood damages that result from reliance on this ordinance or any administrative decision lawfully made hereunder.

ARTICLE 4

ADMINISTRATION

SECTION A. DESIGNATION OF THE FLOODPLAIN ADMINISTRATOR

The Mayor, or whomever the City Council may appoint, is hereby appointed the Floodplain Administrator to administer and implement the provisions of this ordinance and other appropriate sections of 44 CFR (Emergency Management and Assistance - National Flood Insurance Program Regulations) pertaining to floodplain management.

SECTION B. DUTIES & RESPONSIBILITIES OF THE FLOODPLAIN ADMINISTRATOR

Duties and responsibilities of the Floodplain Administrator shall include, but not be limited to, the following:

- (1) Maintain and hold open for public inspection all records pertaining to the provisions of this ordinance.
- (2) Review permit applications to determine whether to ensure that the proposed building site project, including the placement of manufactured homes, will be reasonably safe from flooding.

(3) Review, approve or deny all applications for development permits required by adoption of this ordinance.

(4) Review permits for proposed development to assure that all necessary permits have been obtained from those Federal, State or local governmental agencies (including Section 404 of the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. 1334) from which prior approval is required.

(5) Where interpretation is needed as to the exact location of the boundaries of the areas of special flood hazards (for example, where there appears to be a conflict between a mapped boundary and actual field conditions) the Floodplain Administrator shall make the necessary interpretation.

(6) Notify, in riverine situations, adjacent communities and the State Coordinating Agency which is the Texas Water Development Board (TWDB), prior to any alteration or relocation of a watercourse, and submit evidence of such notification to the Federal Emergency Management Agency.

(7) Assure that the flood carrying capacity within the altered or relocated portion of any watercourse is maintained.

(8) When base flood elevation data has not been provided in accordance with Article 3, Section B, the Floodplain Administrator shall obtain, review and reasonably utilize any base flood elevation data and floodway data available from a Federal, State or other source, in order to administer the provisions of Article 5.

(9) When a regulatory floodway has not been designated, the Floodplain Administrator must require that no new construction, substantial improvements, or other development (including fill) shall be permitted within Zones A1-30 and AE on the community's FIRM, unless it is demonstrated that the cumulative effect of the proposed development, when combined with all other existing and anticipated development, will not increase the water surface elevation of the base flood more than one foot at any point within the community.

(10) Under the provisions of 44 CFR Chapter 1, Section 65.12, of the National Flood Insurance Program regulations, a community may approve certain development in Zones A1-30, AE, AH, on the community's FIRM which increases the water surface elevation of the base flood by more than 1 foot, provided that the community **first** completes all of the provisions required by Section 65.12.

SECTION C. PERMIT PROCEDURES

(1) Application for a Floodplain Development Permit shall be presented to the Floodplain Administrator on forms furnished by him/her and may include, but not be limited to, plans in duplicate drawn to scale showing the location, dimensions, and elevation of proposed landscape alterations, existing and proposed structures, including the placement of manufactured homes, and the location of the foregoing in relation to areas of special flood hazard. Additionally, the following information is required:

(a) Elevation (in relation to mean sea level), of the lowest floor (including basement) of all new and substantially improved structures;

(b) Elevation in relation to mean sea level to which any nonresidential structure shall be flood proofed;

(c) A certificate from a registered professional engineer or architect that the nonresidential flood proofed structure shall meet the flood proofing criteria of Article 5, Section B (2);

(d) Description of the extent to which any watercourse or natural drainage will be altered or relocated as a result of proposed development;

(e) Maintain a record of all such information in accordance with Article 4, Section (B)(1);

(2) Approval or denial of a Floodplain Development Permit by the Floodplain Administrator shall be based on all of the provisions of this ordinance and the following relevant factors:

(a) The danger to life and property due to flooding or erosion damage;

(b) The susceptibility of the proposed facility and its contents to flood damage and the effect of such damage on the individual owner;

(c) The danger that materials may be swept onto other lands to the injury of others;

(d) The compatibility of the proposed use with existing and anticipated development;

(e) The safety of access to the property in times of flood for ordinary and emergency vehicles;

(f) The costs of providing governmental services during and after flood conditions including maintenance and repair of streets and bridges, and public utilities and facilities such as sewer, gas, electrical and water systems;

(g) The expected heights, velocity, duration, rate of rise and sediment transport of the floodwaters and the effects of wave action, if applicable, expected at the site;

(h) The necessity to the facility of a waterfront location, where applicable;

(i) The availability of alternative locations, not subject to flooding or erosion damage, for the proposed use.

SECTION D. VARIANCE PROCEDURES

(1) The Appeal Board, as established by the community, shall hear and render judgment on requests for variances from the requirements of this ordinance.

(2) The Appeal Board shall hear and render judgment on an appeal only when it is alleged there is an error in any requirement, decision, or determination made by the Floodplain Administrator in the enforcement or administration of this ordinance.

(3) Any person or persons aggrieved by the decision of the Appeal Board may appeal such decision in the courts of competent jurisdiction.

(4) The Floodplain Administrator shall maintain a record of all actions involving an appeal and shall report variances to the Federal Emergency Management Agency upon request.

(5) Variances may be issued for the reconstruction, rehabilitation or restoration of structures listed on the National Register of Historic Places or the State Inventory of Historic Places, without regard to the procedures set forth in the remainder of this ordinance.

(6) Variances may be issued for new construction and substantial improvements to be erected on a lot of 1/2 acre or less in size contiguous to and surrounded by lots with existing structures constructed below the base flood level, providing the relevant factors in Section C (2) of this Article have been fully considered. As the lot size increases beyond the 1/2 acre, the technical justification required for issuing the variance increases.

(7) Upon consideration of the factors noted above and the intent of this ordinance, the Appeal Board may attach such conditions to the granting of variances as it deems necessary to further the purpose and objectives of this ordinance (Article 1, Section C).

(8) Variances shall not be issued within any designated floodway if any increase in flood levels during the base flood discharge would result.

(9) Variances may be issued for the repair or rehabilitation of historic structures upon a determination that the proposed repair or rehabilitation will not preclude the structure's continued designation as a historic structure and the variance is the minimum necessary to preserve the historic character and design of the structure.

(10) Prerequisites for granting variances:

(a) Variances shall only be issued upon a determination that the variance is the minimum necessary, considering the flood hazard, to afford relief.

(b) Variances shall only be issued upon: (i) showing a good and sufficient cause; (ii) a determination that failure to grant the variance would result in exceptional hardship to the applicant, and (iii) a determination that the granting of a variance will not result in increased flood heights, additional threats to public safety, extraordinary public expense, create nuisances, cause fraud on or victimization of the public, or conflict with existing local laws or ordinances.

(c) Any application to which a variance is granted shall be given written notice that the structure will be permitted to be built with the lowest floor elevation below the base flood elevation, and that the cost of flood insurance will be commensurate with the increased risk resulting from the reduced lowest floor elevation.

(11) Variances may be issued by a community for new construction and substantial improvements and for other development necessary for the conduct of a functionally dependent use provided that (i) the criteria outlined in Article 4, Section D (1)-(9) are met, and (ii) the structure or other development is protected by methods that minimize flood damages during the base flood and create no additional threats to public safety.

ARTICLE 5

PROVISIONS FOR FLOOD HAZARD REDUCTION

SECTION A. GENERAL STANDARDS

In all areas of special flood hazards the following provisions are required for all new construction and substantial improvements:

(1) All new construction or substantial improvements shall be designed (or modified) and adequately anchored to prevent flotation, collapse or lateral movement of the structure resulting from hydrodynamic and hydrostatic loads, including the effects of buoyancy;

(2) All new construction or substantial improvements shall be constructed by methods and practices that minimize flood damage;

(3) All new construction or substantial improvements shall be constructed with materials resistant to flood damage;

(4) All new construction or substantial improvements shall be constructed with electrical, heating, ventilation, plumbing, and air conditioning equipment and other service facilities that are designed and/or located so as to prevent water from entering or accumulating within the components during conditions of flooding;

(5) All new and replacement water supply systems shall be designed to minimize or eliminate infiltration of flood waters into the system;

(6) New and replacement sanitary sewage systems shall be designed to minimize or eliminate infiltration of flood waters into the system and discharge from the systems into flood waters; and,

(7) On-site waste disposal systems shall be located to avoid impairment to them or contamination from them during flooding.

SECTION B. SPECIFIC STANDARDS

In all areas of special flood hazards where base flood elevation data has been provided as set forth in (i) Article 3, Section B, (ii) Article 4, Section B (8), or (iii) Article 5, Section C (3), the following provisions are required:

(1) **Residential Construction** - new construction and substantial improvement of any residential structure shall have the lowest floor (including basement), elevated to or

above the base flood elevation. A registered professional engineer, architect, or land surveyor shall submit a certification to the Floodplain Administrator that the standard of this subsection as proposed in Article 4, Section C (1) a., is satisfied.

(2) **Nonresidential Construction** - new construction and substantial improvements of any commercial, industrial or other nonresidential structure shall either have the lowest floor (including basement) elevated to or above the base flood level or together with attendant utility and sanitary facilities, be designed so that below the base flood level the structure is watertight with walls substantially impermeable to the passage of water and with structural components having the capability of resisting hydrostatic and hydrodynamic loads and effects of buoyancy. A registered professional engineer or architect shall develop and/or review structural design, specifications, and plans for the construction, and shall certify that the design and methods of construction are in accordance with accepted standards of practice as outlined in this subsection. A record of such certification which includes the specific elevation (in relation to mean sea level) to which such structures are flood proofed shall be maintained by the Floodplain Administrator.

(3) **Enclosures** - new construction and substantial improvements, with fully enclosed areas below the lowest floor that are usable solely for parking of vehicles, building access or storage in an area other than a basement and which are subject to flooding shall be designed to automatically equalize hydrostatic flood forces on exterior walls by allowing for the entry and exit of floodwaters. Designs for meeting this requirement must either be certified by a registered professional engineer or architect or meet or exceed the following minimum criteria:

(a) A minimum of two openings on separate walls having a total net area of not less than 1 square inch for every square foot of enclosed area subject to flooding shall be provided.

(b) The bottom of all openings shall be no higher than 1 foot above grade.

(c) Openings may be equipped with screens, louvers, valves, or other coverings or devices provided that they permit the automatic entry and exit of floodwaters.

(4) **Manufactured Homes** -

(a) Require that all manufactured homes to be placed within Zone A on a community's FHBM or FIRM shall be installed using methods and practices which minimize flood damage. For the purposes of this requirement, manufactured homes must be elevated and anchored to resist flotation, collapse, or lateral movement. Methods of anchoring may include, but are not limited to, use of over-the-top or frame

ties to ground anchors. This requirement is in addition to applicable State and local anchoring requirements for resisting wind forces.

(b) Require that manufactured homes that are placed or substantially improved within Zones A1-30, AH, and AE on the community's FIRM on sites (i) outside of a manufactured home park or subdivision, (ii) in a new manufactured home park or subdivision, (iii) in an expansion to an existing manufactured home park or subdivision, or (iv) in an existing manufactured home park or subdivision on which a manufactured home has incurred "substantial damage" as a result of a flood, be elevated on a permanent foundation such that the lowest floor of the manufactured home is elevated to or above the base flood elevation and be securely anchored to an adequately anchored foundation system to resist flotation, collapse, and lateral movement.

(c) Require that manufactured homes be placed or substantially improved on sites in an existing manufactured home park or subdivision with Zones A1-30, AH and AE on the community's FIRM that are not subject to the provisions of paragraph (4) of this section be elevated so that either:

(i) The lowest floor of the manufactured home is at or above the base flood elevation, or

(ii) The manufactured home chassis is supported by reinforced piers or other foundation elements of at least equivalent strength that are no less than 36 inches in height above grade and be securely anchored to an adequately anchored foundation system to resist flotation, collapse, and lateral movement.

(5) **Recreational Vehicles** - Require that recreational vehicles placed on sites within Zones A1-30, AH, and AE on the community's FIRM either (i) be on the site for fewer than 180 consecutive days, or (ii) be fully licensed and ready for highway use, or (iii) meet the permit requirements of Article 4, Section C (1), and the elevation and anchoring requirements for "manufactured homes" in paragraph (4) of this section. A recreational vehicle is ready for highway use if it is on its wheels or jacking system, is attached to the site only by quick disconnect type utilities and security devices, and has no permanently attached additions.

SECTION C. STANDARDS FOR SUBDIVISION PROPOSALS

(1) All subdivision proposals including the placement of manufactured home parks and subdivisions shall be consistent with Article 1, Sections B, C, and D of this ordinance.

(2) All proposals for the development of subdivisions including the placement of manufactured home parks and subdivisions shall meet Floodplain Development Permit

requirements of Article 3, Section C; Article 4, Section C; and the provisions of Article 5 of this ordinance.

(3) Base flood elevation data shall be generated for subdivision proposals and other proposed development including the placement of manufactured home parks and subdivisions which is greater than 50 lots or 5 acres, whichever is lesser, if not otherwise provided pursuant to Article 3, Section B or Article 4, Section B (8) of this ordinance.

(4) All subdivision proposals including the placement of manufactured home parks and subdivisions shall have adequate drainage provided to reduce exposure to flood hazards.

(5) All subdivision proposals including the placement of manufactured home parks and subdivisions shall have public utilities and facilities such as sewer, gas, electrical and water systems located and constructed to minimize or eliminate flood damage.

SECTION D. STANDARDS FOR AREAS OF SHALLOW FLOODING (AO/AH ZONES)

Located within the areas of special flood hazard established in Article 3, Section B, are areas designated as shallow flooding. These areas have special flood hazards associated with flood depths of 1 to 3 feet where a clearly defined channel does not exist, where the path of flooding is unpredictable, and where velocity flow may be evident. Such flooding is characterized by ponding or sheet flow; therefore, the following provisions apply:

(1) All new construction and substantial improvements of **residential** structures have the lowest floor (including basement) elevated to or above the base flood elevation or the highest adjacent grade at least as high as the depth number specified in feet on the community's FIRM (at least 2 feet if no depth number is specified).

(2) All new construction and substantial improvements of **non-residential** structures;

(a) have the lowest floor (including basement) elevated to or above the base flood elevation or the highest adjacent grade at least as high as the depth number specified in feet on the community's FIRM (at least 2 feet if no depth number is specified), or

(b) together with attendant utility and sanitary facilities be designed so that below the base specified flood depth in an AO Zone, or below the Base Flood Elevation in an AH Zone, level the structure is watertight with walls substantially impermeable to

the passage of water and with structural components having the capability of resisting hydrostatic and hydrodynamic loads of effects of buoyancy.

(3) A registered professional engineer or architect shall submit a certification to the Floodplain Administrator that the standards of this Section, as proposed in Article 4, Section C are satisfied.

(4) Require within Zones AH or AO adequate drainage paths around structures on slopes, to guide flood waters around and away from proposed structures.

SECTION E. FLOODWAYS

Floodways - located within areas of special flood hazard established in Article 3, Section B, are areas designated as floodways. Since the floodway is an extremely hazardous area due to the velocity of flood waters which carry debris, potential projectiles and erosion potential, the following provisions shall apply:

(1) Encroachments are prohibited, including fill, new construction, substantial improvements and other development within the adopted regulatory floodway unless it has been demonstrated through hydrologic and hydraulic analyses performed in accordance with standard engineering practice that the proposed encroachment would not result in any increase in flood levels within the community during the occurrence of the base flood discharge.

(2) If Article 5, Section E (1) above is satisfied, all new construction and substantial improvements shall comply with all applicable flood hazard reduction provisions of Article 5.

(3) Under the provisions of 44 CFR Chapter 1, Section 65.12, of the National Flood Insurance Program Regulations, a community may permit encroachments within the adopted regulatory floodway that would result in an increase in base flood elevations, provided that the community **first** completes all of the provisions required by Section 65.12.

SECTION F. PENALTIES FOR NON COMPLIANCE

No structure or land shall hereafter be constructed, located, extended, converted, or altered without full compliance with the terms of this court order and other applicable regulations. Violation of the provisions of this court order by failure to comply with any of its requirements (including violations of conditions and safeguards established in connection with conditions) shall constitute a misdemeanor. Any person who violates this court order or fails to comply with any of its requirements shall upon conviction thereof be fined not more than \$500.00 (as limited by Texas State law) for each

violation, and in addition shall pay all costs and expenses involved in the case. Nothing herein contained shall prevent the City of Cut and Shoot from taking such other lawful action as is necessary to prevent or remedy any violation.

SECTION G. SEVERABILITY

If any section, clause, sentence, or phrase of this Ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of this Ordinance.

SECTION H. REPEALING CLAUSE

City Ordinance No. 36-A, dated 11-14-96, is hereby repealed. Any and all ordinances and provisions in Ordinances are hereby repealed to the extent that they conflict with this Ordinance.

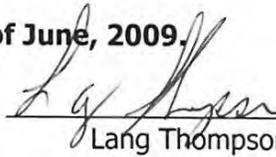
SECTION I. TEXAS OPEN MEETINGS ACT CLAUSE

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

SECTION J. EFFECTIVE DATE AFTER PUBLICATON

The City Secretary shall cause the caption of this Ordinance, including notice of a penalty in an amount not to exceed \$500 upon conviction of a violation thereof, to be published in a newspaper of general circulation within the City, as required by law. This Ordinance shall be effective upon publication as provided herein.

PASSED AND APPROVED this 11th day of June, 2009.



Lang Thompson, Mayor

ATTEST:



Amy Wade, City Secretary

{SEAL}

ORDINANCE NO. 98

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS (or "City") DECLINING TO APPROVE THE CHANGE IN RATES REQUESTED IN ENERGY TEXAS, INC.'S ("ETI" OR "Company") STATEMENT OF INTENT WITH THE CITY ON JANUARY 14, 2010; AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE WAS CONSIDERED WAS OPEN TO THE PUBLIC AND IN ACCORDANCE WITH TEXAS LAW.

WHEREAS, ETI, by letter dated November 17, 2009, notified the City of its intent to file a statement of intent to change rates, including a reconciliation of fuel and purchased power costs;

WHEREAS, on January 14, 2010, ETI filed with the City its Statement of Intent and Application for Authority to Change Rates and to Reconcile Fuel Costs ("Statement of Intent");

WHEREAS, the City has duly noticed its consideration of the Company's Statement of Intent and is acting within its authority under applicable law;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF CUT AND SHOOT, TEXAS THAT, the City **DECLINES** to approve any and all changes in rates requested by ETI and included in ETI's Statement of Intent and that ETI's existing rates should stay in effect.

PASSED AND APPROVED ON This the 14th day of January, 2010.


Lang Thompson, Mayor

ATTEST:


Amy L. Wade, City Secretary

ORDINANCE NO. 99

**AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT,
TEXAS DECLARING ADAMS ROAD TO BE A PUBLIC ROAD**

WHEREAS, members of the public in the City of Cut and Shoot, Texas have regularly traveled on Adams Road, located within the City, including residents living along Adams Road and certain utility company personnel; and

WHEREAS, in 1993 the City concluded that county road maintenance records indicated that Adams Road had been maintained by the County prior to the time the City of Cut and Shot was incorporated in 1969; and

WHEREAS, there continues to be a dispute as to whether Adams Road is a private road or a public road; and

WHEREAS, the City Council of the City of Cut and Shoot desires to resolve this dispute for all time by declaring as a matter of record that Adams Road is a public road within the City of Cut and Shoot;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS THAT:

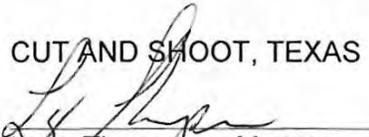
SECTION I

The City Council adopts the findings as set out above.

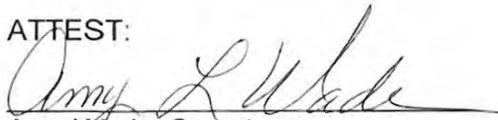
SECTION II

The City Council declares Adams Road to be a public road accessible by members of the public and residents living along that road.

PASSED AND APPROVED this 8th day of April 2010.

CUT AND SHOOT, TEXAS

Lang Thompson, Mayor

ATTEST:


Amy Wade, Secretary

CERTIFICATE FOR ORDINANCE

I.

On the 8th day of April 2010, the City Council of the City of Cut and Shoot, Texas, consisting of the following qualified members, to-wit: **Mayor Lang Thompson; Council Members Bill Oliphant, John D. Roberts, Robert Moore and Terry Mann** did convene in public session in the Council Chambers of the City of Cut and Shoot at 14391 State Highway 105 East, Cut and Shoot, Texas. The roll being first called, a quorum was established. One council member absent. The Meeting was open to the public and public notice of the time, place, and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code.

II.

WHEREUPON, AMONG OTHER BUSINESS transacted, the Council considered adoption of the following written Resolution, to-wit:

ORDINANCE NO. 99

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF CUT AND SHOOT, TEXAS DECLARING ADAMS ROAD TO BE A PUBLIC ROAD

III.

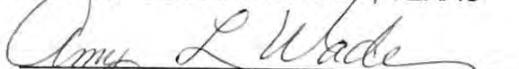
Upon motion of Council Member Bill Oliphant and seconded by Council Member Robert Moore, all members present voted for adoption of the Ordinance, except the following: n/a. A majority of those Council Members present having voted for adoption, the presiding officer declared the Ordinance passed and adopted.

IV.

A true, full and correct copy of the Ordinance adopted at the Meeting is attached to and follows this Certificate.

SIGNED AND SEALED this 8th day of April, 2010.

CITY OF CUT AND SHOOT, TEXAS


AMY WADE, City Secretary

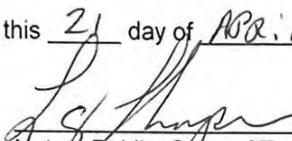


STATE OF TEXAS)

COUNTY OF MONTGOMERY)

Before me, a notary public on this day personally appeared Amy Wade, known to me to be the person and authorized agent whose name is subscribed to the foregoing Certificate for Ordinance. She acknowledged to me that she executed and is duly authorized to executed the foregoing Certificate for Ordinance in the name and on behalf the City of Cut and Shoot, Texas, the purposes and consideration therein expressed.

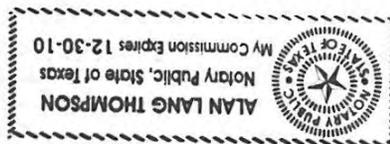
Given under my hand and seal of office this 21 day of APRIL, 2010.



Notary Public, State of Texas

AFTER RECORDING RETURN TO:

Amy Wade
City of Cut and Shoot, Texas
P.O. Box 7364
Cut and Shoot, Texas 77306



FILED FOR RECORD

05/04/2010 3:53PM

Mark Tumbull

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in file number
sequence on the date and at the time stamped herein
by me and was duly RECORDED in the Official Public
Records of Montgomery County, Texas.

05/04/2010



Mark Tumbull

County Clerk
Montgomery County, Texas

Ordinance Book #3