

**MINUTES  
OF  
CITY OF WHARTON  
REGULAR CITY COUNCIL MEETING  
JUNE 14, 2010**

Mayor Domingo Montalvo, Jr. declared a Regular Meeting duly open for the transaction of business at 7:00 P.M. Councilmember V. L. Wiley, Jr. led the opening devotion and then Mayor Montalvo led the pledge of allegiance.

Councilmembers present were: Mayor Domingo Montalvo, Jr., Councilmembers V. L. Wiley, Jr., Lewis Fortenberry, Jr., Terry David Lynch, Don Mueller, Bryce D. Kocian and Jeff Gubbels.

Councilmember absent was: None.

Staff members present were: City Manager Andres Garza, Jr., Finance Director Joyce Vasut, City Secretary Lisa Olmeda, Assistant to City Manager Jackie Jansky, Police Chief Tim Guin, Public Works Director Carter Miska, Community Services Director Jo Knezek and City Attorney Paul Webb.

Visitors present were: Barry Halvorson- Wharton Journal Spectator, David Schroeder- Wharton Economic Development Corporation, Carlos Cotton – Jones & Carter, Inc., Jim Gilley with Coastal Securities, Bradley Loehr with BEFCO, Joyce Barker, Joe Barker, Steve Hawes, Ruby Hawes, Janice Kight, Pamela Hubenak, Lexea Nelson, Estelle Heimann, Nancy Sciena, Hazel Prazak, Alice Anderson, Willie Prazak, Jr., Walter Stavena, Nikole Silva, Alma Buenger, Ann Billings, Elida Perez, Fidencio Perez, Ida Garza, Gilbert Garza, Dee Ann Viktorin, Lambert Stavena, Jr., Taylor Stavena, Susie Guzman, Nuria Anzaldua, Arnold Anzaldua, Denise Francocur, Paul Francocur, Crystal McDonald, Kent McDonald, Jessica Williams, David Samuelson, and Phillip Hundl.

The second item on the agenda was Roll Call and Excused Absences. All present. No action was taken.

The third item on the agenda was Public Comments. Mr. Steve Hawes addressed the City Council and then addressed the audience and asked by show of hands, who was for the extension of Stavena Road. Mayor Domingo Montalvo, Jr. stated that the City Council could not respond to the public comments.

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Ms. Janice Kight addressed the City Council and stated that she was a Census Taker and observed the Stavena, Nelga, and Franklin Road as a quiet neighborhood. She said that drainage was needed; however, the Council should be nice and do what the people wanted.

Mr. Gilbert Garza addressed the City Council and stated that he was happy with the road, but drainage was needed. He stated that if Stavena Road was extended, it would open up too much traffic.

Ms. DeeAnn Viktorin addressed the City Council and stated that the main concern was the safety of children. She also stated that if she was Mr. Ronnie Stavena, she would not want a road running through the field. No action was taken.

The fourth item on the agenda was Wharton Moment. Mayor Domingo Montalvo, Jr. stated that the Veteran Ceremony was held on Memorial Day weekend. He said that it had a significant impact when the veterans stood from their wheelchairs and the importance of holding office, for the veterans to pay the price and for letting him serve. He then publicly thanked the organization for inviting him to attend the event. No action was taken.

The fifth item on the agenda was to review and consider the reading of the minutes from the regular meetings held May 10, and May 24, 2010 and the special meetings held May 4, 2010, May 7, 210 and May 17, 2010. After some discussion, Councilmember V. L. Wiley, Jr. made a motion to approve the minutes from the regular meetings held May 10, and May 24, 2010 and the special meetings held May 4, 2010, May 7, 210 and May 17, 2010 as presented. Councilmember Don Mueller seconded the motion. All voted in favor.

The sixth item on the agenda was to review and consider the recommendation by the Planning Commission for City Council approval for the request by Dr. David Samuelson, Executive Director of East Wharton County Habitat for Humanity for a five (5) foot variance request from the front yard setback to be located at 707 Jefferson, Habitat for Humanity No. 2, Block 1, Lot 3 and to waive the required variance fee. Assistant to City Manager Jackie Jansky presented a copy of the Planning Commission Application for Variance submitted by Dr. David Samuelson, Executive Director of East Wharton County Habitat for Humanity for approval of a five (5) foot variance request from the front yard setback to be located at 707 Jefferson, Habitat for Humanity No. 2, Block 1, Lot 3 and to waive the required variance fee. She also presented a copy of the legal plat, photographs, and a drawing indicating the location of the variance. She said that the adjacent property owners were: Habitat for Humanity of East Wharton Co. at 705 Jefferson, Fannie A. Garza at 705 Jefferson, and Kalina's Nursery – Gary and Rosemary Kalina at 720 E. Milam. She said that the Planning Commission met June 7, 2010 and voted to recommend the City Council consider approving the variance and waive the required variance fee. After some discussion, Councilmember Terry David Lynch made a motion to approve the recommendation by the Planning Commission for City Council approval for the request by Dr. David Samuelson, Executive Director of East Wharton County Habitat for Humanity for a five (5) foot variance request from the front yard setback to be located at 707 Jefferson, Habitat for Humanity No. 2, Block 1, Lot 3 and to waive the required variance fee. Councilmember Don Mueller seconded

the motion. Councilmember Lewis Fortenberry, Jr. abstained. Councilmembers V. L. Wiley, Jr., Terry David Lynch, Don Mueller, Bryce D. Kocian, and Jeff Gubbels voted for the motion. The motion carried.

The seventh item on the agenda was to review and consider the request by Mr. Ronald Stavena to address the City Council concerning the proposed extension of Stavena Road to Highway 60. City Manager Andres Garza, Jr. presented a copy of the letter submitted by Mr. Ronald Stavena requesting to address the City Council concerning the proposed extension of Stavena Road to Highway 60. He also presented a copy of the letter Mr. Ronald Stavena requested to be included in the packet addressed to the Mayor, Councilmembers, and City Manager and additional letters submitted by the residents. Mr. Ronald Stavena addressed the City Council and stated that he was the representative from the neighborhood. He said that the residents were requesting permanent refraining from the extension of Stavena Road for the safety of the children. He said that the extension would allow exposing children and the elderly adults to too much traffic. He stated that safety concerns about a thru street were that the neighborhood would become a dumping ground. He stated that six other roads were extended to Highway 60; therefore, he did not see a need for the extension. Councilmember Jeff Gubbels stated that the trucks backing up on the road was endangering children's safety. He asks who accepts responsibility for injury to the children since the school bus had to load and unload children on Old Lane City Road. Mr. Stavena stated that he was opposed to the road extension; however, not opposed to the drainage. Councilmember Don Mueller stated that the extension would allow garbage trucks to drive through instead of backing up. He stated that if there was a fire in the neighborhood, there was only one way out. However, the extension would allow through access. He stated that the petition was signed by 22 residents not residing on Stavena Road. Mr. Robert Hubenak stated that he resides on Nelga and allowing less traffic to the area would create a safer environment. He stated that if the road was extended, the traffic would be coming off of Highway 60, which the neighborhood did not need additional thru traffic. Mr. Lambert Stavena, Jr. stated that there were no prior problems with fire trucks or ambulances to the service area. He stated that not conducting the extension would save tax payers dollars. After some discussion, no action was taken.

The eighth item on the agenda was to review and consider the City of Wharton 2010 Street Improvement Program – Stavena Road Extension. City Manager Andres Garza, Jr. stated that the City Council may take formal action regarding the City of Wharton 2010 Street Improvement Program – Stavena Road Extension. Councilmember Don Mueller stated that school buses could not load and unload children in the neighborhood, 18 wheelers had to back up down the streets, and the extension would allow ambulance and fire vehicles another access. He stated that the extension would not affect Nelga or Franklin. After some discussion, Councilmember Jeff Gubbels made a motion to table the Stavena Road Extension infinitely. Councilmember V. L. Wiley, Jr. seconded the motion. Councilmembers V. L. Wiley, Jr., Lewis Fortenberry, Jr., Terry David Lynch, Bryce D.

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Kocian, and Jeff Gubbels voted for the motion. Councilmember Don Mueller voted against the motion. The motion carried.

The ninth item on the agenda was to review and consider an ordinance authorizing the issuance of City of Wharton, Texas, Tax Anticipation Notes, Series 2010. City Manager Andres Garza, Jr. stated that on May 24, 2010, the City Council authorized construction of the Fire Department facility; therefore, tax anticipation notes would need to be issued. He said also expenditures related to the air conditioning system at the Police Station could be included. He said that the City Council Finance Committee met on June 14, 2010 at noon to discuss the expenditures and others that might be included in the tax anticipation note. He then presented a draft copy of an ordinance authorizing the issuance of City of Wharton, Texas, Tax Anticipation Notes, Series 2010. After some discussion, Councilmember Lewis Fortenberry, Jr. made a motion to approve Ordinance No. 2010-06, which read as follows:

ORDINANCE NO. 2010-06  
ORDINANCE AUTHORIZING THE ISSUANCE OF CITY OF WHARTON,  
TEXAS, TAX ANTICIPATION NOTES, SERIES 2010

THE STATE OF TEXAS           §  
COUNTY OF WHARTON       §  
CITY OF WHARTON           §

WHEREAS, the City of Wharton, Texas (the "City") is authorized to issue notes payable from ad valorem taxes pursuant to Chapter 1431, Texas Government Code, as amended; Now, Therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WHARTON:

1.    Definitions. Throughout this ordinance the following terms and expressions as used herein shall have the meanings set forth below:

    "Act" means Chapter 1431, Texas Government Code, as amended.

    "Business Day" means any day which is not a Saturday, Sunday, a day on which the Registrar is authorized by law or executive order to close, or a legal holiday.

    "City" means the City of Wharton, Texas.

    "Code" means the Internal Revenue Code of 1986, as amended.

    "Comptroller" means the Comptroller of Public Accounts of the State of Texas.

    "Debt Service Fund" means the Debt Service fund established by the City pursuant to Section 15 of this Ordinance.

“Initial Note” means the Initial Note authorized by Section 5(d) of this Ordinance.

“Interest Payment Date”, when used in connection with any Note, means December 1, 2010, and each December 1 and June 1 thereafter until maturity.

“Investment Letter” means the letter agreement described in Section 18 of this Ordinance.

“Issuance Date” means the date on which the Notes are delivered to and paid for by the Purchaser.

“Note” or “Notes” means any note or all notes, as the case may be, of the City of Wharton, Texas, Tax Anticipation Notes, Series 2010 authorized in this Ordinance, unless the context clearly indicates otherwise.

“Ordinance” as used herein and in the Notes means this ordinance authorizing the Notes.

“Owner” means any person who shall be the registered owner of any outstanding Note.

“Purchaser” means Houston Community Bank, N.A.

“Record Date” means, for any Interest Payment Date, the close of business on the 15<sup>th</sup> day of the month next preceding such Interest Payment Date.

“Register” means the books of registration kept by the Registrar, in which are maintained the names and addresses of, and the principal amounts of the Notes registered to, each Owner.

“Registrar” means Houston Community Bank, N.A., and its successors in that capacity.

2. Authorization. The Notes shall be issued pursuant to the Act in fully registered form, without coupons, in the aggregate principal amount of Two Hundred Sixty-Five Thousand Dollars (\$265,000), for the construction and equipment of a building to house a new fire truck, air conditioning improvements to the City’s police station and to pay the related costs of issuance for the Notes.

3. Designation, Date, and Interest Payment Dates. The Notes shall be designated as the “CITY OF WHARTON, TEXAS, TAX ANTICIPATION NOTES, SERIES 2010”, and shall be dated July 1, 2010. The Notes shall bear interest payable on each Interest Payment Date at the rate set forth below from the later of the Issuance Date, or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months.

4. Initial Notes; Numbers and Denominations. The Notes shall be initially issued in the principal amounts, and bearing interest at the rates set forth in the following schedule, and

may be transferred and exchanged as set out in this Ordinance. The Notes shall mature on June 1 in each of the years and in the amounts set out in such schedule. The Initial Note shall be numbered I-1 and all other Notes shall be numbered in sequence beginning with R-1. Notes delivered on transfer of or in exchange for other Notes shall be numbered in order of their authentication by the Registrar, shall be in denominations of \$100,000 and multiples of \$5,000 in excess thereof, and shall mature on the same date and bear interest at the same rate as the Note or Notes in lieu of which they are delivered.

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2011	\$50,000	4.400%
2012	50,000	4.400%
2013	55,000	4.400%
2014	55,000	4.400%
2015	55,000	4.400%

5. Execution of Notes; Seal. (a) The Notes shall be signed on behalf of the City by the Mayor and countersigned by the City Secretary or Deputy City Secretary, by their manual, lithographed, or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Notes shall have the same effect as if each of the Notes had been signed manually and in person by each of said officers, and such facsimile seal on the Notes shall have the same effect as if the official seal of the City had been manually impressed upon each of the Notes.

(b) If any officer of the City whose manual or facsimile signature shall appear on the Notes shall cease to be such officer before the authentication of such Notes or before the delivery of such Notes, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Note shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Registrar's Authentication Certificate substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Registrar. In lieu of the executed Registrar's Authentication Certificate described above, the Initial Note delivered at the Issuance Date shall have attached hereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller, or by his duly authorized agent, which certificate shall be evidence that the Initial Note has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) On the Issuance Date, the Initial Note, being a single note representing the entire principal amount of the Notes, payable in stated installments to the Purchaser or its designee, executed by manual or facsimile signature of the Mayor and the City Secretary or Deputy City Secretary of the City, approved by the Attorney General, and registered and manually signed by

the Comptroller of Public Accounts, shall be delivered to the Purchaser or its designee. If the Purchaser desires, it may hold the Initial Note in lieu of holding definitive Notes.

6. Payment of Principal and Interest. The Registrar is hereby appointed as the paying agent and registrar for the Notes. The principal of the Notes shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which on the date of payment is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they respectively become due and payable to the Registrar at its principal payment office in Houston, Texas. The interest on each Note shall be payable on each Interest Payment Date, by check mailed by the Registrar on or before the Interest Payment Date to the Owner of record as of the Record Date, to the address of such Owner as shown on the Register, or by such other method, requested by the Owner, acceptable to the Registrar.

If the date for payment of the principal of or interest on any Note is not a Business Day, then the date for such payment shall be the next succeeding Business Day with the same force and effect as if made on the date payment was originally due.

7. Successor Registrars. The City covenants that at all times while any Notes are outstanding it will provide a commercial bank, trust company, financial institution or other entity duly qualified and legally authorized to serve as and perform the duties and services of Registrar for the Notes. The City reserves the right to change the Registrar on not less than 30 days written notice to the Registrar, so long as any such notice is effective not less than 60 days prior to the next succeeding principal or interest payment date on the Notes; provided, that the City shall not terminate the initial Paying Agent/Registrar (Houston Community Bank, N.A.) so long as the initial Purchaser is the sole owner of the Notes. Promptly upon the appointment of any successor Registrar, the previous Registrar shall deliver the Register or copies thereof to the new Registrar, and the new Registrar shall notify each Owner, by United States mail, first class postage prepaid, of such change and of the address of the new Registrar. Each Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Section.

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

9. Ownership; Unclaimed Principal and Interest. The City, the Registrar and any other person may treat the person in whose name any Note is registered as the absolute owner of such Note for the purpose of making and receiving payment of the principal of or interest on

such Note, and for all other purposes, whether or not such Note is overdue, and neither the City nor the Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any Note in accordance with this Section shall be valid and effectual and shall discharge the liability of the City and the Registrar upon such Note to the extent of the sums paid.

Amounts held by the Registrar which represent principal of and interest on the Notes remaining unclaimed by the Owner after the expiration of three years from the date such amounts have become due and payable shall be reported and disposed of by the Registrar in accordance with the applicable provisions of Texas law including, to the extent applicable, Title 6 of the Texas Property Code, as amended.

10. Registration, Transfer, and Exchange. So long as any Notes remain outstanding, the Registrar shall keep the Register at its principal payment office in Houston, Texas, and subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of Notes in accordance with the terms of this Ordinance.

Each Note shall be transferable only upon the presentation and surrender thereof at the principal payment office of the Registrar in Houston, Texas, duly endorsed for transfer, or accompanied by an assignment duly executed by the registered Owner or his authorized representative in form satisfactory to the Registrar. Upon due presentation of any Note in proper form for transfer, the Registrar shall authenticate and deliver in exchange therefor, within three Business Days after such presentation, a new Note or Notes, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Note or Notes so presented.

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

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

11. Mutilated, Lost, or Stolen Notes. Upon the presentation and surrender to the Registrar of a mutilated Note, the Registrar shall authenticate and deliver in exchange therefor a replacement Note of like maturity, interest rate, and principal amount, bearing a number not contemporaneously outstanding. If any Note is lost, apparently destroyed, or wrongfully taken, the City, pursuant to the applicable laws of the State of Texas and in the absence of notice or

knowledge that such Note has been acquired by a bona fide purchaser, shall authorize and the Registrar shall authenticate and deliver a replacement Note of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding.

The City or the Registrar may require the Owner of a mutilated Note to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Registrar. The City or the Registrar may require the Owner of a lost, apparently destroyed or wrongfully taken Note, before any replacement Note is issued, to:

- (1) furnish to the City and the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Note;
- (2) furnish such security or indemnity as may be required by the Registrar and the City to save them harmless;
- (3) pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Registrar and any tax or other governmental charge that may be imposed; and
- (4) meet any other reasonable requirements of the City and the Registrar.

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

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

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

12. Cancellation of Notes. All Notes paid in accordance with this Ordinance, and all Notes in lieu of which exchange Notes or replacement Notes are authenticated and delivered in accordance herewith, shall be cancelled and destroyed upon the making of proper records regarding such payment. The Registrar shall furnish the City with appropriate certificates of destruction of such Notes.



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for the Notes, under and in strict conformity with the Constitution and laws of the State of Texas, including Chapter 1431, Texas Government Code, as amended, and pursuant to an ordinance adopted by the City (the "Ordinance"), which Ordinance is of record in the official minutes of the City Council.

THIS NOTE MAY BE TRANSFERRED ONLY TO "ACCREDITED INVESTORS" AS THAT TERM IS DEFINED IN SECURITIES AND EXCHANGE COMMISSION RULE 144A.

THIS NOTE IS EXCHANGEABLE at the principal payment office of the Registrar in Houston, Texas, for notes in the principal amount of \$100,000 or any integral multiple of \$5,000 in excess thereof, subject to the terms and conditions of the Ordinance.

THIS NOTE is not subject to optional redemption; however, the City reserves the right to defease this Note in any manner now or hereafter permitted by law.

THIS NOTE shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this Note is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Note, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Ordinance.

THE CITY has covenanted in the Ordinance that it will at all times provide a legally qualified registrar for the Notes and will cause notice of any change of registrar to be mailed to each registered owner.

IT IS HEREBY certified, recited and covenanted that this Note has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Note have been performed, exist and have been done in accordance with law; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Note, as such interest comes due and such principal matures, have been levied and ordered to be levied, within the limits prescribed by law, against all taxable property in the City and have been pledged irrevocably for such payment.

IN WITNESS WHEREOF, this Note has been signed with the manual or facsimile signature of the Mayor of the City and countersigned with the manual or facsimile signature of the City Secretary or Deputy City Secretary of the City, and the official seal of the City has been duly impressed, or placed in facsimile, on this Note.

(AUTHENTICATION  
CERTIFICATE)

(SEAL)

CITY OF WHARTON, TEXAS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Secretary

(b) Form of Registration Certificate.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. \_\_\_\_\_

I hereby certify that this Note has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Note has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL this \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

(SEAL)

(c) Form of Registrar's Authentication Certificate.

AUTHENTICATION CERTIFICATE

It is hereby certified that this Note has been delivered pursuant to the Ordinance described in the text of this Note.

Houston Community Bank, N.A.

By \_\_\_\_\_  
Authorized Signature  
Date of Authentication \_\_\_\_\_

(d) Form of Assignment.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns, and transfers unto

\_\_\_\_\_  
(Please print or type name, address, and zip code of Transferee)

\_\_\_\_\_  
(Please insert Social Security or Taxpayer Identification Number of Transferee)  
the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

DATED: \_\_\_\_\_

\_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

Registered Owner

NOTICE: The signature above must correspond to the name of the registered owner as shown on the face of this Note in every particular, without any alteration, enlargement or change whatsoever.

(e) The Initial Note shall be in the form set forth in paragraphs (a), (b), (d) and (e) of this Section, except for the following alterations:

(i) immediately under the name of the Note, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below; and

(ii) in the first paragraph of the Note, the words "on the maturity date specified above" and "at the rate shown above" shall be deleted and the following shall be inserted at the end of the first sentence "..., with such principal to be paid in installments on June 1 in each of the years and in the principal amounts identified in the following schedule and with such installments bearing interest at the per annum rates set forth in the following schedule:

[Information to be inserted from schedule in Section 4]

(iii) the Initial Note shall be numbered I-1.

15. Debt Service Fund; Tax Levy. The proceeds from all taxes levied, assessed and collected for and on account of the Notes authorized by this Ordinance shall be deposited, as collected, in a special fund to be designated "City of Wharton, Texas, Tax Anticipation Notes, Series 2010, Debt Service Fund". While the Notes or any part of the principal thereof or interest thereon remain outstanding and unpaid, there is hereby levied and there shall be annually levied, assessed and collected in due time, form and manner and at the same time other City taxes are levied, assessed and collected, in each year, a continuing direct annual ad valorem tax, within the limits prescribed by law, upon all taxable property in the City sufficient to pay the current interest on said Notes as the same becomes due, and to provide and maintain a sinking fund sufficient to pay the principal of the Notes as such principal matures but never less than two percent (2%) of the original principal amount of the Notes each year, full allowance being made for delinquencies and costs of collection, and said taxes when collected shall be applied to the payment of the interest on and principal of the Notes and to no other purpose.

To pay the debt service coming due on the Notes prior to receipt of taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amounts shall be used for no other purpose.

16. Application of Chapter 1208, Government Code. Chapter 1208, Government Code, applies to the issuance of the Notes and the pledge of the taxes granted by the City under Section 15 of this Ordinance, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Notes are outstanding an unpaid such that the pledge of the taxes granted by the City under Section 15 of this Ordinance is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the registered owners of the Notes the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

17. Further Proceedings. After the Initial Note has been executed, it shall be the duty of the Mayor and other appropriate officials and agents of the City to deliver the Initial Note and all pertinent records and proceedings to the Attorney General of the State of Texas, for examination and approval. After the Initial Note has been approved by the Attorney General, it shall be delivered to the Comptroller for registration. Upon registration of the Initial Note, the Comptroller (or the Comptroller's bond clerk or an assistant bond clerk lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

18. Sale; Investment Letter. The Notes are hereby sold and shall be delivered to the Purchaser at a price of par, in accordance with the terms of the Investment Letter of even date herewith, presented to and hereby approved by the City Council, which price and terms are hereby found and determined to be the most advantageous reasonably obtainable by the City. The Mayor and other appropriate officials of the City are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Notes.

19. Federal Income Tax Exclusion.

(a) General. The City intends that the interest on the Notes shall be excludable from gross income for federal income tax purposes pursuant to sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable Income Tax Regulations (the "Regulations"). The City covenants and agrees not to take any action, or knowingly omit to take any action within its control, that if taken or omitted, respectively, would cause the interest on the Notes to be includable in gross income, as defined in section 61 of the Code, for federal income tax purposes. In particular, the City covenants and agrees to comply with each requirement of this Section; provided, however, that the City shall not be required to comply with any particular requirement of this Section if the City has received an opinion of nationally recognized bond counsel ("Counsel's Opinion") that such noncompliance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on

the Notes or if the City has received a Counsel's Opinion to the effect that compliance with some other requirement set forth in this Section will satisfy the applicable requirements of the Code and the Regulations, in which case compliance with such other requirement specified in such Counsel's Opinion shall constitute compliance with the corresponding requirement specified in this Section.

(b) No Private Use or Payment and No Private Loan Financing. The City shall certify, through an authorized officer, employee or agent that based upon all facts and estimates known or reasonably expected to be in existence on the date the Notes are delivered, that the proceeds of the Notes will not be used in a manner that would cause the Notes to be "private activity bonds" within the meaning of section 141 of the Code and the Regulations promulgated thereunder. Moreover, the City covenants and agrees that it will make such use of the proceeds of the Notes including interest or other investment income derived from Note proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the Notes will not be "private activity bonds" within the meaning of section 141 of the Code and the Regulations promulgated thereunder.

(c) No Federal Guarantee. The City covenants and agrees not take any action, or knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Notes to be "federally guaranteed" within the meaning of section 149(b) of the Code and the applicable Regulations thereunder, except as permitted by section 149(b)(3) of the Code and such Regulations.

(d) No Hedge Bonds. The City covenants and agrees that it has not and will not take any action, and has not knowingly omitted and will not knowingly omit to take any action, within its control, that, if taken or omitted, respectively, would cause the Notes to be "hedge bonds" within the meaning of section 149(g) of the Code and the applicable Regulations thereunder.

(e) No Arbitrage. The City shall certify, through an authorized officer, employee or agent that based upon all facts and estimates known or reasonably expected to be in existence on the date the Notes are delivered, the City will reasonably expect that the proceeds of the Notes will not be used in a manner that would cause the Notes to be "arbitrage bonds" within the meaning of section 148(a) of the Code and the applicable Regulations promulgated thereunder. Moreover, the City covenants and agrees that it will make such use of the proceeds of the Notes including interest or other investment income derived from Note proceeds, regulate investments of proceeds of the Notes, and take such other and further action as may be required so that the Notes will not be "arbitrage bonds" within the meaning of section 148(a) of the Code and the applicable Regulations promulgated thereunder.

(f) Arbitrage Rebate. If the City does not qualify for an exception to the requirements of section 148(f) of the Code relating to the required rebate to the United States, the City will take all necessary steps to comply with the requirement that certain amounts earned by the City on the investment of the "gross proceeds" of the Notes (within the meaning of section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, the City will (i)

maintain records regarding the investment of the gross proceeds of the Notes as may be required to calculate the amount earned on the investment of the gross proceeds of the Notes separately from records of amounts on deposit in the funds and accounts of the City allocable to other obligations of the City or moneys which do not represent gross proceeds of any obligations of the City, (ii) calculate at such times as are required by applicable Regulations, the amount earned from the investment of the gross proceeds of the Notes which is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Notes or on such other dates as may be permitted under applicable Regulations, all amounts required to be rebated to the federal government. Further, the City will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Notes that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm's length and had the yield on the issue not been relevant to either party.

(g) Information Reporting. The City covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Notes are issued, an information statement concerning the Notes, all under and in accordance with section 149(e) of the Code and the applicable Regulations promulgated thereunder.

(h) Continuing Obligation. Notwithstanding any other provision of this Ordinance, the City's obligations under the covenants and provisions of this Section shall survive the defeasance and discharge of the Notes.

20. Qualified Tax-Exempt Obligations. The City hereby designates the Notes as "qualified tax-exempt obligations" for purposes of section 265(b) of the Code. In connection therewith, the City represents (a) that the aggregate amount of tax-exempt obligations issued by the City during calendar year 2010, including the Notes, which have been designated as "qualified tax-exempt obligations" under section 265(b)(3) of the Code does not exceed \$30,000,000, and (b) that the reasonably anticipated amount of tax-exempt obligations which will be issued by the City during calendar year 2010, including the Notes, will not exceed \$30,000,000. For purposes of this Section, the term "tax-exempt obligation" does not include "private activity bonds" within the meaning of section 141 of the Code, other than "qualified 501(c)(3) bonds" within the meaning of section 145 of the Code. In addition, for purposes of this Section, the City includes all entities which are aggregated with the City under the Code.

21. Use of Proceeds. Proceeds from the sale of the Notes shall be used for the purposes described in Section 2 of this Ordinance and for paying the costs of issuance of the Notes. Any proceeds remaining after accomplishing the purposes set out in Section 2 and paying costs of issuance, including earnings on investments of such proceeds, shall be transferred to the Debt Service Fund.

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22. Related Matters. The Mayor, the City Manager, the City Secretary, the Deputy City Secretary and other appropriate officials of the City are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Ordinance.

23. Registrar. The form of agreement setting forth the duties of the Registrar is hereby approved, and the appropriate officials of the City are hereby authorized to execute such agreement for and on behalf of the City.

24. No Personal Liability. No recourse shall be had for payment of the principal of or interest on any Notes or for any claim based thereon, or on this Ordinance, against any official or employee of the City or any person executing any Notes.

25. Open Meeting. It is hereby officially found and determined that the meeting at which this Ordinance was adopted was open to the public, and that public notice of the time, place and purpose of said meeting was given, all as required by the Texas Open Meetings Act.

PASSED AND APPROVED on the 14<sup>th</sup> day of June, 2010.

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Mayor  
City of Wharton, Texas

ATTEST:

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City Secretary  
City of Wharton, Texas  
Councilmember Bryce D. Kocian seconded the motion. All voted in favor.

The tenth item on the agenda was to review and consider the acceptance of resignation of Bryce D. Kocian from the Wharton Economic Development Board. City Manager Andres Garza, Jr. presented a copy of the letter submitted by Bryce D. Kocian resigning from the Wharton Economic Development Board due to the appointment as Councilmember At Large Place No. 5. After some discussion, Councilmember Jeff Gubbels made a motion to accept the resignation of Bryce D. Kocian from the Wharton Economic Development Board. Councilmember Lewis Fortenberry, Jr. seconded the motion. All voted in favor.

The eleventh item on the agenda was to review and consider the City of Wharton Signatories:

A. Resolution: A resolution authorizing signatories on the City's bank depository contract with Prosperity Bank.

City Manager Andres Garza, Jr. stated that with the City of Wharton Election in May 2010, Mayor Domingo Montalvo, Jr. shall be an additional signature by replacing David Samuelson.

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After some discussion, Councilmember Bryce D. Kocian made a motion to approve Resolution No. 2010-29, which read as follows:

**CITY OF WHARTON  
RESOLUTION NO. 2010-29**

**Resolved** that the City Council of the City of Wharton, Texas hereby authorizes the following officers of the City of Wharton to the City's bank depository contract with Prosperity Bank:

1. Andres Garza, Jr., City Manager

\_\_\_\_\_  
Signature

2. Joyce Vasut, Finance Director

\_\_\_\_\_  
Signature

3. Domingo Montalvo, Jr., Mayor

\_\_\_\_\_  
Signature

Each disbursement of funds from any City of Wharton account with Franklin Bank shall require any two original signatures.

That effective June 14, 2010, the above listed City officials are the authorized signators to the City of Wharton's accounts.

That this resolution shall become effective June 14, 2010.

**PASSED AND APPROVED** by the City Council of the City of Wharton, Texas this 14<sup>th</sup> day of June 2010.

**CITY OF WHARTON**

By: \_\_\_\_\_  
Domingo Montalvo, Jr.  
Mayor

**ATTEST:**

\_\_\_\_\_  
Lisa Olmeda  
City Secretary

Councilmember Don Mueller seconded the motion. All voted in favor.

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**B. Resolution:** A resolution authorizing signators on the City's Texas Local Government Investment Pool (TEXPOOL) accounts.  
City Manager Andres Garza, Jr. stated that with the City of Wharton Election in May 2010, Mayor Domingo Montalvo, Jr. shall be an additional signature by replacing David Samuelson. After some discussion, Councilmember Bryce D. Kocian made a motion to approve Resolution No. 2010-30, which read as follows:

**CITY OF WHARTON  
RESOLUTION NO. 2010-30**

**WHEREAS,** the City Council of the City of Wharton, Texas (the "Participant") is a local government of the State of Texas and is empowered to delegate to a public funds investments pool the authority to invest funds, to act as a custodian of investments purchased with local investment funds; and

**WHEREAS,** it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

**WHEREAS,** the Texas Local Government Investment Pool ("TEXPOOL"), a public funds investment pool, was created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS that:**

Section I. That the individuals, whose signatures appear below, are authorized representative of the Participant and are each hereby authorized to transmit funds for investment in TexPool and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.

List of the authorized representatives of the Participant. These individuals will be issued P.I.N. numbers.

1. Name: **Domingo Montalvo, Jr.** Title: **Mayor**

Signature \_\_\_\_\_

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2. Name: **Andres Garza, Jr.**

Title: **City Manager**

Signature \_\_\_\_\_

3. Name: **Joyce Vasut**

Title: **Finance Director**

Signature \_\_\_\_\_

List the name of the Authorized Representative listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

Name: Joyce Vasut

Section II. That this resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool receives a copy of any such amendments or revocation.

**Passed, Approved, and Adopted** this 14<sup>th</sup> day of June 2010.

**CITY OF WHARTON, TEXAS**

By: \_\_\_\_\_

**DOMINGO MONTALVO, JR.**  
Mayor

**ATTEST:**

\_\_\_\_\_  
**LISA OLMEDA**

City Secretary

Councilmember Don Mueller seconded the motion. All voted in favor.

C. Resolution: A resolution of the Wharton City Council appointing the depository/authorized signatories for the City of Wharton Ahldag Addition Sanitary Sewer Improvement Project, Texas Department of Rural Affairs Contract No. 728459. City Manager Andres Garza, Jr. stated that with the City of Wharton Election in May 2010, Mayor Domingo Montalvo, Jr. shall be an additional signature by replacing David Samuelson. After some discussion, Councilmember Bryce D. Kocian made a motion to approve Resolution No. 2010-31, which read as follows:

**CITY OF WHARTON  
RESOLUTION NO. 2010-31**

**A RESOLUTION OF THE WHARTON CITY COUNCIL APPOINTING THE  
DEPOSITORY/AUTHORIZED SIGNATORIES FOR THE CITY OF WHARTON**

**AHLDAG ADDITION SANITARY SEWER IMPROVEMENT PROJECT, TEXAS DEPARTMENT OF RURAL AFFAIRS, TEXAS COMMUNITY DEVELOPMENT PROGRAM CONTRACT NO. 728459.**

**WHEREAS,** the Office of Rural Community Affairs, Texas Community Development Program requires that the recipient organization shall provide authorized signatories for the Depository/Authorized Signatories Designation Form; and

**WHEREAS,** the recipient organization being the City of Wharton, Texas, has met this requirement by the City Council passing a Resolution delegating the persons listed below with the authority to sign the Depository/Authorized Form for City of Wharton Ahldag Addition Sanitary Sewer Improvement Project, Office of Rural Community Affairs, Texas Community Development Program Contract No. 728459.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS** as follows:

**Section I.** The City Council of the City of Wharton, Texas, hereby authorizes the following signatories:

**Domingo Montalvo, Jr.**

Mayor

\_\_\_\_\_

Signature

**Andres Garza, Jr.**

City Manager

\_\_\_\_\_

Signature

**Joyce Vasut**

Finance Director

\_\_\_\_\_

Signature

**Section II.** This resolution shall become effective immediately upon its passage.

**PASSED, APPROVED, AND ADOPTED** this the 14<sup>th</sup> day of June 2010.

**CITY OF WHARTON, TEXAS**

**By:** \_\_\_\_\_

**DOMINGO MONTALVO, JR.**

Mayor

**ATTEST:**

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**LISA OLMEDA**

City Secretary

Councilmember Don Mueller seconded the motion. All voted in favor.

**D. Resolution:** A resolution of the Wharton City Council appointing the depository/authorized signatories for the City of Wharton Ahldag Addition Sanitary Sewer Improvement Project, Texas Department of Rural Affairs Contract No. 729710. City Manager Andres Garza, Jr. stated that with the City of Wharton Election in May 2010, Mayor Domingo Montalvo, Jr. shall be an additional signature by replacing David Samuelson. After some discussion, Councilmember Bryce D. Kocian made a motion to approve Resolution No. 2010-32, which read as follows:

**CITY OF WHARTON  
RESOLUTION NO. 2010-32**

**A RESOLUTION OF THE WHARTON CITY COUNCIL APPOINTING THE DEPOSITORY/AUTHORIZED SIGNATORIES FOR THE CITY OF WHARTON AHLDAG ADDITION SANITARY SEWER IMPROVEMENT PROJECT, TEXAS DEPARTMENT OF RURAL AFFAIRS, TEXAS COMMUNITY DEVELOPMENT PROGRAM CONTRACT NO. R729710.**

**WHEREAS,** the Office of Rural Community Affairs, Texas Community Development Program requires that the recipient organization shall provide authorized signatories for the Depository/Authorized Signatories Designation Form; and

**WHEREAS,** the recipient organization being the City of Wharton, Texas, has met this requirement by the City Council passing a Resolution delegating the persons listed below with the authority to sign the Depository/Authorized Form for City of Wharton Ahldag Addition Sanitary Sewer Improvement Project, Office of Rural Community Affairs, Texas Community Development Program Contract No. R729710.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS** as follows:

**Section I.** The City Council of the City of Wharton, Texas, hereby authorizes the following signatories:

**Domingo Montalvo, Jr.**  
Mayor

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Signature

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**Andres Garza, Jr.**  
City Manager

\_\_\_\_\_  
Signature

**Joyce Vasut**  
Finance Director

\_\_\_\_\_  
Signature

**Section II.** This resolution shall become effective immediately upon its passage.

**PASSED, APPROVED, AND ADOPTED** this the 14<sup>th</sup> day of June 2010.

**CITY OF WHARTON, TEXAS**

By: \_\_\_\_\_  
**DOMINGO MONTALVO, JR.**  
Mayor

**ATTEST:**

\_\_\_\_\_  
**LISA OLMEDA**

City Secretary

Councilmember Don Mueller seconded the motion. All voted in favor.

The twelfth item on the agenda was to review and consider the resolution engaging the services of Bojorquez Law Firm, PLLC for redistricting in accordance with 2010 U.S. Census data. City Manager Andres Garza, Jr. presented a copy of the letter submitted by Alan J. Bojorquez with Bojorquez Law Firm, PLLC and the Statement of Qualifications for Redistricting Solutions. He said that Mr. Alan Bojorquez conducted the 2000 City of Wharton redistricting and the City Staff was recommending approval for engaging the services of Bojorquez Law Firm, PLLC. He then presented a draft resolution approving the services. City Attorney Paul Webb recommended approval. After some discussion, Councilmember Terry David Lynch made a motion to approve Resolution No. 2010-33, which read as follows:

**CITY OF WHARTON  
RESOLUTION NO. 2010-33**

**A RESOLUTION OF THE WHARTON CITY COUNCIL APPROVING AN AGREEMENT BETWEEN THE CITY OF WHARTON AND BOJORQUEZ FAW FIRM, PLLC FOR REDISTRICTING IN ACCORDANCE WITH THE 2010 U.S. CENSUS DATA AND AUTHORIZING THE MAYOR OF THE CITY OF WHARTON TO EXECUTE THE AGREEMENT.**

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**WHEREAS,** the City of Wharton wishes to engage the services of Bojorquez Law Firm, PLLC for redistricting in accordance with the 2010 U.S. Census data; and

**WHEREAS,** Bojorquez Law Firm, PLLC wishes to provide the City of Wharton with redistricting services; and

**WHEREAS,** The City of Wharton and the Bojorquez Law Firm, PLLC wishes to be bound by the conditions set forth in the agreement; and

**WHEREAS,** The Wharton City Council wishes to authorize the Mayor of the City of Wharton to execute the agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS** as follows:

Section I. That the Wharton City Council hereby approves an agreement between the City of Wharton and Bojorquez Law Firm, PLLC for redistricting services.

Section II. That the City of Wharton and Bojorquez Law Firm, PLLC are hereby bound by the conditions set forth in the agreement.

Section III. That the Wharton City Council hereby authorizes the Mayor of the City of Wharton to execute the agreement.

Section IV. That this resolution shall become effective immediately upon its passage.

**Passed, Approved, and Adopted** this 14<sup>th</sup> day of June 2010.

**CITY OF WHARTON, TEXAS**

**By:** \_\_\_\_\_  
**DOMINGO MONTALVO, JR.**

Mayor

**ATTEST:**

\_\_\_\_\_  
**LISA OLMEDA**

City Secretary

Councilmember Lewis Fortenberry, Jr. seconded the motion. All voted in favor.

The thirteenth item on the agenda was to review and consider the City of Wharton Ahldag Addition Sanitary Sewer System Improvement Project– Supak Construction, Inc.

A. Pay Request No. 4.

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City Manager Andres Garza, Jr. presented the City of Wharton Ahldag Addition Sanitary Sewer System Improvement Project– Supak Construction, Inc. – Pay Request No. 4 submitted by BEFCO Engineering, Inc. in the amount of \$77,305.06. Mr. Bradley Loehr with BEFCO addressed the City Council and recommended approval. After some discussion, Councilmember made a motion to approve Pay Request No. 4. Councilmember seconded the motion. All voted in favor.

**B. Pay Request No. 5**

City Manager Andres Garza, Jr. presented the City of Wharton Ahldag Addition Sanitary Sewer System Improvement Project– Supak Construction, Inc. – Pay Request No. 5 submitted by BEFCO Engineering, Inc. in the amount of \$57,594.60. Mr. Bradley Loehr with BEFCO addressed the City Council and recommended approval. After some discussion, Councilmember Don Mueller made a motion to approve Pay Request No. 5. Councilmember V. L. Wiley, Jr. seconded the motion. All voted in favor.

The fourteenth item on the agenda was to review and consider the Pay Request No. 1 and Final for Hunter Industries, LTD. for milling and overlaying Houston and Fulton between Milam and Burleson Streets. City Manager Andres Garza, Jr. presented the Hunter Industries, LTD. for milling and overlaying Houston and Fulton between Milam and Burleson Streets Pay Request No. 1 and Final in the amount of \$35,979.18. Public Works Director Carter Miska stated that Hunter Industries, LTD. had a small area to complete. After some discussion, Councilmember Jeff Gubbels made a motion to approve Pay Request No. 1 and Final with Public Works Director Carter Miska's approval. Councilmember Don Mueller seconded the motion. All voted in favor.

The fifteenth item on the agenda was Executive Session: City Council may adjourn into an Executive Session in accordance with Section 551.072 of the Government Code, Revised Civil Statutes of Texas. Final action, decision or vote, if any with regard to any matter considered in Executive Session shall be made in Open Meeting.

**A. Discussion: Acquisition of property for the Road Extension Project between FM 1301 and County Road 235.**

Mayor Domingo Montalvo, Jr. adjourned into Executive Session at 7:47 p.m.  
Mayor Domingo Montalvo, Jr. returned to Opening Meeting at 8:02 p.m.

The sixteenth item on the agenda was Return to Open Meeting: Action on items discussed in Executive Session:

**A. Review and Consider: Acquisition of property for the Road Extension Project between FM 1301 and County Road 235.**

Mayor Domingo Montalvo, Jr. stated that no action would be taken.

The seventeenth item on the agenda was to review and consider the Appointments to the City of Wharton City Council Boards, Commissions, and Committees:

- A. Wharton Regional Airport Board.
- B. Beautification Commission.
- C. Building Standards Commission.
- D. Electrical Board.
- E. Holiday Light Decorating Chairman.
- F. Mayor's Committee on People with Disabilities.
- G. Planning Commission.
- H. Plumbing and Mechanical Board.
- I. Wharton Economic Development Corporation Board of Directors.
- J. Youth Advisory Commission.
- K. City Council Committees:
  - 1. Annexation Committee.
  - 2. Finance Committee.
  - 3. Housing Committee.
  - 4. Intergovernmental Relations Committee.
  - 5. Legislative Committee.
  - 6. Public Health Committee.
  - 7. Public Safety Committee.
  - 8. Public Works Committee.
  - 9. Telecommunications Committee.

City Manager Andres Garza, Jr. presented the list of Boards, Commissions and Committees whose terms were expiring on June 30<sup>th</sup>. After some discussion, Councilmember Lewis Fortenberry, Jr. made a motion to appoint the following:

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**WHARTON REGIONAL AIRPORT BOARD (TWO YEAR TERM)**

Mark Hanson	June 30, 2010
Glenn Erdelt	June 30, 2010

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**BEAUTIFICATION CITY COMMISSION (TWO YEAR TERM)**

Lewis Edwards, Jr.	June 30, 2010
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**BUILDING STANDARDS COMMISSION (TWO YEAR TERM)**

Howard Singleton	June 30, 2010
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**ELECTRICAL BOARD (TWO YEAR TERM)**

Wayne Adam	June 30, 2010
Max Barbee	June 30, 2010
Scott Stewart	June 30, 2010

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**MAYOR'S COMMITTEE ON PEOPLE WITH DISABILITIES**

Bruce Williams

June 30, 2010

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**PLUMBING AND MECHANICAL BOARD (TWO YEAR TERM)**

Patrick Gwosdz

June 30, 2010

Gary Eldridge

June 30, 2010

Councilmember Don Mueller seconded the motion. All voted in favor.

The eighteenth item on the agenda was to review and consider the City Council Committees, Boards and Commission's Reports:

A. Wharton Economic Development Corporation meeting held on June 7, 2010.

B. Planning Commission meeting held on June 7, 2010.

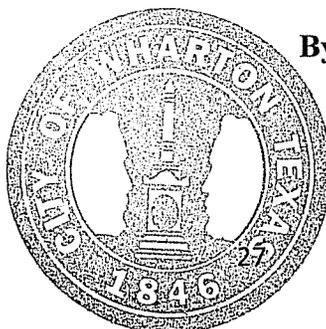
City Manager Andres Garza, Jr. presented the report to the City Council. No action was taken.

The nineteenth item on the agenda was to review and consider the acquisition of police K-9 vehicle through the Houston-Galveston Area Council (H-GAC) Justice Assistance Grant (JAG) funding. City Manager Andres Garza, Jr. stated that the City of Wharton received a grant from the Houston-Galveston Area Council for Justice Assistance Grant (JAG) funding to purchase a K-9 unit for the Wharton Police Department. He then presented a memo from Police Chief Tim Guin regarding the purchase of such a vehicle from Holiday Chevrolet through a State purchasing contract. Police Chief Tim Guin stated that the K-9 unit was approved at the state level with the purchase through the state contract. He stated that an additional \$500 - \$600 was needed for the radio and computer. He stated that the canine would be received on July 6, 2010, which was donated by a breeder. After some discussion, Councilmember Jeff Gubbels made a motion to approve the acquisition of police K-9 vehicle through the Houston-Galveston Area Council (H-GAC) Justice Assistance Grant (JAG) funding. Councilmember V. L. Wiley, Jr. seconded the motion. All voted in favor.

The twentieth item on the agenda was adjournment. After some discussion, Councilmember Don Mueller made a motion to adjourn. Councilmember Terry David Lynch seconded the motion. All voted in favor.

The meeting adjourned at 8:13 p.m.

**CITY OF WHARTON, TEXAS**



By: \_\_\_\_\_

**DOMINGO MONTALVO, JR.**  
Mayor

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**ATTEST:**

  
\_\_\_\_\_  
**LISA OLMEDA**  
**City Secretary**