



# TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT 17

3812 Eck Lane • Austin, Texas 78734  
Phone (512) 266-1111 • Fax (512) 266-2790

*Notice is hereby given pursuant to V.T.C.A., Government Code § 551, that the Board of Directors of Travis County Water Control and Improvement District No. 17 will hold a regular meeting, open to the public, on Thursday, January 21, 2016, at 6:00 p.m., at the Travis County Water Control and Improvement District offices, at 3812 Eck Lane.*

*The Consent Agenda allows the Board of Directors to approve all routine, non-controversial items with a single motion, without the need for discussion by the full Board. Any item may be removed from consent and considered individually upon request of a Board member or a member of the public attending the meeting. Any citizen having interest in these matters is invited to attend.*

## Items on the Agenda

- I. CALL TO ORDER
- II. ESTABLISH A QUORUM
- III. MANAGER AND COMMITTEE REPORTS
  - A. MANAGER'S REPORT: STATUS OF DISTRICT OPERATIONS, FINANCES, DISTRICT CONSTRUCTION PROJECTS, DEVELOPER CONSTRUCTION PROJECTS, DISTRICT ADMINISTRATION AND MANAGEMENT, DISTRICT PLANNING
  - B. COMMITTEE REPORTS
    - 1. COMMUNICATIONS / PARKS AND CONSERVATION COMMITTEE REPORT- November 4
    - 2. LEGAL COMMITTEE REPORT
    - 3. PLANNING COMMITTEE REPORT
    - 4. BUDGET AND FINANCE COMMITTEE REPORT
    - 5. POLICY COMMITTEE REPORT
    - 6. IMPACT FEE ADVISORY COMMITTEE- November 9
    - 7. STORMWATER COMMITTEE
- IV. CONSENT AGENDA
  - A. APPROVE PAY ESTIMATES/CHANGE ORDERS FOR VARIOUS CONSTRUCTION PROJECTS IN THE DISTRICT
    - 1. Mansfield Water Treatment Plant Phase 1, Pay Estimate #24, Archer Western Contractors
    - 2. Mansfield Water Treatment Plant Phase 2, Pay Estimate #27, Archer Western Contractors
    - 3. Steiner 24" Waterline Improvements, Pay Estimate #1, Central Road and Utility, Ltd
  - B. APPROVE PAY ESTIMATES/CHANGE ORDERS FOR VARIOUS CONSTRUCTION PROJECTS IN THE SERENE HILLS DEFINED AREA
    - 1. Serene Hills Phase 2W – Water, Wastewater and Drainage Improvements, Pay Estimate #12 – Final, Central Road and Utility, Ltd
  - C. APPROVE PAYMENT OF CURRENT INVOICES
  - D. APPROVE MINUTES – December 17, 2015
- V. PUBLIC COMMENT, 6:30 P.M.
- VI. OLD BUSINESS
  - A. DISCUSS/CONSIDER/TAKE ACTION REGARDING THE LOWER COLORADO RIVER AUTHORITY'S WATER MANAGEMENT PLAN BEFORE THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
  - B. DISCUSS/CONSIDER/TAKE ACTION REGARDING TRAVIS VISTA WATER AND SEWER SUPPLY CORPORATION
    - 1. REQUEST AUTHORIZATION FOR STAFF TO WITHDRAW APPLICATION REQUESTING A DUAL CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE TRAVIS VISTA WATER AND SEWER SUPPLY CORPORATION AREA FROM THE PUBLIC UTILITY COMMISSION
  - C. DISCUSS/CONSIDER/TAKE ACTION ON ITEMS RELATED TO APPROVING A RESOLUTION TO REQUEST THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY TO APPROVE THE FINAL

RELEASE OF SURPLUS FUNDS FROM THE STEINER RANCH DEFINED AREA UNLIMITED TAX BONDS, TO BE USED FOR THE BALANCE OF ENGINEERING FEES AND DEVELOPER INTEREST, INCLUDING:

- 1. SERIES 2013, BOND NO. 17; AND
- 2. SERIES 2015, BOND NO. 18

D. DISCUSS/CONSIDER/TAKE ACTION ON CONTRACT AWARD FOR THE TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17, FLINTROCK WASTEWATER TREATMENT PLANT EXPANSION AS RECOMMENDED BY THE DISTRICT ENGINEERS

E. DISCUSS/CONSIDER/TAKE ACTION ON DECLARATION OF SURPLUS PROPERTY 0.0086 ACRES ON MARSHALL FORD DRIVE; LOT 1, BLOCK 1, WCID17 SUBDIVISION 2

VII. NEW BUSINESS

A. DISCUSS/CONSIDER/TAKE ACTION ON RECOMMENDATION FROM DISTRICT'S FINANCIAL ADVISOR WITH RESPECT TO STEINER RANCH DEFINED AREA UNLIMITED TAX REFUNDING BONDS INCLUDING:

- 1. ORDER AUTHORIZING THE ISSUANCE OF TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17 STEINER RANCH DEFINED AREA UNLIMITED TAX REFUNDING BONDS IN ONE OR MORE SERIES;
- 2. LEVYING AN AD VALOREM TAX IN SUPPORT OF THE BONDS;
- 3. APPROVING DISTRIBUTION OF AN OFFICIAL STATEMENT AND THE FORM OF CERTAIN AGREEMENTS; AND
- 4. ESTABLISHING PROCEDURES FOR SELLING AND DELIVERING ONE OR MORE SERIES OF THE BONDS AND AUTHORIZING OTHER MATTERS RELATED TO THE ISSUANCE OF THE BONDS

B. DISCUSS/CONSIDER/TAKE ACTION REGARDING AMENDMENTS AND RESTATEMENT OF THE SECURITY BENEFIT RETIREMENT PLANS 457 (b) AND 401 (a) ADOPTION AGREEMENT AND RESOLUTION DOCUMENTS TO COMPLY WITH IRS REGULATIONS

C. DISCUSS/CONSIDER/TAKE ACTION ON APPROVAL OF A MEMBERSHIP RESOLUTION TO THE STATE OF TEXAS CO-OP PROGRAM TO RECEIVE PURCHASING SERVICES AND SAVINGS FOR TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17

D. DISCUSS/CONSIDER/TAKE ACTIN ON ORDER SCHEDULING A PUBLIC HEARING ON AMENDMENTS TO THE LAND USE ASSUMPTIONS, CAPITAL IMPROVEMENTS PLANS, AND IMPACT FEES FOR DISTRICT WIDE WATER SYSTEM

VIII. THE BOARD WILL MEET IN EXECUTIVE SESSION TO RECEIVE ADVICE FROM ITS ATTORNEYS IN ACCORDANCE WITH TEXAS GOVERNMENT CODE SECTION 551.071 REGARDING LOWER COLORADO RIVER AUTHORITY'S WATER MANAGEMENT PLAN BEFORE THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

IX. THE BOARD WILL MEET IN EXECUTIVE SESSION TO RECEIVE ADVICE FROM ITS ATTORNEYS REGARDING TRAVIS VISTA WATER AND SEWER SUPPLY CORPORATION, IN ACCORDANCE WITH TEXAS GOVERNMENT CODE SECTION 551.071

X. THE BOARD WILL MEET IN EXECUTIVE SESSION TO RECEIVE ADVICE FROM ITS ATTORNEYS IN ACCORDANCE WITH TEXAS GOVERNMENT CODE SECTION 551.071 REGARDING THE CONTRACT AWARD FOR THE TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17, FLINTROCK WASTEWATER TREATMENT PLANT EXPANSION

XI. ADJOURNMENT

*Linda R. Sandlin*  
Linda R. Sandlin  
Administrative Assistant





# TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT 17

3812 Eck Lane • Austin, Texas 78734  
Phone (512) 266-1111 • Fax (512) 266-2790

*A Regular Meeting of the Board of Directors of Travis County Water Control and Improvement District No. 17 was held at the District office located at 3812 Eck Lane on Thursday, December 17, 2015 at 6:00 p.m. This meeting was scheduled and conducted in compliance with the Texas Open Meetings Act.*

**DRAFT**

## **I. CALL TO ORDER**

President Roberts called the meeting to order at 6:04 p.m.

## **II. ESTABLISH A QUORUM**

A quorum was established with three Directors present: Carruthers, Roberts, and Steed. Directors Decker and Ward were both absent because of illnesses. General Manager Deborah Gernes, General Counsels Ashleigh Acevedo and Stefanie Albright, and District Engineers Pat Lackey and Will Pena were also present.

## **III. MANAGER AND COMMITTEE REPORTS**

### **A. MANAGER'S REPORT: STATUS OF DISTRICT OPERATIONS, FINANCES, DISTRICT CONSTRUCTION PROJECTS, DEVELOPER CONSTRUCTION PROJECTS, DISTRICT ADMINISTRATION AND MANAGEMENT, DISTRICT PLANNING**

Manager Gernes reported that in addition to the written report:

- The dates of the 2016 Regular Board of Directors meetings and District holidays were established and copies of the dates were distributed.
- The electrical and mechanical inspections of the Mansfield Water Treatment Facility were complete, but there were a few issues with the City of Austin plumbing inspection. She explained that Field Supervisor Henry Marley was inspecting the progress of the areas at issue and that upon completion he would send a letter to the City's inspector certifying that the materials used, the installation and the testing for plumbing were in accordance with the City of Austin requirements and the 2012 Universal Plumbing Code. Manager Gernes stated that once the Fire inspection was completed a temporary certificate of occupancy would be issued and the final certificate would be issued once the landscaping was complete.
- The Flintrock System Lift Station A Meyers Pumps with five-inch inlets would not arrive for approximately three more weeks for change out. The fence was now in place and the station was operational even though the two extra pumps were not in place just yet.
- The 24-inch waterline extension being constructed by the District to allow direct flow between Quinlan Park Road and FM620 had begun. She stated that the timeline for this project was three months but could be complete much sooner because this was a fairly straight-forward project. She stated that the tap into the water main line would be the hardest part of the job.
- President Roberts and Director Carruthers requested clarification on why the wastewater gallons per living unit equivalent were higher in the Steiner Ranch system than the Flintrock system as well as being within the design parameters in Steiner Ranch. Manager Gernes explained and stated that this could change as the Lakeway Regional Medical Center and other commercial businesses develop into full use. Engineer Pena explained that the Steiner Ranch system was within its design parameters.

### **B. COMMITTEE REPORTS**

1. **COMMUNICATIONS / PARKS AND CONSERVATION COMMITTEE REPORT**
2. **LEGAL COMMITTEE REPORT**
3. **PLANNING COMMITTEE REPORT**
4. **BUDGET AND FINANCE COMMITTEE REPORT**
5. **POLICY COMMITTEE REPORT**
6. **IMPACT FEE ADVISORY COMMITTEE**
7. **STORMWATER COMMITTEE**

## **IV. CONSENT AGENDA**

### **A. APPROVE PAY ESTIMATES/CHANGE ORDERS FOR VARIOUS CONSTRUCTION PROJECTS IN THE DISTRICT**

1. **Mansfield Water Treatment Plant Phase 2, Pay Estimate #26, Archer Western Contractors**
2. **Flintrock Lift Station "A" Expansion, Pay Estimate #12, Excel Construction Services, LLC**

**B. APPROVE PAYMENT OF CURRENT INVOICES****C. APPROVE MINUTES – November 19, 2015 Regular Meeting and December 1, 2015 Special Meeting**

President Roberts requested questions regarding any of the items on the Consent Agenda. Manager Gernes recommended approval of all items listed in the consent agenda.

**Motion:** Director Steed to approve all items of the Consent Agenda as presented  
**Second:** Director Carruthers  
 Ayes: 3  
 Noes: 0

**V. PUBLIC COMMENT, 6:30 P.M.**

*President Roberts opened Public Comment at 6:27 p.m. and left Public Comment open for anyone that may arrive late and wish to address the Board of Directors.*

**Motion:** Director Carruthers to close Public Comment  
**Second:** Director Steed  
 Ayes: 3  
 Noes: 0

President Roberts closed Public Comment at 7:10 p.m.

**VI. OLD BUSINESS****A. DISCUSS/CONSIDER/TAKE ACTION REGARDING THE LOWER COLORADO RIVER AUTHORITY'S WATER MANAGEMENT PLAN BEFORE THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY**

Manager Gernes explained that two Motions for Rehearing were filed with the Texas Commission on Environmental Quality (TCEQ) on December 14, 2015, the final day of the 30-day appeal period regarding the Application of the Lower Colorado River Authority to amend its Water Management Plan. The motions were filed by the Garwood Irrigation Company and the Lehrer/Lewis Interests (Garwood) and the National Wildlife Federation. She stated that the ramifications of these two filings had not been concluded because they were so recently filed. She further stated that the TCEQ could let the motions expire (a 45-day procedure or January 28, 2016) and then the parties would be required to file with the District Court to continue requesting a rehearing.

Tabled, no action

**B. DISCUSS/CONSIDER/TAKE ACTION REGARDING TRAVIS VISTA WATER AND SEWER SUPPLY CORPORATION**

Manager Gernes reported that the Travis Vista Water and Sewer Supply Corporation plant (TV WSSC) was being dismantled this week. She said that Mr. Castillo reported that he was working with the Public Utility Commission to complete the necessary paperwork to withdraw the TV WSSC application before the Public Utility Commission to renew the Certificate of Convenience and Necessity (CCN) for operation of the existing plant and discharge permit that had been previously filed. She said that the District would continue to file extensions on the District's dual certification application until the decertification application of the TV WSSC was complete. She also said that a CCN was not required to serve an area already receiving service.

Tabled, no action

**C. DISCUSS/CONSIDER/TAKE ACTION REGARDING TERMINATION AND EQUIPMENT TRANSFER AGREEMENT OF CELL TOWER CONTRACT WITH CRICKET COMMUNICATIONS, LLC**

Tabled, no action

**VII. NEW BUSINESS****A. DISCUSS/CONSIDER/TAKE ACTION ON ITEMS RELATED TO APPROVING A RESOLUTION TO REQUEST THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY TO APPROVE THE FINAL RELEASE OF FUNDS FROM THE STEINER RANCH DEFINED AREA UNLIMITED TAX BONDS, TO BE USED FOR THE BALANCE OF ENGINEERING FEES AND DEVELOPER INTEREST, INCLUDING:**

1. SERIES 2013, BOND NO. 17, SURPLUS OF \$166,537; AND
2. SERIES 2015, BOND NO. 18, DEFICIT OF \$1,949.00

*A brief discussion was held regarding the developer's request for the District to approve a resolution to the Texas Commission on Environmental Quality to approve the final release of surplus funds from two Steiner Ranch bonds to cover the balance of engineering fees and interest. Tabled until final numbers are determined between the District accountant and engineers*

**B. DISCUSS/CONSIDER/TAKE ACTION ON CONTRACT AWARD FOR THE TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17, ECK LANE WATER TREATMENT PLANT BACKWASH IMPROVEMENTS PROJECT AS RECOMMENDED BY THE DISTRICT ENGINEERS**

Engineer Pena explained that the contract bids were based on price and evaluation and that the lowest of eight bidders, Prota Construction, Inc. (Prota), would be recommended for the contract award. He stated that Prota was a joint venture of Prota, Inc., Joint Venture, a Puerto Rican and Texas Corporation. He further informed the Directors that he had a meeting with the project management and received assurances that they can complete the work as required.

**Motion:** Director Steed to award the Eck Lane Water Treatment Plant Backwash Improvement Project as recommended by the District engineers to Prota Construction, Inc.

**Second:** Director Carruthers

Director Carruthers asked the engineer why there was such a variation in the bidding line items. Mr. Pena stated that it could be how each company wanted to allocate between items.

Vote taken:

**Ayes:** 3  
**Noes:** 0

**C. DISCUSS/CONSIDER/TAKE ACTION ON CONTRACT AWARD FOR THE TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17, FLINTROCK WASTEWATER TREATMENT PLANT EXPANSION AS RECOMMENDED BY THE DISTRICT ENGINEERS**

Engineer Pena stated that five companies bid and the lowest bidder was Pepper Lawson Waterworks, LLC (Lawson) at \$9,489,000, whom the District had no prior experience with specifically. He said he researched local references and gave the results as: 1) Brushy Creek Public Utility Authority provided a letter about the BC PUA new water treatment plant, and 2) Seguin stated that Lawson had difficulties with concrete, causing a four month delay on the contract time, but that a good final product was delivered. Pena said that Archer Western was the second lowest bidder at \$9,798,000 or \$300,000 more and had only a one point value less than Lawson. Pena again stated that this contract bid was based on price and evaluation. Manager Gernes reminded the Directors of the large amount of concrete work to be done for the Flintrock Wastewater Treatment Plant expansion. Director Carruthers shared his discomfort with only receiving a form letter with no explanation from BC PUA and Manager Gernes said she would make a few phone calls and review the minutes of the BC PUA board meetings pertaining to Lawson's performance. Engineer Lackey stated he had requested financial audits from Lawson and received audits of the parent company, Pepper Construction Group, LLC, that were hard to get a clean reading of the financials requested regarding Lawson. He further stated that if the contract was not awarded tonight the schedule would be delayed by a minimum of thirty (30) days. Tabled for further reference checks

Thor Benson, of Archer Western, was present and addressed the Board by stating that Archer Western Construction would be committed to delivering a good design should they be awarded the Flintrock Wastewater Treatment Plant expansion project.

**D. DISCUSS/CONSIDER/TAKE ACTION ON DECLARATION OF SURPLUS PROPERTY 0.0086 ACRES ON MARSHALL FORD DRIVE; LOT 1, BLOCK 1, WCID17 SUBDIVISION 2**

Manager Gernes introduced this item by explaining the history of the property on Marshall Ford Drive that had previously housed the Marshall Ford pump station that was vacated and longer necessary. She stated that research was being done to verify if any piping still existed on the property before requesting approval to declare the property as surplus.

Tabled, no action

**VIII. THE BOARD WILL MEET IN EXECUTIVE SESSION TO RECEIVE ADVICE FROM ITS ATTORNEYS IN ACCORDANCE WITH TEXAS GOVERNMENT CODE SECTION 551.071 REGARDING LOWER COLORADO RIVER AUTHORITY'S WATER MANAGEMENT PLAN BEFORE THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY**

Executive Session not held

**IX. THE BOARD WILL MEET IN EXECUTIVE SESSION TO RECEIVE ADVICE FROM ITS ATTORNEYS REGARDING TRAVIS VISTA WATER AND SEWER SUPPLY CORPORATION, IN ACCORDANCE WITH TEXAS GOVERNMENT CODE SECTION 551.071**

Executive Session not held

**X. ADJOURNMENT**

**Motion:** Director Carruthers to adjourn

**Second:** Director Steed

**Ayes:** 3

**Noes:** 0

President Roberts adjourned the meeting at 7:28 p.m.

Approved this \_\_\_\_\_ day of \_\_\_\_\_ 2016, with a motion

by Director \_\_\_\_\_ and a Second by Director \_\_\_\_\_.

Ayes \_\_\_\_\_ Noes \_\_\_\_\_ Abstained \_\_\_\_\_

\_\_\_\_\_  
Presiding Officer

\_\_\_\_\_  
Secretary



approval to use the Surplus Funds, plus any additional accrued interest, to pay for (i) the remaining costs incurred by the District from the 2015 Bonds in engineering fees and (ii) a portion of the unpaid developer interest from the 2015 Bonds.

Section 4. The President and the Secretary of the Board of Directors of the District, the General Manager of the District, Schroeder Engineering, and the District's consultants are hereby authorized and directed to do any and all things necessary and proper in connection with this Resolution.

Section 5. A certified copy of this Resolution will constitute an application on behalf of the District for the approvals set forth above.

PASSED AND APPROVED this \_\_\_\_\_ day of January, 2016.

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Jeff Roberts  
President, Board of Directors

ATTEST:

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Jerri Lynn Ward  
Secretary, Board of Directors

(SEAL)



**TRAVIS COUNTY WCID NO. 17  
FLINTROCK WASTEWATER TREATMENT PLANT EXPANSION**

**PROPOSAL PRICE AND EVALUATION TABULATION**

**PROPOSAL PRICE TABULATION**

	<b>Pepper Lawson</b>	<b>Archer Western</b>	<b>Matous</b>
Bonding, Mobilization & Insurance	\$ 450,000.00	\$ 350,000.00	\$ 450,000.00
Storm Water Pollution Prevention Plan (SWPPP)	\$ 3,000.00	\$ 2,000.00	\$ 2,000.00
Environ Protection/Erosion & Sed Control	\$ 15,000.00	\$ 19,000.00	\$ 7,000.00
Trench & Excavation Safety	\$ 3,000.00	\$ 7,000.00	\$ 20,000.00
Site Work	\$ 300,000.00	\$ 582,000.00	\$ 280,000.00
Yard Piping	\$ 250,000.00	\$ 1,073,000.00	\$ 400,000.00
Sequencing Batch Reactor (SBR) Building	\$ 2,318,000.00	\$ 1,993,000.00	\$ 2,690,000.00
Sequencing Batch Reactor (SBR) Building Equipment	\$ 400,000.00	\$ 20,000.00	\$ 300,000.00
Sequencing Batch Reactor (SBR) Building Finish-Out	\$ 40,000.00	\$ 124,000.00	\$ 160,000.00
Sequencing Batch Reactor (SBR) and influent EQ Basin Mixing and Aeration Equipment	\$ 1,300,000.00	\$ 1,638,000.00	\$ 1,370,000.00
Headworks	\$ 500,000.00	\$ 482,000.00	\$ 470,000.00
Disk Filler Facility and Effluent Pump Station	\$ 700,000.00	\$ 720,000.00	\$ 620,000.00
Bleach Storage Facility	\$ 300,000.00	\$ 257,000.00	\$ 280,000.00
Sludge Dewatering Facility Improvements	\$ 850,000.00	\$ 787,000.00	\$ 850,000.00
Modifications to Existing SBR Facility	\$ 80,000.00	\$ 23,000.00	\$ 90,000.00
Effluent Transfer Pumps	\$ 150,000.00	\$ 39,000.00	\$ 210,000.00
Site Demolition	\$ 30,000.00	\$ 39,000.00	\$ 95,000.00
Electrical and Instrumentation	\$ 1,800,000.00	\$ 1,643,000.00	\$ 1,700,000.00
<b>Total Proposal Price (Base Bid)</b>	<b>\$ 9,489,000.00</b>	<b>\$ 9,798,000.00</b>	<b>\$ 9,994,000.00</b>
Alternate Price Schedule*	\$ 75.00	\$ 110.00	\$ 100.00
24" Dia. Drilled Piers - cost per lf	\$ 40.00	\$ 44.00	\$ 40.00
Steel Casing for 24" Dia. Drilled Piers - cost per lf			

\*Unit prices for calculating additions or deductions to the Contract amount as may be required or requested.

**EVALUATION TABULATION**

	<b>Pepper Lawson</b>	<b>Archer Western</b>	<b>Matous</b>
Base Proposal Price (70 pts max)	70	67	65
Experience & Reputation (25 pts max)	0	0	0
Other Factors (5 pts max)	0	0	0
<b>Total Points Awarded</b>	<b>70</b>	<b>67</b>	<b>65</b>

$$\text{Points Assigned for Proposal Price} = \left( \frac{\text{Lowest Base Proposal Submitted}}{\text{Bidder's Base Proposal}} \right)^{1.5} \times 70$$

70 = maximum points available

**TRAVIS COUNTY WCID NO. 17  
FLINTROCK WASTEWATER TREATMENT PLANT EXPANSION**

**PROPOSAL PRICE AND EVALUATION TABULATION**

	<b>Excel</b>	<b>Thyssen Laughlin</b>
\$	450,000.00	\$ 500,000.00
\$	10,000.00	\$ 2,000.00
\$	15,000.00	\$ 7,000.00
\$	25,000.00	\$ 1.00
\$	800,000.00	\$ 240,000.00
\$	700,000.00	\$ 460,000.00
\$	2,030,000.00	\$ 3,600,000.00
\$	400,000.00	\$ 600,000.00
\$	200,000.00	\$ 190,000.00
\$	1,320,000.00	\$ 1,400,000.00
\$	400,000.00	\$ 550,000.00
\$	465,000.00	\$ 930,000.00
\$	280,000.00	\$ 320,000.00
\$	675,000.00	\$ 1,020,000.00
\$	150,000.00	\$ 80,000.00
\$	350,000.00	\$ 100,000.00
\$	50,000.00	\$ 85,000.00
\$	1,830,000.00	\$ 1,790,000.00
<b>\$</b>	<b>10,150,000.00</b>	<b>\$ 11,874,001.00</b>
\$	200.00	300
\$	400.00	120

	<b>Excel</b>	<b>Thyssen Laughlin</b>
	63	50
	0	0
	0	0
	63	50

**RESOLUTION DECLARING CERTAIN REAL PROPERTY AS SURPLUS  
PROPERTY**

THE STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS           §

**WHEREAS**, Travis County Water Control & Improvement District No. 17 (the “District”) is a conservation and reclamation district operating pursuant to Chapters 49 and 51 of the Texas Water Code; and

**WHEREAS**, the District owns a certain 0.0086 acre tract of land on Marshall Ford Drive, which is more specifically described as Lot 1, Block 1, WCID17 Subdivision 2 (the “Tract”); and

**WHEREAS**, the District’s Board of Directors has assessed and considered the usefulness of the Tract.

**NOW THEREFORE**, it is resolved by the Board of Directors of Travis County Water Control & Improvement District No. 17 as follows:

**Section 1:** The above recitals are true and correct and are incorporated into this Resolution for all purposes.

**Section 2:** The District’s Board of Directors has determined and hereby declares that the 0.0086 acre tract of land more specifically described as Lot 1, Block 1, WCID Subdivision 2 is surplus property as defined in Texas Water Code § 49.226 and is not needed by the District.

**PASSED AND APPROVED** this \_\_\_\_\_ day of January, 2016.

\_\_\_\_\_  
Jeff Roberts  
President, Board of Directors

ATTEST:

\_\_\_\_\_  
Jerri Lynn Ward  
Secretary, Board of Directors

VII. D. DISCUSS/CONSIDER/TAKE ACTION ON DECLARATION OF SURPLUS PROPERTY 0.0086 ACRES ON MARSHALL FORD DRIVE; LOT 1, BLOCK 1, WCID17 SUBDIVISION 2

Travis CAD Property Search Map Search Map Administration Login

Property Search Results > Property ID 154097 BRECKEL CELENA for Year 2015 New Search

<b>Details</b> <span style="float: right;">Map</span> <span style="float: right;">Help</span> <b>Account</b> Property ID: 154097 Geo. ID: 0352440608 Type: Real Legal Description: LOT 120 HUGHES PARK LAKE SUBD 1	<b>Location</b> Situs Address: 12809 THOMAS ST TX 78732 Neighborhood: TW0030 Mapco: 4914 Jurisdictions: 52, 17, 69, 68, 03, 0A, 23	<b>Owner</b> Owner Name: BRECKEL CELENA Mailing Address: 251 ARGOSY LN, MONTGOMERY, TX 77316-6859	<b>Property</b> Appraised Value: \$99,000.00
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**Layers**

- Parcels Group
- Dimensions
- Subdivisions
- Abstracts
- School Districts
- City Jurisdictions
- Lakes and Rivers
- Creeks
- Streets
- Aerials

Radius Search Map Search

DISCLAIMER © 2011 True Automation

100%

avg \$ 5.16 / #

\$ 1,932.83 using TCAD avg/# of 3 similar vacant properties



Gernes, Debbie <dgernes@wcid17.org>

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## Refunding Opportunity

4 messages

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Garry Kimball <garry@spubfin.com>

Fri, Jan 8, 2016 at 2:43 PM

To: Deborah Gernes WCID 17 <dgernes@wcid17.org>

Cc: Jana Edwards <jedwards@mphlegal.com>, Hasan Mack <hmack@mphlegal.com>, Clayton Chandler <cchandler@mphlegal.com>

Debbie,

With the recent stock market volatility has come a flight to safety effect, which has caused bond rates to fall. As you know, we routinely monitor the District's outstanding bonds for refinancing opportunities. In this regard, I would like to highlight the following opportunity:

Steiner Ranch Defined Area Bonds, Series 2009 & 2009A

Amount of bonds to be refinanced: \$10,565,000

Average interest rate on Series 2009 & 2009A Bonds: 4.65%

Current Market Rate (budget TIC): 2.99%

Net Budgeted Savings (Debt Service Reduction): \$443,617 (realized over 15 years.... approximately \$30k/year to occur 2017-2031)

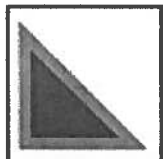
Net Present Value Savings: \$335,672

NPV % of Amount Being Refinanced: 3.2% (anything over 3% is considered "in the money").

We would like to place an action item on the Board's next agenda to be able to approve this, subject to the market not retreating and causing the savings to dip below the 3% NPV savings floor. If you are in agreement, I would ask McCall to prepare the require Parameters Order for Board consideration on 1/21/16.

Thanks and Happy New Year!

Garry



**SPECIALIZED PUBLIC FINANCE INC.**  
FINANCIAL ADVISORY SERVICES

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ORDER AUTHORIZING THE ISSUANCE OF TRAVIS COUNTY WATER CONTROL  
AND IMPROVEMENT DISTRICT NO. 17 STEINER RANCH DEFINED AREA  
UNLIMITED TAX REFUNDING BONDS IN ONE OR MORE SERIES; LEVYING  
AN AD VALOREM TAX IN SUPPORT OF THE BONDS; APPROVING DISTRIBUTION  
OF AN OFFICIAL STATEMENT AND THE FORM OF CERTAIN AGREEMENTS;  
ESTABLISHING PROCEDURES FOR SELLING AND DELIVERING ONE OR  
MORE SERIES OF THE BONDS AND AUTHORIZING OTHER MATTERS RELATED  
TO THE ISSUANCE OF THE BONDS

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**TABLE OF CONTENTS**

	Page
Preamble .....	1
<b>SECTION 1.</b> AMOUNT AND PURPOSE OF EACH SERIES OF THE BONDS .....	2
<b>SECTION 2.</b> DEFINITIONS.....	3
<b>SECTION 3.</b> DESIGNATION, DATE, DENOMINATIONS, NUMBERS AND MATURITIES OF EACH SERIES OF THE BONDS....	5
<b>SECTION 4.</b> INTEREST.....	6
<b>SECTION 5.</b> CHARACTERISTICS OF THE BONDS.....	6
<b>SECTION 6.</b> FORM OF BOND.....	10
<b>SECTION 7.</b> LEVY OF TAX; CONSOLIDATION OR DISSOLUTION OF DISTRICT .....	22
<b>SECTION 8.</b> DEFEASANCE OF BONDS.....	23
<b>SECTION 9.</b> CREATION/DISPOSITION OF FUNDS .....	24
<b>SECTION 10.</b> DAMAGED, MUTILATED, LOST, STOLEN OR DESTROYED BONDS .....	25
<b>SECTION 11.</b> CUSTODY, APPROVAL AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION, CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED .....	26
<b>SECTION 12.</b> COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE BONDS .....	26
<b>SECTION 13.</b> SALE OF BONDS.....	28
<b>SECTION 14.</b> APPROVAL OF OFFICIAL STATEMENT .....	29
<b>SECTION 15.</b> APPROVAL OF ESCROW AGREEMENT AND CALLING CERTAIN BONDS FOR REDEMPTION .....	29
<b>SECTION 16.</b> DEPOSITS OF PROCEEDS AND APPROPRIATION OF FUNDS .....	29
<b>SECTION 17.</b> CONTINUING DISCLOSURE UNDERTAKING.....	30
<b>SECTION 18.</b> FURTHER PROCEDURES .....	32
<b>SECTION 19.</b> ADDITIONAL BONDS .....	33
<b>SECTION 20.</b> REMEDIES IN EVENT OF DEFAULT .....	33
<b>SECTION 21.</b> BOND ORDER IS CONTRACT .....	34
<b>SECTION 22.</b> DISTRICT'S SUCCESSORS AND ASSIGNS .....	34
<b>SECTION 23.</b> NO RECOURSE AGAINST DISTRICT OFFICERS OR DIRECTORS .....	34
<b>SECTION 24.</b> REGISTRAR .....	34
<b>SECTION 25.</b> REGISTRAR MAY OWN BONDS.....	34
<b>SECTION 26.</b> BENEFITS OF PROVISIONS .....	34
<b>SECTION 27.</b> UNAVAILABILITY OF AUTHORIZED PUBLICATION .....	35
<b>SECTION 28.</b> SEVERABILITY CLAUSE .....	35

<b>SECTION 29.</b>	ACCOUNTING .....	35
<b>SECTION 30.</b>	AMENDMENTS .....	35
<b>SECTION 31.</b>	ADDITIONAL BOND INSURANCE PROVISIONS.....	37
<b>SECTION 32.</b>	OTHER ACTIONS.....	37
<b>SECTION 33.</b>	PAYMENT OF ATTORNEY GENERAL FEE.....	37

**SCHEDULES**

**Schedule A** Metes and Bounds

**EXHIBITS**

- EXHIBIT A** Escrow Agreement
- EXHIBIT B** Paying Agent/Registrar Agreement
- EXHIBIT C** Notice of Defeasance/Redemption
- EXHIBIT D** Description of Annual Financial Information



**ORDER AUTHORIZING THE ISSUANCE OF TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17 STEINER RANCH DEFINED AREA UNLIMITED TAX REFUNDING BONDS IN ONE OR MORE SERIES; LEVYING AN AD VALOREM TAX IN SUPPORT OF THE BONDS; APPROVING DISTRIBUTION OF AN OFFICIAL STATEMENT AND THE FORM OF CERTAIN AGREEMENTS; ESTABLISHING PROCEDURES FOR SELLING AND DELIVERING ONE OR MORE SERIES OF THE BONDS AND AUTHORIZING OTHER MATTERS RELATED TO THE ISSUANCE OF THE BONDS**

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**THE STATE OF TEXAS** §  
**COUNTY OF TRAVIS** §  
**TRAVIS COUNTY WATER CONTROL**  
**AND IMPROVEMENT DISTRICT NO. 17** §

**WHEREAS**, there are presently outstanding the following bonds of Travis County Water Control and Improvement District No. 17 (the "District"), which are secured by a pledge by the District to levy ad valorem taxes within the area described by metes and bounds in Schedule "A" attached hereto which area is hereafter called the "Steiner Ranch Defined Area" sufficient to pay principal of and interest on such bonds as they become due (being part of the District's outstanding Steiner Ranch Unlimited Tax Bonds): \$10,030,000 Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Bonds, Series 2009 (the "Series 2009 Bonds"); \$5,590,000 Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Bonds, Series 2009A (the "Series 2009A Bonds"), \$3,540,000 Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2009 (the "Series 2009 Refunding Bonds"); \$2,985,000 Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Bonds, Series 2010 (the "Series 2010 Bonds"); \$5,115,000 Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2011 (the "Series 2011 Refunding Bonds"), \$2,185,000 Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Bonds, Series 2011 (the "Series 2011 Bonds"); \$100,810,000 Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2012 (the "Series 2012 Refunding Bonds"); \$13,014,984 Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2013 (the "Series 2013 Refunding Bonds"), \$2,345,000 Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Bonds, Series 2013 (the "Series 2013 Bonds"), \$6,649,999.90 Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2014 (the "Series 2014 Refunding Bonds"), \$2,230,000 Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Bonds, Series 2015 (the "Series 2015 Bonds") and \$12,744,989 Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2015 (the "Series 2015 Refunding Bonds"), (collectively, the "Outstanding Bonds"); and

**WHEREAS**, the District now desires to issue refunding bonds to refund all or part of the Outstanding Bonds (the "Refundable Bonds," and those Refundable Bonds designated by the Pricing Officer in the Pricing Certificate, each as defined herein, to be refunded are herein referred to as the "Refunded Bonds"); and

**WHEREAS**, all the Refunded Bonds mature or are subject to redemption prior to maturity within 20 years; and

**WHEREAS**, the refunding bonds hereafter authorized are being issued and delivered pursuant to Chapters 1207 and 1371, Texas Government Code, as amended; and

**WHEREAS**, Chapter 1207, Texas Government Code, as amended ("Chapter 1207") authorizes the District to issue refunding bonds and to deposit the proceeds from the sale thereof together with any other available funds or resources, directly with a place of payment (paying agent) for the Refunded Bonds or eligible trust company or commercial bank, and such deposit, if made before such payment dates, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Bonds; and

**WHEREAS**, Chapter 1207 further authorizes the District to enter into an escrow agreement with respect to the safekeeping, investment, reinvestment, administration and disposition of any such deposit, upon such terms and conditions as the District and such escrow agent may agree, provided that such deposits may be invested and reinvested in Defeasance Securities, as defined herein; and

**WHEREAS**, the Escrow Agreement hereinafter authorized, constitutes an agreement of the kind authorized and permitted by said Chapter 1207; and

**WHEREAS**, the Board of Directors of the District deems it advisable and in the best interest of the District to refund the Refunded Bonds in order to achieve a net present value debt service savings of not less than 3.00% of the principal amount of the Refunded Bonds net of any District contribution with such savings, among other information and terms to be included in a pricing certificate to be executed by the President of the Board of Directors of the District or in his absence the Vice President of the Board of Directors, acting as the designated pricing officer of the District, all in accordance with the provisions of Chapter 1207, including Section 1207.007 thereof; and

**THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF THE TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17:**

**Section 1. AMOUNT AND PURPOSE OF EACH SERIES OF THE BONDS.** The Board of Directors of the District hereby incorporates the recitals set forth in the preamble hereto as if set forth in full at this place and further finds and determines that said recitals are true and correct.

**Section 2. DEFINITIONS.** In addition to other terms defined elsewhere in this Order, as used in this Order, unless the context shall otherwise require, the following terms shall have the following respective meanings, to wit:

"Accreted Value" means, with respect to a Capital Appreciation Bond, as of any particular date of calculation, the original principal amount thereof, plus all interest accrued and compounded to the particular date of calculation, as determined in accordance with the Pricing Certificate and the Accretion Table attached as an exhibit to the Pricing Certificate relating to the Bonds that shows the Accreted Value per \$5,000 maturity amount on the calculation date of maturity to its maturity.

"Accretion Table" means the exhibit attached to the Pricing Certificate that sets forth the rounded original principal amounts at the Issuance Date for the Premium Compound Interest Bonds and the Accreted Values and maturity amounts thereof as of each Compounding Date until final maturity.

"Additional Bonds" means the additional bonds payable from ad valorem taxes which the Board expressly reserves the right to issue in Section 19 of this Bond Order.

"Authorized Denominations" means the denomination of \$5,000 or any integral multiple thereof with respect to the Current Interest Bonds and in the denomination of \$5,000 in maturity amount or any integral multiple thereof with respect to the Capital Appreciation Bonds.

"Authorized Investments" means such investments authorized pursuant to the investment policy of the District and Chapter 2256 of the Government Code, as amended.

"Board of Directors" or "Board" means the governing body of the District.

"Bond Insurer" means the insurer, if any, of any series of the Bonds.

"Bonds" means one or more Series of the Bonds and include collectively the Capital Appreciation Bonds and Current Interest Bonds initially issued and delivered pursuant to this Order and all substitute Capital Appreciation Bonds and Current Interest Bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "Bond" shall mean any of the Bonds.

"Bond Order" or "Order" means this Order of the Board of Directors authorizing the issuance of the Bonds.

"Business Day" means any day which is not a Saturday, Sunday or a day on which the Paying Agent/Registrar is authorized by law or executive order to remain closed.

"Capital Appreciation Bonds" shall mean the Bonds, on which no interest is paid prior to maturity, maturing in the years and in the aggregate principal amount as set forth in the Pricing Certificate.

"Compounded Amount" shall mean, with respect to a Capital Appreciation Bond, as of any particular date of calculation, the original principal amount thereof, plus all interest accrued and compounded to the particular date of calculation, as determined in accordance with the terms of the Pricing Certificate.

"Compounding Date" means the amounts and dates as set forth in the Accretion Table.

"Current Interest Bonds" shall mean the Bonds maturing in each of the years as designated by the Pricing Officer in the Pricing Certificate.

"Defeasance Securities" means (i) Federal Securities, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the Board of Directors adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Bonds are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the Board of Directors adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Bonds, are rated as to investment quality by a nationally recognized investment rating firm no less than "AAA" or its equivalent and (iv) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Bonds.

"Federal Securities" as used herein means direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America (including Interest Strips of the Resolution Funding Corporation).

"Interest Payment Date" means a date on which interest on the Current Interest Bonds is due and payable as set forth in the Pricing Certificate.

"Issuance Date" means such other date of delivery of the Bonds to the initial purchaser or purchasers thereof against payment therefor as determined by the Pricing Officer in the Pricing Certificate.

"Pricing Certificate" means each Pricing Certificate of the District's Pricing Officer to be executed and delivered pursuant to Section 3 hereof in connection with the issuance of a Series of the Bonds.

"Pricing Officer" means the President of the Board of the District or in his absence the Vice President of the Board, acting as the designated pricing officer of the District to execute the Pricing Certificate.

"Redemption Date" means a date fixed for redemption of any Bond pursuant to the terms of this Bond Order and the Pricing Certificate.

"Refunded Bonds" means the Refundable Bonds being refunded as provided in the preamble to this Order and as set forth in each Pricing Certificate.

"Series" means any designated series of Bonds issued pursuant to this Order.

**Section 3. DESIGNATION, DATE, DENOMINATIONS, NUMBERS AND MATURITIES OF EACH SERIES OF THE BONDS.** Each Bond issued pursuant to this Order shall be designated: "**TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17 STEINER RANCH DEFINED AREA UNLIMITED TAX REFUNDING BOND**" (the "**Bonds**") and the Bonds in one or more Series are hereby authorized to be issued and delivered in the maximum aggregate principal amount not to exceed \$13,435,000 for the purpose of refunding the Refunded Bonds and paying certain costs of issuing the Bonds and initially there shall be issued, sold and delivered hereunder fully registered Bonds, without interest coupons, with the Bonds being dated as determined by the Pricing Officer in the Pricing Certificate. There initially shall be issued, sold and delivered fully registered bonds, without interest coupons, which may be in the form of Current Interest Bonds, numbered consecutively from R-1 upward or in the form of Capital Appreciation Bonds, numbered consecutively from PC-1 upward (except the initial Bonds delivered to the Attorney General of the State of Texas which shall be numbered T-1 and TPC-1, respectively) payable to the respective initial Registered Owners thereof, or to the registered assignee or assignees of said Bonds or any portion or portions thereof, in Authorized Denominations, with each Series maturing not later than November 1, 2035, serially or otherwise on the dates, in the years and in the principal amounts, respectively, and dated, all as set forth in the Pricing Certificate to be executed and delivered by the Pricing Officer pursuant to this Section. The Pricing Certificate is hereby incorporated in and made a part of this Order. The title of each Series of the Bonds shall be designated by the year in which it is awarded pursuant to this Section 3. The authority for the Pricing Officer to execute and deliver the Pricing Certificate for a Series of Bonds shall expire at 5:00 p.m. C.S.T. on January 21, 2017. Bonds priced on or before January 21, 2017 may be delivered to the initial purchaser after such date.

As authorized by Chapter 1371 and Section 1207.007, Texas Government Code, as amended, the Pricing Officer is hereby authorized to act on behalf of the District in selling and delivering the Bonds, determining which of the Refundable Bonds shall be refunded and constitute "Refunded Bonds" under this Order and carrying out the other procedures specified in this Order, including determining the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the aggregate principal amount of Current Interest Bonds and Capital Appreciation Bonds, the rate of interest to be borne by each such maturity, the interest payment periods, the dates, price, and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the District, as well as any mandatory sinking fund redemption provisions, and all other matters relating to the issuance, sale, and delivery of the Bonds and the refunding of the Refunded Bonds, all of which shall be specified in the Pricing Certificate; provided that (i) the price to be paid for the Bonds of each Series shall not be less than 90% of the aggregate original principal amount thereof plus accrued interest thereon from its date to its delivery, (ii) the interest rate on the Bonds shall not exceed the maximum rate authorized by law, and (iii) the refunding must produce a net present value debt service savings of at least 3.00% of the principal amount of the Refunded Bonds, net of any District

contribution. In establishing the aggregate principal amount of the Bonds, the Pricing Officer shall establish an amount not to exceed the amount authorized in this Section, which shall be sufficient to provide for the purposes for which the Bonds are authorized and to pay the costs of issuing the Bonds. The Bonds shall be sold by negotiated sale to the Underwriter pursuant to a bond purchase agreement at such price, with and subject to such terms, as determined by the Pricing Certificate. The Pricing Officer shall designate the senior managing underwriter for the Bonds and such additional investment banking firms as he or she deems appropriate to assure that the Bonds are sold on the most advantageous terms. The Pricing Officer may not execute a Pricing Certificate unless the minimum required savings as described in this subsection is achieved. Each Pricing Certificate shall become a part of this Order as if set forth herein.

In satisfaction of Section 1201.022(a)(3), Texas Government Code, the District hereby determines that the delegation of the authority to the Pricing Officer to approve the final terms and conditions of each Series of the Bonds as set forth in this Order is, and the decisions made by the Pricing Officer pursuant to such delegated authority and incorporated in the Pricing Certificate will be, in the best interests and shall have the same force and effect as if such determination were made by the District and the Pricing Officer is hereby authorized to make and include in a Pricing Certificate an appropriate finding to that effect.

**Section 4. INTEREST.** The Current Interest Bonds shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the FORM OF BONDS set forth in this Order to their respective dates of maturity or redemption at the rates per annum set forth in the Pricing Certificate.

The Capital Appreciation Bonds shall bear interest from the Issuance Date, calculated on the basis of a 360-day year composed of twelve 30-day months (subject to rounding to the Compounded Amounts thereof), compounded on the Compounding Dates as set forth in the Pricing Certificate, and payable, together with the principal amount thereof, in the manner provided in the Form of Bonds at the rates set forth in the Pricing Certificate. Attached to the Pricing Certificate, if Capital Appreciation Bonds are to be issued, shall be the Accretion Table. The Accreted Value with respect to any date other than a Compounding Date is the amount set forth on the Accretion Table with respect to the last preceding Compounding Date, plus the portion of the difference between such amount and the amount set forth on the Accretion Table with respect to the next succeeding Compounding Date that the number of days (based on 30-day months) from such last preceding Compounding Date to the date for which such determination is being calculated bears to the total number of days (based on 30-day months) from such last preceding Compounding Date to the next succeeding Compounding Date.

**Section 5. CHARACTERISTICS OF THE BONDS.** (a) Registration, Transfer, Conversion and Exchange; Authentication. The District shall keep or cause to be kept at the principal office for payment of the paying agent/registrars designated by the Pricing Officer (the "Paying Agent/Registrar") books or records for the registration of the transfer, conversion and exchange of the Bonds (the "Registration Books"), and the Paying Agent/Registrar shall keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the District and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein

provided. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. To the extent possible and under reasonable circumstances, all transfers of Bonds shall be made within three business days after request and presentation thereof. The District shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Bond or Bonds shall be paid as provided in the FORM OF BOND set forth in this Order. Registration of assignments, transfers, conversions and exchanges of Bonds shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth in this Order. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign the Paying Agent/Registrar's Authentication Certificate, and no such Bond shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for conversion and exchange. No additional ordinances, orders or resolutions need be passed or adopted by the governing body of the District or any other body or person so as to accomplish the foregoing conversion and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution and delivery of the substitute Bonds in the manner prescribed herein, and said Bonds shall be of type composition printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Chapter 1201, Subchapter D, Texas Government Code, the duty of conversion and exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the converted and exchanged Bond shall be valid, incontestable and enforceable in the same manner and with the same effect as the Bonds which initially were issued and delivered pursuant to this Order, approved by the Attorney General and registered by the Comptroller of Public Accounts.

(b) Payment of Bonds and Interest. The District hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, all as provided in this Order and the Pricing Certificate. The Paying Agent/Registrar shall keep proper records of all payments made by the District and the Paying Agent/Registrar with respect to the Bonds, and of all conversions and exchanges of Bonds, and all replacements of Bonds, as provided in this Order. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the District. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each registered owner

appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(c) In General. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the registered owners thereof, (ii) may be transferred and assigned, (iii) may be converted and exchanged for other Bonds, (iv) shall have the characteristics, (v) shall be signed, sealed, executed and authenticated, (vi) the principal of and interest on the Bonds shall be payable, and (vii) shall be administered and the Paying Agent/Registrar and the District shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated in the Pricing Certificate and in the FORM OF BOND set forth in this Order. The Bonds initially issued and delivered pursuant to this Order and the Pricing Certificate are not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in conversion of and exchange for any Bond or Bonds issued under this Order and the Pricing Certificate, the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF BOND.

(d) Substitute Paying Agent/Registrar. The District covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the District will provide a competent and legally qualified bank, trust company, financial institution or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Order, and that the Paying Agent/Registrar will be one such entity. The District reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 30 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition or other method) should resign or otherwise cease to act as such, the District covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution or other agency to act as Paying Agent/Registrar under this Order. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the District. Upon any change in the Paying Agent/Registrar, the District promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Order, and a certified copy of this Order shall be delivered to each Paying Agent/Registrar.

(e) Book-Entry-Only System. The Bonds issued in exchange for the Bonds initially issued as provided in Section 4(h) shall be issued in the form of a separate single fully registered Bond for each of the maturities thereof registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("DTC") and except as provided in subsection (f) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.



With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the District and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC participants (the "DTC Participant") or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the District and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Registered Owner, as shown on the Registration Books, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any person, other than a Registered Owner, as shown in the Registration Books of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Order to the contrary, but to the extent permitted by law, the District and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal of and interest, with respect to such Bond, for the purposes of registering transfers with respect to such Bond, and for all other purposes of registering transfers with respect to such Bonds, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective Registered Owners, as shown in the Registration Books as provided in this Order, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the Registration Books, shall receive a Bond evidencing the obligation of the District to make payments of principal, and interest pursuant to this Order. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Order with respect to interest checks being mailed to the registered owner at the close of business on the Record Date the word "Cede & Co." in this Order shall refer to such new nominee of DTC.

(f) Successor Securities Depository; Transfer Outside Book-Entry-Only System. In the event that the District determines to discontinue the book-entry system through DTC or a successor or DTC determines to discontinue providing its services with respect to the Bonds, the District shall either (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names the Registered Owner transferring or exchanging Bond shall designate, in accordance with the provisions of this Order.

(g) Payments to Cede & Co. Notwithstanding any other provision of this Order to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Letter of Representations of the District to DTC.

(h) Initial Bond(s). The Bonds herein authorized shall be initially issued as fully registered bonds, being one bond for each maturity in the denomination of the applicable principal amount and the initial Bond(s) shall be registered in the name of the Underwriter or the designees thereof as set forth in the Pricing Certificate. The initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the Underwriter. Immediately after the delivery of the initial Bond(s), the Registrar shall cancel the initial Bond(s) delivered hereunder and exchange therefor Bonds in the form of a separate single fully registered Bond for each of the maturities thereof registered in the name of Cede & Co., as nominee of DTC and except as provided in Section 5(f), all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

**Section 6. FORM OF BOND.** The form of the Bond, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Bonds initially issued and delivered pursuant to this Order and the Pricing Certificate, shall be, respectively, substantially as follows, with such appropriate variations, omissions or insertions as are permitted or required by this Order.

**FORM OF BOND\***

**UNITED STATES OF AMERICA**  
**STATE OF TEXAS**  
**COUNTY OF TRAVIS**  
**TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17**  
**STEINER RANCH DEFINED AREA**  
**UNLIMITED TAX REFUNDING BOND**  
**SERIES \_\_\_\_\_\***

[FORM OF FIRST THREE PARAGRAPHS OF CURRENT INTEREST BOND]\*

NO. ____ - ____		<b>PRINCIPAL AMOUNT</b>	
		\$ _____	
<b>INTEREST</b>	<b>DATE OF</b>	<b>MATURITY</b>	<b>CUSIP</b>

\* To be completed as determined by the Pricing Officer in the Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

RATE                          BONDS                          DATE                          NO.            
 \_\_\_\_\_\*

**REGISTERED OWNER:**

**PRINCIPAL AMOUNT:** **DOLLARS**

**ON THE MATURITY DATE** specified above, **TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17**, in Travis County, Texas (the "District"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "registered owner") the principal amount set forth above, and to pay interest thereon from the Date of Bonds set forth above, on \_\_\_\_\_\* and semiannually on each \_\_\_\_\_\* and \_\_\_\_\_\* thereafter to the maturity date specified above at the interest rate per annum specified above; except that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged or converted from is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

**THE PRINCIPAL OF AND INTEREST ON** this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity for payment to \_\_\_\_\_\* (the "Paying Agent/Registrar") at its offices in \_\_\_\_\_\*, Texas (the "Designated Payment/Transfer Office"). The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the District required by the order authorizing the issuance of the Bonds (the "Bond Order") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared on the 15th day of the month next preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest

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have been received from the District. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, payments made to the securities depository, or its nominee, shall be made in accordance with arrangements between the District and the securities depository.

**ANY ACCRUED INTEREST** due at maturity, as provided herein, shall be paid to the registered owner upon presentation and surrender of this Bond for payment at the Designated Payment/Transfer Office of the Paying Agent/Registrar. The District covenants with the registered owner of this Bond that on or before each payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Bond Order, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

**[FORM OF FIRST TWO PARAGRAPHS OF  
CAPITAL APPRECIATION BOND]\***

NO. \_\_\_\_ - \_\_\_\_

**PAYMENT  
AT  
MATURITY**  
\$ \_\_\_\_\_

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>ISSUANCE DATE</u>	<u>CUSIP NO.</u>
		* _____	

**REGISTERED OWNER:**

**PAYMENT AT MATURITY:**

**ON THE MATURITY DATE** specified above, **TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17**, in Travis County, Texas (the "District"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "registered owner") the Payment at Maturity in the amount set forth above, representing the principal amount hereof and accrued and compounded interest hereon. Interest shall accrete on the principal amount hereof

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\* To be completed as determined by the Pricing Officer in the Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

from the Issuance Date at the interest rate per annum specified above, compounded semiannually on \_\_\_\_\_\* and \_\_\_\_\_\* of each year commencing \_\_\_\_\_\*. For convenience of reference, a table appears on the back of this Bond showing the "Compounded Amount" of the original principal amount plus initial premium per \$5,000 Maturity Amount compounded semiannually at the yield shown on such table.

**THE PAYMENT AT MATURITY** of this Bond is payable in lawful money of the United States of America, without exchange or collection charges. The Payment at Maturity of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity for payment to \_\_\_\_\_\* (the "Paying Agent/Registrar") at its offices in \_\_\_\_\_\*, Texas (the "Designated Payment/Transfer Office"), and shall be drawn by the Paying Agent/Registrar on, and solely from, funds of the District required by the order authorizing the issuance of the Bonds (the "Bond Order") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided, payable to the registered owner hereof, as it appears on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. The District covenants with the registered owner of this Bond that on or before the Maturity Date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Bond Order, the amounts required to provide for the payment, in immediately available funds of the Payment at Maturity, when due.

**[FORM OF REMAINDER OF EACH BOND]\***

**IF THE DATE** for any payment due on this Bond shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday or day on which banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the original date payment was due.

**THIS BOND** is one of a Series of Bonds dated \_\_\_\_\_\*, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$\_\_\_\_\_, **FOR THE PURPOSE OF REFUNDING THE REFUNDED BONDS AND PAYING THE COSTS ASSOCIATED WITH THE ISSUANCE OF THE BONDS**, [and the Bonds are comprised of (i) Bonds in the aggregate principal amount of \$\_\_\_\_\_ that pay interest only at maturity (the "Capital Appreciation Bonds") and (ii) Bonds in the aggregate principal amount of \$\_\_\_\_\_ that pay interest semiannually until maturity (the "Current Interest Bonds").]\*\*

**ON \_\_\_\_\_\* OR ON ANY DATE THEREAFTER**, the Current Interest Bonds maturing on or after \_\_\_\_\_\*, may be redeemed prior to their scheduled

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\* To be completed as determined by the Pricing Officer in the Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

\*\* To be included only if Current Interest Bonds and Capital Appreciation Bonds are both issued and completed as determined by the Pricing Officer in the Pricing Certificate.

maturities, at the option of the District, with funds derived from any available and lawful source, at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption as a whole, or from time to time in part, and, if in part, the particular Current Interest Bonds, or portions thereof, to be redeemed shall be selected and designated by the District, and if less than all of a maturity is to be redeemed the Registrar shall determine by lot the Current Interest Bonds, or portions thereof within such maturity to be redeemed (provided that a portion of a Current Interest Bond may be redeemed only in integral multiples of \$5,000 of principal amount). The Capital Appreciation Bonds are not subject to redemption prior to maturity.\*

[**THE BONDS** maturing on \_\_\_\_\_ are subject to mandatory sinking fund redemption by lot prior to maturity in the following amounts, on the following dates and at a price of par plus accrued interest to the redemption date.

<b>Bonds Maturing _____, 20__</b>	
<b>Redemption Date</b>	<b>Principal Amount</b>
_____, 20__	\$ _____
_____, 20__	_____
_____, 20__	_____ †

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†Final Maturity

**THE PRINCIPAL AMOUNT** of the Term Bonds required to be redeemed pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the District by the principal amount of any Term Bonds of the stated maturity which, at least 50 days prior to a mandatory redemption date, (1) shall have been acquired by the District, at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the District with monies in the Debt Service Fund at a price not exceeding the principal amount of the Term Bonds plus accrued interest to the date of purchase thereof, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory sinking fund redemption requirement.]\*\*

**NO LESS THAN 30** days prior to the date fixed for any such redemption, the District shall cause the Paying Agent/Registrar to send notice by United States mail, first-class postage prepaid to the Registered Owner of each Bond to be redeemed at its address as it appeared on the Registration Books of the Paying Agent/Registrar at the close of business on the 45th day prior to

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\*\* To be included only if Term Bonds are issued as determined by the Pricing Officer in the Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

the redemption date; provided, however, that the failure to send, mail or receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bonds. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. If due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as 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 being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bonds shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the Registered Owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the District, all as provided in the Order.

**WITH RESPECT TO** any optional redemption of the Current Interest Bonds, unless certain prerequisites to such redemption required by the Bond Order have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the District, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the District shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

**ALL BONDS OF THIS SERIES** are issuable solely as fully registered Bonds, without interest coupons, with respect to Current Interest Bonds, in the denomination of any integral multiple of \$5,000, and with respect to Capital Appreciation Bonds, in the denomination of \$5,000 payment at maturity amounts or any integral multiple thereof. As provided in the Bond Order, this Bond may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate amount of fully registered Bonds, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, having any authorized denomination or denominations as requested in writing by the appropriate registered owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Designated Payment/Transfer Office of the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Order. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Designated Payment/Transfer Office of the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any authorized denomination to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or

endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. The one requesting such conversion and exchange shall pay the Paying Agent/Registrar's reasonable standard or customary fees and charges for converting and exchanging any Bond or portion thereof. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The foregoing notwithstanding, in the case of the conversion and exchange of an assigned and transferred Bond or Bonds or any portion or portions thereof, such fees and charges of the Paying Agent/Registrar will be paid by the District. The Paying Agent/Registrar shall not be required to make any such transfer or exchange with respect to Current Interest Bonds during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date.

**WHENEVER** the beneficial ownership of this Bond is determined by a book entry at a securities depository for the Bonds, the foregoing requirements of holding, delivering or transferring this Bond shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

**IN THE EVENT** any Paying Agent/Registrar for the Bonds is changed by the District, resigns or otherwise ceases to act as such, the District has covenanted in the Bond Order that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owners of the Bonds.

**THE BONDS** are payable from the proceeds of an ad valorem tax, without legal limit as to rate or amount, levied upon all taxable property within the Steiner Ranch Defined Area within the District. The Bond Order provides that the District reserves the right to consolidate with one or more conservation and reclamation districts, to consolidate its waterworks and sewer systems with the systems of such districts. The Bond Order further provides that the pledge of taxes, to the payment of the Bonds shall terminate at such time, if ever, as (i) money and/or direct obligations of the United States or obligations unconditionally guaranteed by the United States in an amount sufficient to defease the Bonds is deposited with or made available to the Registrar in accordance with the Bond Order or (ii) a City dissolves the District, and assumes the obligations of the District pursuant to existing Texas law.

**THE BONDS** are issued pursuant to the Bond Order, whereunder the District covenants to levy a continuing direct annual ad valorem tax, without legal limit as to rate or amount, on taxable property within the Steiner Ranch Defined Area of the District, for each year while any part of the Bonds are considered outstanding under the provisions of the Bond Order, in sufficient amount, together with revenues and receipts available from other sources which are equally available for such purposes, to pay interest on the Bonds as it becomes due, to provide a sinking fund for the payment of the principal of the Bonds when due or the redemption price at any earlier required redemption date with respect to the Bonds, and to pay the expenses of assessing and collecting such tax, all as more specifically provided in the Bond Order. Reference is hereby made



to the Bond Order for provisions with the custody and application of funds, remedies in the event of a default hereunder or thereunder, and the other rights of the Registered Owners of the Bonds. By acceptance of this Bond the Registered Owner hereof consents to all of the provisions of the Bond Order, a certified copy of which is on file in the office of the District.

**THE OBLIGATION** to pay the principal of and the interest on this Bond is solely and exclusively the obligation of the District until such time, if ever, as the District is abolished and this Bond is assumed as described above. No other entity, including the State of Texas, any political subdivision thereof other than the District, or any other public or private body, is obligated, directly, indirectly, contingently, or in any other manner, to pay the principal of or the interest on this Bond from any source whatsoever. No part of the physical properties of the District, including the properties provided by the proceeds of the Bonds, is encumbered by any lien for the benefit of the Registered Owner of this Bond.

**THE DISTRICT RESERVES THE RIGHT** to issue additional bonds heretofore or hereafter duly authorized at elections held in the District payable from a lien on and pledge of taxes; bonds, notes and other obligations of inferior liens, and revenue bonds, notes and other obligations payable solely from revenues of the District or revenues to be received under contracts with other persons, including private corporations, municipalities and political subdivisions or from any other source. The District further reserves the right to issue refunding bonds in any manner permitted by law to refund any bonds (including the Bonds) at or prior to their respective dates of maturity or redemption.

**TO THE EXTENT** permitted by and in the manner provided in the Bond Order, the terms and provisions of the Bond Order and the rights of the Registered Owners of the Bonds may be modified with, in certain circumstances, the consent of the Registered Owners of a majority in aggregate principal amount of the Bonds affected thereby; provided, however, that, without the consent of the Registered Owners of all of the Bonds affected, no such modification shall (i) extend the time or times of payment of the principal of and interest on the Bonds, reduce the principal amount thereof or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Bonds, (ii) give any preference to any Bond over any other Bond, or (iii) reduce the aggregate principal amount of the Bonds required for consent to any such modification.

**THIS BOND** shall not be valid or obligatory for any purpose or be entitled to any benefit under the Bond Order unless this Bond either (a) is registered by the Comptroller of Public Accounts of the State of Texas as evidenced by execution of the registration certificate endorsed hereon or (b) is authenticated as evidenced by execution of the authentication certificate endorsed hereon by the Registrar.

**IT IS HEREBY CERTIFIED, COVENANTED, AND REPRESENTED** that all acts, conditions, and things necessary to be done precedent to the issuance of the Bonds in order to render the same legal, valid, and binding obligations of the Steiner Ranch Defined Area within the District have happened and have been accomplished and performed in regular and due time, form, and manner, as required by law; that provision has been made for the payment of the principal of and interest on the Bonds by the levy of a continuing, direct annual ad valorem tax upon all taxable property within the Steiner Ranch Defined Area within the District and that issuance of the Bonds does not exceed any constitutional or statutory limitation. In the event that any provisions herein contained do or would, presently or prospectively, operate to make any part hereof void or voidable, such provisions shall be without effect or prejudice to the remaining provisions hereof, which shall nevertheless remain operative, and such violative provisions, if any, shall be reformed by a court of competent jurisdiction within the limits of the laws of the State of Texas.

**IN WITNESS WHEREOF**, the District has caused this Bond to be signed with the manual or facsimile signature of the President or Vice President of the Board of Directors of the District and countersigned with the manual or facsimile signature of the Secretary or Assistant Secretary of the Board of Directors of the District, and has caused the official seal of the District to be duly impressed, or placed in facsimile, on this Bond.

\_\_\_\_\_  
Secretary [Assistant Secretary],  
Board of Directors

\_\_\_\_\_  
President [Vice President],  
Board of Directors

(SEAL)

**FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE**

**PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE**

(To be executed if this Bond is not accompanied by an  
executed Registration Certificate of the Comptroller  
of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Bond Order described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a bond, bonds or a portion of a bond or bonds of a Series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

**Dated:**

**THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., Dallas, Texas**  
Paying Agent/Registrar

By: \_\_\_\_\_  
Authorized Representative

**FORM OF ASSIGNMENT**

**ASSIGNMENT**

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

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Please insert Social Security or Taxpayer  
Identification Number of Transferee

\_\_\_\_\_

(Please print or typewrite name and address,  
including zip code, of Transferee)

\_\_\_\_\_

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints  
\_\_\_\_\_, attorney, to register the transfer of the  
within Bond on the books kept for registration thereof, with full power of substitution in the  
premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

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

\_\_\_\_\_  
NOTICE: The signature above must  
correspond with the name of the registered  
owner as it appears upon the front of this Bond  
in every particular, without alteration or  
enlargement or any change whatsoever.

**FORM OF REGISTRATION CERTIFICATE OF  
THE COMPTROLLER OF PUBLIC ACCOUNTS:**

**COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.**

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

Witness my signature and seal this \_\_\_\_\_.

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

(COMPTROLLER'S SEAL)

**INSERTIONS FOR THE INITIAL BONDS\***

- (i) The initial Current Interest Bond shall be in the form set forth in this Section, except that:
  - A. immediately under the name of the Current Interest Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As shown below" and "CUSIP NO." shall be deleted.
  - B. the first paragraph shall be deleted and the following will be inserted:

**“ON THE MATURITY DATE BELOW, TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17**, Travis County, Texas, being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on \_\_\_\_\_\* in each of the years, in the principal amounts and bearing interest at the per annum rates set forth in the following schedule:

Principal <u>Amount</u>	Maturity Date (_____)*	Interest <u>Rate</u>
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(Information from the Pricing Certificate to be inserted)

The District promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from \_\_\_\_\_\* at the respective Interest Rate per annum specified above. Interest is payable on \_\_\_\_\_\* and semiannually on each \_\_\_\_\_\* and \_\_\_\_\_\* thereafter to the date of payment of the principal installment specified above; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date

\_\_\_\_\_  
\* To be completed as determined by the Pricing Officer in the Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

- C. The initial Current Interest Bond shall be numbered "T-1."
- (ii) The initial Capital Appreciation Bond shall be in the form set forth in this Section, except that:
  - A. immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As shown below" and "CUSIP NO. \_\_\_\_\_" shall be deleted.
  - B. the first paragraph shall be deleted and the following will be inserted:

**"TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17**, in Travis County, Texas (the "Issuer"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "Registered Owner") the Payment at Maturity on \_\_\_\_\_\* in each of the years and in installments of the respective Maturity Amounts set forth in the following schedule:

Maturity Date (____*)	Yield to Maturity	Stated Interest Rate	Initial Principal Amount	Payment at Maturity
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(Information for the Capital Appreciation Bonds from the Pricing Certificate to be inserted)

The amount shown above as the Payment at Maturity represents the principal amount hereof and accrued and compounded interest hereon. Interest shall accrue on the principal amount hereof from the date of delivery at the interest rate per annum specified above, compounded semiannually on \_\_\_\_\_\* and \_\_\_\_\_\* of each year commencing \_\_\_\_\_\*. For convenience of reference, a table appears on the back of this Bond showing the "Compounded Amount" of the original principal amount plus initial premium, if any, per \$5,000 Maturity Amount compounded semiannually at the yield shown on such table."

- C. The initial Capital Appreciation Bond shall be numbered "TPC-1."

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\* To be completed as determined by the Pricing Officer in the Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

**Section 7. LEVY OF TAX; CONSOLIDATION OR DISSOLUTION OF DISTRICT.**

To pay the interest on the Bonds, and to create a sinking fund for the payment of the principal thereof when due, and to pay the expenses of assessing and collecting such taxes, there is hereby levied, and there shall be assessed and collected in due time, a continuing, direct annual ad valorem tax without limit as to rate or amount on all taxable property in the Steiner Ranch Defined Area of the District for each year while any of the Bonds are outstanding. All of the proceeds of such collections, except expenses incurred in that connection, shall be paid into the Bonds' Steiner Ranch Defined Area Debt Service Fund, and the aforementioned tax and such payments into such fund shall continue until the Bonds and the interest thereon have been fully paid and discharged, and such proceeds shall be used for such purposes and no other. While said Bonds, or any of them, are outstanding and unpaid, an ad valorem tax will be ample and sufficient to provide funds to pay the interest on said Bonds and to provide the necessary sinking fund to pay the principal when due, full allowance being made for delinquencies and costs of collection, together with revenues and receipts from other sources that are legally available for such purpose, shall be levied and collected and applied to the payment of principal and interest on the Bonds, as follows:

- (a) By September 1 in each year, or as soon thereafter as practicable, the Board shall consider the taxable property in the Steiner Ranch Defined Area of the District and determine the actual rate per \$100 valuation of taxable property which is to be levied in that year and levy the tax against all taxable property in the Steiner Ranch Defined Area of the District.
- (b) In determining the actual rate to be levied in each year, the Board shall consider among other things:
  - (i) the amount which should be levied for any other obligations;
  - (ii) the amount which should be levied for the payment of principal, interest, and redemption price of each series of bonds or notes payable in whole or in part from such taxes;

To the extent provided by law, the pledge of taxes set forth in this section will terminate if a city takes over all properties and assets, assumes all debts, liabilities, and obligations, and performs all functions and services of the District, and the District is abolished pursuant to law.

The laws of the State of Texas permit the District to be consolidated with one or more conservation and reclamation districts. In the event the District is consolidated with another district or districts, the District reserves the right to:

- (i) Consolidate the System with a similar system of one or more districts with which the District is consolidating and operate and maintain the systems as one consolidated system (herein for purposes of this section the "Consolidated System").
- (ii) Apply the net revenues from the operation of the Consolidated System to the payment of principal, interest, redemption price and bank charges on the revenue bonds or the combination tax and revenue bonds (herein for purposes of this section the "Revenue

Bonds") of the District and of the district or districts with which the District is consolidating (herein collectively the "Consolidating Districts") without preference to any series of bonds (except subordinate lien revenue bonds which shall continue to be subordinate to the first lien Revenue Bonds of the Consolidating Districts).

(iii) Pledge the net revenues of the Consolidated System to the payment of principal, interest, redemption price and bank charges on Revenue Bonds which may be issued by the Consolidating Districts on a parity with the outstanding first lien Revenue Bonds of the Consolidating Districts.

Chapter 1208, Government Code, applies to the issuance of the Bonds and the pledge of ad valorem taxes granted by the District under Section 7 of this Order, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of ad valorem taxes granted by the District under Section 7 of 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 District 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 8. DEFEASANCE OF BONDS.** (a) Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Bond") within the meaning of this Order, except to the extent provided in subsections (c) and (e) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date or dates (whether such due date or dates be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption or the establishment of irrevocable provisions for the giving of such notice) or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar or an eligible trust company or commercial bank for such payment (1) lawful money of the United States of America sufficient to make such payment, (2) Defeasance Securities, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment and when proper arrangements have been made by the District with the Paying Agent/Registrar or an eligible trust company or commercial bank for the payment of its services until all Defeased Bonds shall have become due and payable or (3) any combination of (1) and (2). At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied as provided in this Order, and such principal and interest shall be payable solely from such money or Defeasance Securities.

(b) The deposit under clause (ii) of subsection (a) shall be deemed a payment of a Bond as aforesaid when proper notice of redemption of such Bonds shall have been given or upon the establishment of irrevocable provisions for the giving of such notice, in accordance with this Order. Any money so deposited with the Paying Agent/Registrar or an eligible trust company or commercial bank as provided in this Section may at the discretion of the Board of Directors also

be invested in Defeasance Securities, maturing in the amounts and at the times as hereinbefore set forth, and all income from all Defeasance Securities in possession of the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section which is not required for the payment of such Bond and premium, if any, and interest thereon with respect to which such money has been so deposited, shall be remitted to the Board of Directors.

(c) Notwithstanding any provision of any other Section of this Order which may be contrary to the provisions of this Section, all money or Defeasance Securities set aside and held in trust pursuant to the provisions of this Section for the payment of principal of the Bonds and premium, if any, and interest thereon, shall be applied to and used solely for the payment of the particular Bonds and premium, if any, and interest thereon, with respect to which such money or Defeasance Securities have been so set aside in trust. Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the District shall make proper arrangements to provide and pay for such services as required by this Order.

(d) Notwithstanding anything elsewhere in this Order, if money or Defeasance Securities have been deposited or set aside with the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment of the provisions of this Section shall be made without the consent of the registered owner of each Bond affected thereby.

**Section 9. CREATION/DISPOSITION OF FUNDS.** (a) General. The Steiner Ranch Defined Area Debt Service Fund and the Escrow Fund further described in the Escrow Agreement are hereby created. The Steiner Ranch Defined Area Debt Service Fund shall be kept separate and apart from all other funds of the District. Each fund shall be kept separate and apart from all other funds of the District. The Bonds' Steiner Ranch Defined Area Debt Service Fund shall constitute a trust fund which shall be held in trust for the benefit of the owners of the Bonds. All other funds shall be used solely as provided in this Order until all of the Bonds have been retired, both as to principal and interest.

(b) Security Bond. Any cash balance in any fund, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, shall be continuously secured in the manner provided by law for the security of funds of counties of the State of Texas.

(c) Debt Service. The District shall deposit or cause to be deposited into the Bonds' Steiner Ranch Defined Area Debt Service Fund the aggregate of the following at the time specified:

- (i) As soon as practicable after the Bonds are sold, accrued interest on the Bonds from their date to the date of their delivery; and
- (ii) The proceeds from collection of the ad valorem taxes levied, assessed and collected for and on account of the Bonds pursuant to Section 7 hereof, less costs of collection, as collected.



On or before the date for payment of the principal and/or Interest Payment Date on the Bonds, the Board of Directors shall cause the transfer of moneys out of the Bonds' Steiner Ranch Defined Area Debt Service Fund to the Registrar in an amount not less than that which is sufficient to pay the principal which matures on such date and the interest which accrues on such date. The District shall pay fees and charges of the Registrar for its services as paying agent and registrar for the Bonds from the Bonds' Steiner Ranch Defined Area Debt Service Fund.

(d) Investments. Moneys deposited into the Bonds' Steiner Ranch Defined Area Debt Service Fund and any other fund or funds which the District may lawfully create may be invested or reinvested in Authorized Investments. All investments and any profits realized from and interest accruing on investments made from any fund may be transferred to the Bonds' Steiner Ranch Defined Area Debt Service Fund. If any moneys are so invested, the District shall have the right to have sold in the open market a sufficient amount of such investments to meet its obligations in the event any fund does not have sufficient uninvested funds on hand to meet the obligations payable out of such fund. After such sale the moneys resulting therefrom shall belong to the fund from which the moneys for such investments were initially taken. The District shall not be responsible to the Registered Owners for any loss arising out of the sale of any investments.

**Section 10. DAMAGED, MUTILATED, LOST, STOLEN OR DESTROYED BONDS**. (a) Replacement Bonds. In the event any outstanding Bond is damaged, mutilated, lost, stolen or destroyed, the Paying Agent/Registrar shall cause to be printed, executed and delivered, a new bond of the same principal amount, maturity and interest rate, as the damaged, mutilated, lost, stolen or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen or destroyed Bonds shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft or destruction of a Bond, the registered owner applying for a replacement bond shall furnish to the District and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft or destruction of a Bond, the registered owner shall furnish to the District and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft or destruction of such Bond. In every case of damage or mutilation of a Bond, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of or interest on the Bond, the District may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the registered owner of such Bond with all legal, printing and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this section by virtue of the fact that any Bond is lost, stolen or destroyed shall

constitute a contractual obligation of the District whether or not the lost, stolen or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Order equally and proportionately with any and all other Bonds duly issued under this Order.

(e) Authority for Issuing Replacement Bonds. In accordance with Subchapter B of Texas Government Code, Chapter 1206, this Section of this Order shall constitute authority for the issuance of any such replacement Bond without necessity of further action by the governing body of the District or any other body or person, and the duty of the replacement of such Bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 5(a) of this Order for Bonds issued in conversion and exchange for other Bonds.

**Section 11. CUSTODY, APPROVAL AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION, CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED.** The President of the Board of Directors of the District is hereby authorized to have control of the Bonds initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the District's Bond Counsel and the assigned CUSIP numbers may, at the option of the District, be printed on the Bonds issued and delivered under this Order, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Bonds. Errors or omissions in the printing thereof or the numbers therein shall have no effect on the validity of such Bonds. In addition, if bond insurance is obtained, the Bonds may bear an appropriate legend as provided by the insurer.

**Section 12. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE BONDS.** (a) The District covenants to take any action necessary to assure, or refrain from any action which would adversely affect, 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 District covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the Refunded Bonds or the projects financed or refinanced 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 of the Bonds or the Refunded Bonds or the projects financed or refinanced therewith are so used, such amounts, whether or not received by the District, with respect to such private business use, do not, under the terms of this Order 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;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bonds or the Refunded Bonds or the projects financed or refinanced 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;

(3) 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;

(4) 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;

(5) 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;

(6) 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 acquired with :

(A) proceeds of the Bonds invested for a reasonable temporary period of 3 years or less or, in the case of a current refunding bond, for a period of 90 days and in the case of an advance refunding bond, for a period of 30 days;

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations; and

(C) 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.

(7) 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); and

(8) 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.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (8), a "Rebate Fund" is hereby established by the District 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.

(c) Proceeds. The District understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds not expended prior to the date of issuance of the Bonds. It is the understanding of the District 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 District will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of 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 District agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the District hereby authorizes and directs the President or Vice President of the Board of Directors to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the District, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds. This Order is intended to satisfy the official intent requirements set forth in Section 1.150-2 of the Treasury Regulations.

(d) Disposition of Project. The District covenants that the property constituting the projects financed or refinanced with the proceeds of the Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by the District of cash or other compensation, unless the District obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the District shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Bank Qualified. The Pricing Officer is authorized to designate the Bonds as bank qualified obligations if the District qualifies to make such a designation at the time of pricing the Bonds.

**Section 13. SALE OF BONDS.** Each Series of Bonds shall be sold and delivered pursuant to the terms and provisions of each Bond Purchase Agreement in substantially the form previously approved by the Board in connection with previous refundings approved by the Board at a price and under the terms set forth in the Pricing Certificate. The Pricing Officer is authorized to approve such changes to each Bond Purchase Agreement as necessary in connection with the sale of each Series of the Bonds.

**Section 14. APPROVAL OF OFFICIAL STATEMENT.** The Pricing Officer is hereby authorized to approve the Preliminary Official Statement, the Official Statement relating to the Bonds and any addenda, supplement or amendment thereto and to deem such documents final in accordance with Rule 15c2-12. The District further approves the distribution of such Official Statement in the reoffering of the Bonds by the Underwriter in final form, with such changes therein or additions thereto as the Pricing Officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof.

**Section 15. APPROVAL OF ESCROW AGREEMENT AND CALLING CERTAIN BONDS FOR REDEMPTION.** (a) Escrow Agreement. The Pricing Officer is hereby authorized and directed to designate the Escrow Agent and to execute and deliver an Escrow Agreement in substantially the form attached hereto as Exhibit "A" in connection with each Series of the Bonds. In addition, the President or the Vice President for the District is authorized to do all things necessary to obtain the United States Government Obligations to be deposited in the Escrow Fund including the execution of such subscriptions for the purchase of United States Treasury Securities, State and Local Government Series, as may be necessary for each Escrow Fund.

(b) Notice of Redemption. Attached to this Order, as Exhibit "C," and made a part hereof for all purposes are forms of the notices of deposit and prior redemption for the Refunded Bonds and such Refunded Bonds described in the notice of prior redemption are hereby called for redemption and shall be redeemed prior to maturity on the dates, places, and at the prices set forth in each Pricing Certificate. The Pricing Officer is hereby authorized to amend, complete or modify such notices as necessary to call such Refunded Bonds for redemption.

(c) Paying Agent/Registrar Agreement. Attached hereto as Exhibit "B" is a form of Paying Agent/Registrar Agreement. The Pricing Officer is hereby authorized to designate the Paying Agent/Registrar and to execute and deliver and further amend, complete or modify such agreement, as necessary in connection with each Series of Bonds.

**Section 16. DEPOSITS OF PROCEEDS AND APPROPRIATION OF FUNDS.** Concurrently with the delivery of the Bonds, the Pricing Officer shall cause to be deposited an amount from the proceeds of the sale of the Bonds with the Escrow Agent sufficient, together with other legally available funds of the District, to provide for the refunding and defeasance of the Refunded Bonds. The Pricing Officer is further authorized and directed to apply and there is hereby appropriated such moneys of the District as are necessary to fund the escrow fund to be established by the Escrow Agreement with amounts sufficient to provide for the defeasance of the Refunded Bonds on the date of delivery of the Bonds. The Pricing Officer is hereby authorized and directed to issue to the Escrow Agent Notice of Redemption with respect to the Refunded Bonds in substantially the form set forth in the Exhibit "C" hereto with such changes and additions as necessary to conform to each Pricing Certificate.

Lawfully available funds are hereby appropriated and confirmed to be available to pay any interest and principal coming due on the Bonds prior to February 1, 2017.

**Section 17. CONTINUING DISCLOSURE UNDERTAKING.** (a) Annual Reports.

The District shall provide annually to the MSRB, (1) within six months after the end of each fiscal year of the District ending in or after 2015, financial information and operating data with respect to the District of the general type included in the final Official Statement authorized by Section 14 of this Order, being information of the type described in the Pricing Certificate, including financial statements of the District if audited financial statements of the District are then available, and (2) if not provided as part of such financial information and operating data, audited financial statements of the District, when and if available. Any financial statements to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit "D" hereto, or such other accounting principles as the District may be required to employ from time to time pursuant to state law or regulation, and in substantially the form included in the official statement, and (ii) audited, if the District commissions an audit of such financial statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the District shall file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available.

If the District changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the District 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 that is available to the public on the MSRB's internet web site or filed with the SEC. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

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

- A. Principal and interest payment delinquencies;
- B. Non-payment related defaults, if material within the meaning of the federal securities laws;
- 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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with

respect to the tax-exempt status of the Bonds, or other events affecting the tax-exempt status of the Bonds;

- G. Modifications to rights of holders of the Bonds, if material within the meaning of the federal securities laws;
- H. Bond calls, if material within the meaning of the federal securities laws, and tender offers;
- I. Defeasances;
- J. Release, substitution, or sale of property securing repayment of the Bonds, if material within the meaning of the federal securities laws;
- K. Rating changes;
- L. Bankruptcy, insolvency, receivership or similar event of the District;
- M. The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material within the meaning of the federal securities laws; and
- N. Appointment of a successor or additional trustee or the change of name of a trustee, if material within the meaning of the federal securities laws.

The District shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner, of any failure by the District to provide financial information or operating data in accordance with subsection (a) of this Section by the time required by such subsection. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(c) Limitations, Disclaimers, and Amendments. The District shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the District remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the District in any event will give notice of any deposit made in accordance with Section 13.01 of this Order that causes the Bonds no longer to be outstanding.

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

financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The District 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 DISTRICT BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE DISTRICT, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the District in observing or performing its obligations under this Section shall comprise a breach of or default under this Order for purposes of any other provision of this Order.

Should the Rule be amended to obligate the District to make filings with or provide notices to entities other than the MSRB, the District hereby agrees to undertake such obligation with respect to the Bonds in accordance with the Rule as amended.

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

The provisions of this Section may be amended by the District 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 District, but only if (1) the provisions of this Section, 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 since such offering as well as such changed circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Order that authorizes such an amendment) of the outstanding Bonds consents to such amendment or (b) a person that is unaffiliated with the District (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the holders and beneficial owners of the Bonds. If the District so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The District may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.



**Section 18. FURTHER PROCEDURES.** The President or Vice President and Secretary of the Board of Directors of the District, the General Manager of the District and all other officers, employees and agents of the District, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the District the Letter of Representation with DTC regarding the Book-Entry-Only System and all other instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Order, the Letter of Representation, the Bonds, the sale of the Bonds and the Official Statement. Notwithstanding anything to the contrary contained herein, while the Bonds are subject to DTC's Book-Entry Only System and to the extent permitted by law, the Letter of Representation is hereby incorporated herein and its provisions shall prevail over any other provisions of this Order in the event of conflict. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

**Section 19. ADDITIONAL BONDS.** (a) General. The District expressly reserves the right to issue, in one or more installments, for the purpose of purchasing, constructing, acquiring, owning, operating, maintaining, repairing, improving, or extending the System, or for any other lawful purpose:

- (i) the unissued unlimited tax bonds which were authorized pursuant to the election held within the District and the Steiner Ranch Defined Area on May 7, 1988; and
- (ii) such other unlimited tax bonds as may hereafter be authorized at subsequent elections.

(b) Other Bonds and Obligations. The District further reserves the right to issue combination unlimited tax and revenue bonds, if authorized by election, and such other bonds or other obligations as may be lawfully issued by the District including any obligations issued for special projects or defined areas.

(c) Refunding Bonds. The District further reserves the right to issue refunding bonds in any manner permitted by law to refund the Bonds, and any Outstanding Bonds, any Additional Bonds, or any other obligations issued by the District, at or prior to their respective dates of maturity or redemption.

**Section 20. REMEDIES IN EVENT OF DEFAULT.** In addition to any other rights and remedies provided by the laws of the State of Texas, the District covenants and agrees that in the event of default in payment of principal of or interest on any of the Bonds when due, or, in the event it fails to make the payments required to be made into the Bonds' Steiner Ranch Defined Area Debt Service Fund, or defaults in the observance or performance of any other of the covenants, conditions, or obligations set forth in this Bond Order, the Registered Owners shall be entitled to a writ of mandamus issued by a court of competent jurisdiction compelling and requiring the District and the officials thereof to observe and perform the covenants, obligations, or conditions prescribed in this Bond Order. Any delay or omission to exercise any right or power

or be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

**Section 21. BOND ORDER IS CONTRACT.** In consideration of the purchase and acceptance of the Bonds authorized to be issued hereunder by the Registered Owners, the provisions of this Bond Order shall be deemed to be and shall constitute a contract between the District and the Registered Owners; and the covenants and agreements herein set forth to be performed on behalf of the District shall be for the equal benefit, protection, and security of each of the Registered Owners. The Bonds, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority, or distinction of any Bond over any other, except as expressly provided herein.

**Section 22. DISTRICT'S SUCCESSORS AND ASSIGNS.** Whenever in this Bond Order the District is named and referred to, it shall be deemed to include its successors and assigns, and all covenants and agreements in this Bond Order by or on behalf of the District, except as otherwise provided herein, shall bind and inure to the benefit of its successors and assigns whether or not so expressed.

**Section 23. NO RECOURSE AGAINST DISTRICT OFFICERS OR DIRECTORS.** No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Bond Order against any officer or director of the District or any person executing the Bonds. No covenant or agreement contained in the Bonds, this Bond Order or any corollary instrument shall be deemed to be the covenant or agreement of any member of the District or any officer, agent, employee or representative of the District in his individual capacity, and neither the directors, officers, agents, employees or representatives of the District nor any person executing the Bonds shall be personally liable thereon or be subject to any personal liability for damages or otherwise or accountability by reason of the issuance thereof, or any actions taken or duties performed, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the issuance of the Bonds.

**Section 24. REGISTRAR.** The Registrar shall act as agent for the payment of principal of and interest on the Bonds and shall maintain the Register for the Bonds, all in accordance with the terms of this Bond Order. If the Registrar or its successor becomes unable for any reason to act as Registrar hereunder, or if the Board of Directors of the District determines that a successor Registrar should be appointed, a successor Registrar shall be selected by the District. Any successor Registrar shall be either a bank, trust company, financial institution, or other entity duly qualified and legally authorized to serve and perform the duties as paying agent and registrar for the Bonds.

**Section 25. REGISTRAR MAY OWN BONDS.** The Registrar, in its individual or any other capacity, may become the owner or pledgee of the Bonds with the same rights it would have if it were not Registrar.

**Section 26. BENEFITS OF PROVISIONS.** Nothing in this Bond Order or in the Bonds, expressed or implied, shall give or be construed to give any person, firm, or corporation, other than

the District, the Registrar, and the Registered Owners, any legal or equitable right or claim under or in respect of this Bond Order, or under any covenant, condition, or provision herein contained, all the covenants, conditions, and provisions contained in this Bond Order or in the Bonds being for the sole benefit of the District, the Registrar, and the Registered Owners.

**Section 27. UNAVAILABILITY OF AUTHORIZED PUBLICATION.** If, because of the temporary or permanent suspension of any newspaper, journal, or other publication, or for any reason, publication of notice cannot be made meeting any requirements herein established, any notice required to be published by the provisions of this Bond Order shall be given in such other manner and at such time or times as in the judgment of the District shall most effectively approximate such required publication, and the giving of such notice in such manner shall for all purposes of this Bond Order be deemed to be in compliance with the requirements for publication thereof.

**Section 28. SEVERABILITY CLAUSE.** If any word, phrase, clause, sentence, paragraph, section, or other part of this Bond Order, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of this Bond Order and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Bond Order to any other persons or circumstances shall not be affected thereby.

**Section 29. ACCOUNTING.** The District will keep proper records and accounts regarding the levy and collection of taxes, which records and accounts will be made available to any Registered Owner on reasonable request. Each year while any of the Bonds are outstanding, the District shall have an audit of its books and accounts by a certified public accountant or firm of certified public accountants, based on its Fiscal Year, and copies of such audits will be made available to any Registered Owner upon request.

**Section 30. AMENDMENTS.** (a) Amendment with Consent of Owners of 51% of Bonds. The owners of 51% in aggregate principal amount of then outstanding Bonds shall have the right from time to time to approve any amendment to this Bond Order which may be deemed necessary or desirable by the District; provided however, that, other than as permitted by subsection (f) of this Section 30, nothing herein contained shall permit or be construed to permit the amendment, without the consent of the owner of each of the outstanding Bonds affected thereby, of the terms and conditions of this Bond Order or the Bonds so as to:

- (1) change debt service requirements, interest payment dates or the maturity or maturities of the outstanding Bonds;
- (2) reduce the rate of interest borne by any of the outstanding Bonds;
- (3) reduce the amount of the principal of, redemption premium, if any, or interest on the outstanding Bonds or impose any conditions with respect to such payments;
- (4) modify the terms of payment of principal of, redemption premium, if any, or interest on the outstanding Bonds, or impose any conditions with respect to such payments;

(5) affect the right of the Registered Owners of less than all of the Bonds then outstanding;  
or

(6) decrease the minimum percentage of the principal amount of Bonds necessary for consent to any such amendment.

(b) Notice of Amendment. If at any time the District shall desire to amend this Bond Order it may cause a written notice of the proposed amendment to be published at least once on a business day in a financial newspaper, journal, or publication of general circulation in the city of New York, New York, or in the State of Texas. If, because of temporary or permanent suspension of the publication or general circulation of all such newspapers, journals, or publications, it is impossible or impractical to publish such notice in the manner provided herein, then such publication in lieu thereof as shall be made by the Registrar shall constitute a sufficient publication of notice. In addition to such publication, the Registrar shall cause a written notice of the proposed amendment to be given by registered or certified mail to Registered Owners of the Bonds as shown on the Registration Books maintained by the Registrar; provided, however, that failure to receive such written notice of the proposed amendment, or any defect therein or in the mailing thereof, shall not affect the validity of any proceeding in connection with, or the adoption of, such amendment. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Registrar for inspection by all Registered Owners of Bonds.

(c) Consent to Amendment. Whenever at any time not less than 30 days, and within one year, from the date of the first publication of said notice or other services of written notice the District shall receive an instrument or instruments executed by the Registered Owners of at least 51% in aggregate principal amount of all Bonds then outstanding, which instrument or instruments shall refer to the proposed amendment described in said notice and shall specifically consent to and approve such amendment, the District may adopt the amendatory resolution or order in substantially the same form.

(d) Effect of Amendment. Upon the adoption of any amendatory resolution or order pursuant to the provisions of this Section, this Bond Order shall be deemed to be amended in accordance with such amendatory resolution or order, and the respective rights, duties, and obligations under such amendatory resolution or order of all the Registered Owners shall thereafter be determined and exercised subject in all respects to such amendments.

(e) Consent of Registered Owners. Any consent given by a Registered Owners pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication of the notice provided for in this Section, and shall be conclusive and binding upon all future owners of the Bonds during such period. Such consent may be revoked by the Registered Owner who gave such consent at any time after six months from the date of the first giving of such notice, or by a successor in title, by filing notice thereof with the Registrar and the District, but such revocation shall not be effective if the Registered Owners of 51% in aggregate principal amount of the then outstanding Bonds have, prior to the attempted revocation, consented to and approved the amendment.

(f) Amendments Without Consent. Notwithstanding the provisions of (a) through (f) of this Section, and without notice of the proposed amendment and without the consent of the Registered Owners. The District may, at any time, amend this Bond Order to cure any ambiguity or to cure, correct, or supplement any defective or inconsistent provision contained therein, or to make any other change that does not in any respect materially and adversely affect the interest of the Registered Owners, provided that no such amendment shall be made contrary to the provision to Section 31(a), and a duly certified or executed copy of each such amendment shall be filed with the Registrar.

**Section 31. ADDITIONAL BOND INSURANCE PROVISIONS**. Bond Counsel is authorized to insert in the Pricing Certificate any necessary provisions required by the bond insurer and agreed to by the District and its general counsel. Any bond insurer shall be designated by the Pricing Officer in the Pricing Certificate.

**Section 32. OTHER ACTIONS**. The President and Secretary of the Board of Commissioners, and all other officers and employees of the District shall be and are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the District all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Order, the Bonds, the initial sale and delivery of the Bonds, the Paying Agent/Registrar Agreement and the Official Statement. In addition, prior to the initial delivery of the Bonds, the President and Secretary of the Board of Commissioners and Bond Counsel are hereby authorized and directed to approve any nonsubstantive changes or corrections to this Order or to any of the instruments authorized and approved by this Order necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Order and as described in the Official Statement, (ii) obtain a rating from any of the national bond rating agencies or satisfy requirements of the bond insurer, or (iii) obtain the approval of the Bonds by the Texas Attorney General's office.

**Section 33. PAYMENT OF ATTORNEY GENERAL FEE**. The District hereby authorizes the disbursement of a fee equal to the lesser of (i) one-tenth of one percent of the principal amount of the Bonds or (ii) \$9,500, provided that such fee shall not be less than \$750, to the Attorney General of Texas Public Finance Division for payment of the examination fee charged by the State of Texas for the Attorney General's review and approval of public securities and credit agreements, as required by Section 1202.004 of the Texas Government Code. The appropriate member of the District's staff is hereby instructed to take the necessary measures to make this payment. The District is also authorized to reimburse the appropriate District funds for such payment from proceeds of the Bonds.

**SCHEDULE A**  
**METES AND BOUNDS**

[See Attached]

**EXHIBIT A**  
**ESCROW AGREEMENT**

**EXHIBIT B**  
**PAYING AGENT/REGISTRAR AGREEMENT**



**EXHIBIT C**

**NOTICE OF DEFEASANCE/REDEMPTION**

**NOTICE IS HEREBY GIVEN** that Travis County Water Control and Improvement District No. 17 (the "District") has deposited cash and United States government securities in escrow to defease, and has further called for redemption, a portion of the following obligations of the District (the "Obligations"):

**TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17  
UNLIMITED TAX BONDS, SERIES \_\_\_\_\_\***

<b><u>Maturity*</u></b> <b><u>November 1</u></b>	<b><u>Redemption*</u></b> <b><u>Date</u></b>	<b><u>Principal*</u></b> <b><u>Amount</u></b>	<b><u>Interest*</u></b> <b><u>Rate</u></b>	<b><u>CUSIP*</u></b> <b><u>Number**</u></b>
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\*\*The CUSIP Numbers have been assigned to this issue by the CUSIP Service Bureau and are included solely for the convenience of the owners of the Bonds. The District shall not be responsible for the selection or the correctness of the CUSIP numbers set forth herein.

The redemption price for the above Obligations is par plus accrued interest to the date fixed for redemption. Such Bonds shall be redeemed and shall not longer bear interest after the redemption date. Due provision for the payment of the obligations described above has been made with The Bank of New York Mellon Trust Company, National Association (the "Bank"), the paying agent for said obligations, and said obligations shall be presented for payment either in person or by mail, at the following address:

**First Class/Registered/Certified Mail**

The Bank of New York Mellon Trust  
Company  
Institutional Trust Services  
P.O. Box 2320  
Dallas, Texas 75221-2320

**By Overnight or Courier**

The Bank of New York Mellon  
Trust Company  
Institutional Trust Services  
2001 Bryan Street, 9<sup>th</sup> Floor  
Dallas, Texas 75201

**By Hand**

The Bank of New York Mellon Trust  
Company  
GIS Unit Trust Window  
4 New York Plaza, 1st Floor  
New York, NY 10004

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\* To be completed as determined by the Pricing Officer in the Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

In compliance with section 3406 of the Internal Revenue Code of 1986, as amended, payors making certain payments due on debt securities may be obligated to deduct and withhold a portion of such payment from the remittance to any payee who has failed to provide such payor with a valid taxpayer identification number. To avoid the imposition of this withholding tax, such payees should submit a certified taxpayer identification number when surrendering the Bonds for redemption.

**TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17**

## **EXHIBIT D**

### **DESCRIPTION OF ANNUAL FINANCIAL INFORMATION**

The following information is referred to in Section 17(a) of this Order.

#### **Accounting Principles**

The accounting and reporting policies of the District relating to the funds and account groups will conform to generally accepted accounting principles (GAAP) as applied to governmental entities.

LAW OFFICES

**McCALL, PARKHURST & HORTON L.L.P.**

600 CONGRESS AVENUE

SUITE 1800

AUSTIN, TEXAS 78701

(512) 478-3805

January 14, 2016

Travis County WCID #17  
3812 Eck Lane  
Austin, Texas 78734  
Attn: Leslie Terrell

**Re: Travis County Water Control and Improvement District No. 17 Steiner Ranch  
Defined Area Unlimited Tax Refunding Bonds, Series 2016**

Client Number: 2501.058

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**INVOICE FOR THE OFFICE OF THE ATTORNEY GENERAL FILING FEE**

Pursuant to Chapter 1202 .004 of the Texas Government Code, as amended, a fee equal to one-tenth of one percent of the principal amount of the public security to which the record of proceedings relates or \$9,500, whichever is less; provided, the fee shall not be less than \$750. If the record of proceedings includes multiple series, a separate fee must be calculated and paid for each series. If the record of proceedings includes authorization of a credit agreement, but does not also include the authorization of a public security, the fee is calculated based on the principal amount of the public security or public securities to which the credit agreement relates.

Please forward the below fee **made payable to the Office of the Attorney General** to the attorney attending the meeting on January 21, 2016.

**ATTORNEY GENERAL FILING FEE**

**\$9,500.00**

## ESCROW AGREEMENT

### **Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2016**

**THIS ESCROW AGREEMENT**, dated as of \_\_\_\_\_, 2016 (herein, together with any amendments or supplements hereto, called the "Agreement"), entered into by and between Travis County Water Control and Improvement District No. 17 (the "Issuer") and \_\_\_\_\_, as escrow agent (together with any successor in such capacity, the "Escrow Agent"),

### **W I T N E S S E T H:**

**WHEREAS**, the Issuer heretofore issued and there presently remain outstanding the obligations (the "Refunded Obligations") described in the Verification Report of Grant Thornton LLP (the "Report") relating to the Refunded Obligations, attached hereto as Exhibit "B" and made a part hereof; and

**WHEREAS**, the Refunded Obligations are scheduled to mature in such years, bear interest at such rates, and be payable at such times and in such amounts as are set forth in the Report; and

**WHEREAS**, when firm banking arrangements have been made for the payment of principal and interest to the maturity or redemption dates of the Refunded Obligations, then the Refunded Obligations shall no longer be regarded as outstanding except for the purposes of receiving payment from the funds provided for such purpose and Issuer's right to call such Refunded Obligations for redemption in accordance with the provisions of the resolution, order or ordinance authorizing their issuance upon compliance with the provisions of Texas law; and

**WHEREAS**, Chapter 1207, Texas Government Code, as amended ("Chapter 1207"), authorizes the Issuer to issue refunding bonds and to deposit the proceeds from the sale thereof, and any other available funds or resources, directly with an eligible institution, including any place of payment (paying agent) for any of the Refunded Obligations, and such deposit, if made before such payment dates and in sufficient amounts, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations; and

**WHEREAS**, Chapter 1207 further authorizes the Issuer to enter into an escrow agreement with any such eligible institution for any of the Refunded Obligations with respect to the safekeeping, investment, administration and disposition of any such deposit, upon such terms and conditions as the Issuer and such eligible institution may agree, provided that such deposits may be invested only in obligations authorized by Chapter 1207, and which shall mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment of principal and interest on the Refunded Obligations when due; and

**WHEREAS**, this Agreement constitutes an escrow agreement of the kind authorized and required by said Chapter 1207; and

**WHEREAS**, in accordance with Section 1207.061(a)(3) of the Government Code the Escrow Agent does not act as a depository bank of the Issuer; and

**WHEREAS**, The Bank of New York Mellon Trust Company, National Association is the paying agent for the Refunded Obligations; and

**WHEREAS**, the Issuer's Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2016 (the "Refunding Obligations") have been issued, sold and delivered for the purpose, among others, of obtaining the funds required to provide for the payment of the principal of the Refunded Obligations at their respective maturity dates or dates of redemption and the interest thereon to such dates as set forth in the Report; and

**WHEREAS**, the Issuer desires that, concurrently with the delivery of the Refunding Obligations to the purchasers thereof, certain proceeds of the Refunding Obligations, together with certain other available funds of the Issuer, if applicable, shall be applied to purchase certain direct obligations of the United States of America hereinafter defined as the "Escrowed Securities" for deposit to the credit of the Escrow Fund created pursuant to the terms of this Agreement and to establish a beginning cash balance (if needed) in such Escrow Fund; and

**WHEREAS**, the Escrowed Securities shall mature and the interest thereon shall be payable at such times and in such amounts so as to provide moneys which, together with cash balances from time to time on deposit in the Escrow Fund, will be sufficient to pay interest on the Refunded Obligations as it accrues and becomes payable and the principal of the Refunded Obligations on their respective maturity dates or dates of redemption; and

**WHEREAS**, to facilitate the receipt and transfer of proceeds of the Escrowed Securities, particularly those in book entry form, the Issuer desires to establish the Escrow Fund at a corporate trust office of the Escrow Agent; and

**WHEREAS**, the Escrow Agent is herein also referred to as the "Paying Agent," and any paying agent for the Refunded Obligations, acting through the Escrow Agent, is also a party to this Agreement, as a paying agent for the Refunded Obligations to acknowledge their acceptance of the terms and provisions of this Agreement in such capacity.

**NOW, THEREFORE**, in consideration of the mutual undertakings, promises and agreements herein contained, the sufficiency of which are hereby acknowledged, and in order to secure the full and timely payment of principal of and the interest on the Refunded Obligations, the Issuer and the Escrow Agent mutually undertake, promise, and agree for themselves and their respective representatives and successors, as follows:

## ARTICLE I

### **DEFINITIONS AND INTERPRETATIONS**

**Section 1.01. Definitions.** Unless the context clearly indicates otherwise, the following terms shall have the meanings assigned to them below when they are used in this Agreement:

**"Code"** means the Internal Revenue Code of 1986, as amended, or to the extent applicable the Internal Revenue Code of 1954, together with any other applicable provisions of any successor federal income tax laws.

**"Escrow Fund"** means the fund created by this Agreement to be administered by the Escrow Agent pursuant to the provisions of this Agreement.

**"Escrowed Securities"** means the direct noncallable, not pre-payable United States Treasury obligations and obligations the due timely payment of which is unconditionally guaranteed by the United States of America described in the Report or cash or other direct obligations of the United States of America substituted therefor pursuant to Article IV of this Agreement.

**"Paying Agent"** means \_\_\_\_\_ acting in its capacity as paying agent for the Refunded Obligations.

**Section 1.02. Other Definitions.** The terms "Agreement," "Issuer," "Escrow Agent," "Paying Agent," "Refunded Obligations," "Refunding Obligations," and "Report" when they are used in this Agreement, shall have the meanings assigned to them in the preamble to this Agreement.

**Section 1.03. Interpretations.** The titles and headings of the articles and sections of this Agreement have been inserted for convenience and reference only and are not to be considered a part hereof and shall not in any way modify or restrict the terms hereof. This Agreement and all of the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to achieve the intended purpose of providing for the refunding of the Refunded Obligations in accordance with applicable law.

## ARTICLE II

### **DEPOSIT OF FUNDS AND ESCROWED SECURITIES**

**Section 2.01. Deposits in the Escrow Fund.** Concurrently with the sale and delivery of the Refunding Obligations the Issuer shall deposit, or cause to be deposited, with the Escrow Agent, for deposit in the Escrow Fund, the funds and Escrowed Securities described in the Report,

and the Escrow Agent shall, upon the receipt thereof, acknowledge such receipt to the Issuer in writing.

### ARTICLE III

#### **CREATION AND OPERATION OF ESCROW FUND**

**Section 3.01. Escrow Fund.** The Escrow Agent has created on its books a special trust fund and irrevocable escrow to be known as the Issuer's Refunded Obligations Escrow Fund (the "Escrow Fund"). The Escrow Agent hereby agrees that upon receipt thereof it will irrevocably deposit to the credit of the Escrow Fund the funds and the Escrowed Securities described in the Report. Such deposit, all proceeds therefrom, and all cash balances from time to time on deposit therein (a) shall be the property of the Escrow Fund, (b) shall be applied only in strict conformity with the terms and conditions of this Agreement, and (c) are hereby irrevocably pledged to the payment of the principal of and interest on the Refunded Obligations, which payment shall be made by timely transfers of such amounts at such times as are provided for in Section 3.02 hereof. When the final transfers have been made for the payment of such principal of and interest on the Refunded Obligations on their respective maturity dates or dates of redemption, any balance then remaining in the Escrow Fund shall be transferred to the Issuer, and the Escrow Agent shall thereupon be discharged from any further duties hereunder.

**Section 3.02. Payment of Principal and Interest.** The Escrow Agent is hereby irrevocably instructed to transfer from the cash balances from time to time on deposit in the Escrow Fund, the amounts required to pay the principal of the Refunded Obligations at their respective maturity dates or dates of redemption and interest thereon to such maturity dates or dates of redemption in the amounts and at the times shown in the Report.

**Section 3.03. Sufficiency of Escrow Fund.** The Issuer represents (based solely on the Report) that the successive receipts of the principal of and interest on the Escrowed Securities will assure that the cash balance on deposit from time to time in the Escrow Fund will be at all times sufficient to provide moneys for transfer to the Paying Agent at the times and in the amounts required to pay the interest on the Refunded Obligations at their respective maturity dates or dates of redemption as such interest comes due and the principal of the Refunded Obligations at their respective maturity dates or dates of redemption as the Refunded Obligations mature, all as more fully set forth in the Report. If, for any reason, at any time, the cash balances on deposit or scheduled to be on deposit in the Escrow Fund shall be insufficient to transfer the amounts required by the paying agent for the Refunded Obligations to make the payments set forth in Section 3.02 hereof, notice of any such insufficiency shall be given to the Issuer by the Escrow Agent as promptly as practicable as hereinafter provided, but neither the Escrow Agent nor the Issuer shall in any manner be responsible for any insufficiency of funds in the Escrow Fund.

**Section 3.04. Trust Fund.** The Escrow Agent shall hold at all times the Escrow Fund, the Escrowed Securities and all other assets of the Escrow Fund, wholly segregated from all other funds and securities on deposit with the Escrow Agent; it shall never allow the Escrowed Securities



or any other assets of the Escrow Fund to be commingled with any other funds or securities of the Escrow Agent; and it shall hold and dispose of the assets of the Escrow Fund only as set forth herein. The Escrowed Securities and other assets of the Escrow Fund shall always be maintained by the Escrow Agent as trust funds for the benefit of the owners of the Refunded Obligations; and a special account thereof shall at all times be maintained on the books of the Escrow Agent. The owners of the Refunded Obligations shall be entitled to the same preferred claim and first lien upon the Escrowed Securities, the proceeds thereof, and all other assets of the Escrow Fund to which they are entitled as owners of the Refunded Obligations. The amounts received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the Issuer, and the Escrow Agent shall have no right to title with respect thereto except as a constructive trustee and Escrow Agent under the terms of this Agreement. The amounts received by the Escrow Agent under this Agreement shall not be subject to warrants, drafts or checks drawn by the Issuer or, except to the extent expressly herein provided, by the Paying Agent.

**Section 3.05. Security for Cash Balances.** Cash balances from time to time on deposit in the Escrow Fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a pledge of direct obligations of, or obligations unconditionally guaranteed by, the United States of America, having a market value at least equal to such cash balances.

## ARTICLE IV

### **LIMITATION ON INVESTMENTS**

**Section 4.01. Investments.** Except as provided in Sections 4.02, 4.03 and 4.04 hereof, the Escrow Agent shall not have any power or duty to invest or reinvest any money held hereunder, or to make substitutions of the Escrowed Securities, or to sell, transfer or otherwise dispose of the Escrowed Securities.

**Section 4.02. Reinvestment of Certain Cash Balances in Escrow by Escrow Agent.** In addition to the Escrowed Securities listed in the Report, the Escrow Agent shall reinvest cash balances shown in the Report in United States Treasury Obligations - State and Local Government Series with an interest rate equal to zero percent (0%), as and to the extent described in the Report, to the extent such Obligations are available from the Department of the Treasury. All such re-investments shall be made only from the portion of cash balances derived from the maturing principal of and interest on Escrowed Securities that are United States Treasury Certificates of Indebtedness, Notes or Bonds - State and Local Government Series. All such re-investments shall be acquired on and shall mature on the dates shown on the Report.

**Section 4.03. Substitutions and Reinvestments.** At the written direction of the Issuer, the Escrow Agent shall reinvest cash balances representing receipts from the Escrowed Securities, make substitutions of the Escrowed Securities or redeem the Escrowed Securities and reinvest the proceeds thereof or hold such proceeds as cash, together with other moneys or securities held in

the Escrow Fund, provided that, except for investments described in Section 4.02, the Issuer delivers to the Escrow Agent the following:

(1) an opinion by an independent certified public accountant that after such substitution or reinvestment the principal amount of the securities in the Escrow Fund (which shall be noncallable, not pre-payable direct obligations of the United States of America), together with the interest thereon and other available moneys, will be sufficient to pay, without further investment or reinvestment, as the same become due in accordance with the Report, the principal of, interest on and premium, if any, on the Refunded Obligations which have not previously been paid, and

(2) an unqualified opinion of nationally recognized municipal bond counsel to the effect that (a) such substitution or reinvestment will not cause the Refunded Obligations to be "arbitrage bonds" within the meaning of Section 103 of the Code or the regulations thereunder in effect on the date of such substitution or reinvestment, or otherwise make the interest on the Refunded Obligations subject to federal income taxation, and (b) such substitution or reinvestment complies with the Constitution and laws of the State of Texas and with all relevant documents relating to the issuance of the Refunded Obligations.

The Escrow Agent shall have no responsibility or liability for loss or otherwise with respect to investments made at the direction of the Issuer.

**Section 4.04. Substitution for Escrowed Securities.** Concurrently with the initial deposit by the Issuer with the Escrow Agent, but not thereafter, the Issuer, at its option, may substitute cash or direct noncallable and not pre-payable obligations of the United States Treasury (i.e., Treasury obligations which mature and are payable in a stated amount on the maturity date thereof, and for which there are no payments other than the payment made on the maturity date) (the "Substitute Obligations") for Escrowed Securities, if any, but only if such Substitute Obligations

- (a) are in an amount, and/or mature in an amount, which is equal to or greater than the amount payable on the maturity date of the obligation listed in the Report for which such Substitute Obligation is substituted,
- (b) mature on or before the maturity date of the obligation listed in the Report for which such Substitute Obligation is substituted, and
- (c) produce the amount necessary to pay the interest on and principal of the Refunded Obligations, as set forth in the Report, as verified by a certified public accountant or a firm of certified public accountants.

If, concurrently with the initial deposit by the Issuer with the Escrow Agent, any such Substitute Obligations are so substituted for any Escrowed Securities, the Issuer may, at any time thereafter,

substitute for such Substitute Obligations the same Escrowed Securities for which such Substitute Obligations originally were substituted.

**Section 4.05. Arbitrage.** The Issuer hereby covenants and agrees that it shall never request the Escrow Agent to exercise any power hereunder or permit any part of the money in the Escrow Fund or proceeds from the sale of Escrowed Securities to be used directly or indirectly to acquire any securities or obligations if the exercise of such power or the acquisition of such securities or obligations would cause any Refunding Obligations or Refunded Obligations to be an "arbitrage bond" within the meaning of the Code.

## ARTICLE V

### **APPLICATION OF CASH BALANCES**

**Section 5.01. In General.** Except as provided in Sections 3.02, 4.02, 4.03 and 4.04 hereof, no withdrawals, transfers, or reinvestment shall be made of cash balances in the Escrow Fund.

## ARTICLE VI

### **RECORDS AND REPORTS**

**Section 6.01. Records.** The Escrow Agent will keep books of record and account in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocations and application of the money and Escrowed Securities deposited to the Escrow Fund and all proceeds thereof, and such books shall be available for inspection at reasonable hours and under reasonable conditions by the Issuer and the owners of the Refunded Obligations.

**Section 6.02. Reports.** While this Agreement remains in effect, the Escrow Agent annually shall prepare and send to the Issuer a written report summarizing all transactions relating to the Escrow Fund during the preceding year, including, without limitation, credits to the Escrow Fund as a result of interest payments on or maturities of the Escrowed Securities and transfers from the Escrow Fund for payments on the Refunded Obligations or otherwise, together with a detailed statement of all Escrowed Securities and the cash balance on deposit in the Escrow Fund as of the end of such period.

## ARTICLE VII

### **CONCERNING THE PAYING AGENTS AND ESCROW AGENT**

**Section 7.01. Representations.** The Escrow Agent hereby represents that it has all necessary power and authority to enter into this Agreement and undertake the obligations and responsibilities imposed upon it herein, and that it will carry out all of its obligations hereunder.

**Section 7.02. Limitation on Liability.** The liability of the Escrow Agent to transfer funds for the payment of the principal of and interest on the Refunded Obligations shall be limited to the proceeds of the Escrowed Securities and the cash balances from time to time on deposit in the Escrow Fund. Notwithstanding any provision contained herein to the contrary, neither the Escrow Agent nor the Paying Agent shall have any liability whatsoever for the insufficiency of funds from time to time in the Escrow Fund or any failure of the obligors of the Escrowed Securities to make timely payment thereon, except for the obligation to notify the Issuer as promptly as practicable of any such occurrence.

The recitals herein and in the proceedings authorizing the Refunding Obligations shall be taken as the statements of the Issuer and shall not be considered as made by, or imposing any obligation or liability upon, the Escrow Agent. The Escrow Agent is not a party to the proceedings authorizing the Refunding Obligations or the Refunded Obligations and is not responsible for nor bound by any of the provisions thereof (except as a place of payment and paying agent and/or a Paying Agent/Registrar therefor). In its capacity as Escrow Agent, it is agreed that the Escrow Agent need look only to the terms and provisions of this Agreement.

The Escrow Agent makes no representations as to the value, conditions or sufficiency of the Escrow Fund, or any part thereof, or as to the title of the Issuer thereto, or as to the security afforded thereby or hereby, and the Escrow Agent shall not incur any liability or responsibility in respect to any of such matters.

It is the intention of the parties hereto that the Escrow Agent shall never be required to use or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder.

The Escrow Agent shall not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, nor shall the Escrow Agent be responsible for the consequences of any error of judgment; and the Escrow Agent shall not be answerable except for its own action, neglect or default, nor for any loss unless the same shall have been through its negligence or willful misconduct.

Unless it is specifically otherwise provided herein, the Escrow Agent has no duty to determine or inquire into the happening or occurrence of any event or contingency or the performance or failure of performance of the Issuer with respect to arrangements or contracts with others, with the Escrow Agent's sole duty hereunder being to safeguard the Escrow Fund, to dispose of and deliver the same in accordance with this Agreement. If, however, the Escrow Agent is called upon by the terms of this Agreement to determine the occurrence of any event or contingency, the Escrow Agent shall be obligated, in making such determination, only to exercise reasonable care and diligence, and in event of error in making such determination the Escrow Agent shall be liable only for its own willful misconduct or its negligence. In determining the occurrence of any such event or contingency the Escrow Agent may request from the Issuer or any

other person such reasonable additional evidence as the Escrow Agent in its discretion may deem necessary to determine any fact relating to the occurrence of such event or contingency, and in this connection may make inquiries of, and consult with, among others, the Issuer at any time.

**Section 7.03. Compensation.** Concurrently with the sale and delivery of the Refunding Obligations, the Issuer shall pay to the Escrow Agent, as a fee for performing the services hereunder and for all expenses incurred or to be incurred by the Escrow Agent in the administration of this Agreement, the amount set forth in Exhibit "C" attached hereto, the sufficiency of which is hereby acknowledged by the Escrow Agent. In the event that the Escrow Agent is requested to perform any extraordinary services hereunder, the Issuer hereby agrees to pay reasonable fees to the Escrow Agent for such extraordinary services and to reimburse the Escrow Agent for all expenses incurred by the Escrow Agent in performing such extraordinary services, and the Escrow Agent hereby agrees to look only to the Issuer for the payment of such fees and reimbursement of such expenses. The Escrow Agent hereby agrees that in no event shall it ever assert any claim or lien against the Escrow Fund for any fees for its services, whether regular or extraordinary, as Escrow Agent, or in any other capacity, or for reimbursement for any of its expenses.

The Bank of New York Mellon Trust Company, National Association is the place of payment (paying agent) for the Refunded Obligations. The Issuer covenants to timely pay for all future paying agency services of The Bank of New York Mellon Trust Company, National Association for the Refunded Obligations in accordance with the paying agent fee schedule now in effect through the final payment of the Refunded Obligations, the sufficiency of which is hereby acknowledged by The Bank of New York Mellon Trust Company, National Association

**Section 7.04. Successor Escrow Agents.** If at any time the Escrow Agent or its legal successor or successors should become unable, through operation or law or otherwise, to act as escrow agent hereunder, or if its property and affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy or for any other reason, a vacancy shall forthwith exist in the office of Escrow Agent hereunder. In such event the Issuer, by appropriate action, promptly shall appoint an Escrow Agent to fill such vacancy. If no successor Escrow Agent shall have been appointed by the Issuer within 60 calendar days, a successor may be appointed by the owners of a majority in principal amount of the Refunded Obligations then outstanding by an instrument or instruments in writing filed with the Issuer, signed by such owners or by their duly authorized attorneys-in-fact. If, in a proper case, no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this section within three months after a vacancy shall have occurred, the owner of any Refunded Obligation may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as it may deem proper, prescribe and appoint a successor Escrow Agent.

Any successor Escrow Agent shall be a corporation organized and doing business under the laws of the United States or the State of Texas, authorized under such laws to exercise corporate trust powers, authorized under Texas law to act as an escrow agent, having its principal office and

place of business in the State of Texas, having a combined capital and surplus of at least \$5,000,000 and subject to the supervision or examination by Federal or State authority.

Any successor Escrow Agent shall execute, acknowledge and deliver to the Issuer and the Escrow Agent an instrument accepting such appointment hereunder, and the Escrow Agent shall execute and deliver an instrument transferring to such successor Escrow Agent, subject to the terms of this Agreement, all the rights, powers and trusts of the Escrow Agent hereunder. Upon the request of any such successor Escrow Agent, the Issuer shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor Escrow Agent all such rights, powers and duties.

The Escrow Agent at the time acting hereunder may at any time resign and be discharged from the trust hereby created by giving not less than sixty (60) days' written notice to the Issuer and publishing notice thereof, specifying the date when such resignation will take effect, in a newspaper printed in the English language and with general circulation in New York, New York, such publication to be made once at least three (3) weeks prior to the date when the resignation is to take effect. No such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the owners of the Refunded Obligations or by the Issuer as herein provided and such successor Escrow Agent shall be a paying agent for the Refunded Obligations and shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

Under any circumstances, the Escrow Agent shall pay over to its successor Escrow Agent proportional parts of the Escrow Agent's fee and, if applicable, its Paying Agent's fee hereunder.

## **ARTICLE VIII**

### **MISCELLANEOUS**

**Section 8.01. Notice.** Any notice, authorization, request, or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid addressed to the Issuer or the Escrow Agent at the address shown on Exhibit "A" attached hereto. The United States Post Office registered or certified mail receipt showing delivery of the aforesaid shall be conclusive evidence of the date and fact of delivery. Any party hereto may change the address to which notices are to be delivered by giving to the other parties not less than ten (10) calendar days prior notice thereof. Prior written notice of any amendment to this Agreement contemplated pursuant to Section 8.08 and immediate written notice of any incidence of a severance pursuant to Section 8.04 shall be sent to Moody's Investors Service, Attn: Public Finance Rating Desk/Refunded Bonds, 99 Church Street, New York, New York 10007 and Standard & Poor's Corporation, Attn: Municipal Bond Department, 25 Broadway, New York, New York 10004.

**Section 8.02. Termination of Responsibilities.** Upon the taking of all the actions as described herein by the Escrow Agent, the Escrow Agent shall have no further obligations or

responsibilities hereunder to the Issuer, the owners of the Refunded Obligations or to any other person or persons in connection with this Agreement.

**Section 8.03. Binding Agreement.** This Agreement shall be binding upon the Issuer and the Escrow Agent and their respective successors and legal representatives, and shall inure solely to the benefit of the owners of the Refunded Obligations, the Issuer, the Escrow Agent (and, in the case of Section 4.05, the owners of the Refunding Obligations) and their respective successors and legal representatives.

**Section 8.04. Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

**Section 8.05. Texas Law Governs.** This Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the State of Texas.

**Section 8.06. Time of the Essence.** Time shall be of the essence in the performance of obligations from time to time imposed upon the Escrow Agent by this Agreement.

**Section 8.07. Effective Date of Agreement.** This Agreement shall be effective upon receipt by the Escrow Agent of the funds described in the Report and the Escrowed Securities, together with the specific sums stated in subsections (a) and (b) of Section 7.03 for Escrow Agent and paying agency fees, expenses, and services.

**Section 8.08. Amendments.** This Agreement shall not be amended except to cure any ambiguity or formal defect or omission in this Agreement. No amendment shall be effective unless the same shall be in writing and signed by the parties thereto. No such amendment shall adversely affect the rights of the holders of the Refunded Obligations and the Refunding Obligations.

**EXECUTED** as of the date first written above.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 17**

By \_\_\_\_\_

Name: Jeff Roberts

Title: Pricing Officer



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By \_\_\_\_\_  
Authorized Signatory

**EXHIBIT "A"**

**ADDRESSES OF THE ISSUER AND THE ESCROW AGENT**

**Issuer**

Travis County Water Control and  
and Improvement District No. 17  
3812 Eck Lane  
Austin, Texas 78734

**Escrow Agent**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

**EXHIBIT "B"**  
**VERIFICATION REPORT**

**EXHIBIT "C"**

**ESCROW AGENT FEE**

LAW OFFICES

**McCALL, PARKHURST & HORTON L.L.P.**

600 CONGRESS AVENUE

SUITE 1800

AUSTIN, TEXAS 78701

(512) 478-3805

January 14, 2016

Travis County WCID #17  
3812 Eck Lane  
Austin, Texas 78734  
Attn: Leslie Terrell

**Re: Travis County Water Control and Improvement District No. 17 Steiner Ranch  
Defined Area Unlimited Tax Refunding Bonds, Series 2016**

Client Number: 2501.058

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**INVOICE FOR THE OFFICE OF THE ATTORNEY GENERAL FILING FEE**

Pursuant to Chapter 1202 .004 of the Texas Government Code, as amended, a fee equal to one-tenth of one percent of the principal amount of the public security to which the record of proceedings relates or \$9,500, whichever is less; provided, the fee shall not be less than \$750. If the record of proceedings includes multiple series, a separate fee must be calculated and paid for each series. If the record of proceedings includes authorization of a credit agreement, but does not also include the authorization of a public security, the fee is calculated based on the principal amount of the public security or public securities to which the credit agreement relates.

Please forward the below fee **made payable to the Office of the Attorney General** to the attorney attending the meeting on January 21, 2016.

**ATTORNEY GENERAL FILING FEE**

**\$9,500.00**

## ESCROW AGREEMENT

### **Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2016**

**THIS ESCROW AGREEMENT**, dated as of \_\_\_\_\_, 2016 (herein, together with any amendments or supplements hereto, called the "Agreement"), entered into by and between Travis County Water Control and Improvement District No. 17 (the "Issuer") and \_\_\_\_\_, as escrow agent (together with any successor in such capacity, the "Escrow Agent"),

### **W I T N E S S E T H:**

**WHEREAS**, the Issuer heretofore issued and there presently remain outstanding the obligations (the "Refunded Obligations") described in the Verification Report of Grant Thornton LLP (the "Report") relating to the Refunded Obligations, attached hereto as Exhibit "B" and made a part hereof; and

**WHEREAS**, the Refunded Obligations are scheduled to mature in such years, bear interest at such rates, and be payable at such times and in such amounts as are set forth in the Report; and

**WHEREAS**, when firm banking arrangements have been made for the payment of principal and interest to the maturity or redemption dates of the Refunded Obligations, then the Refunded Obligations shall no longer be regarded as outstanding except for the purposes of receiving payment from the funds provided for such purpose and Issuer's right to call such Refunded Obligations for redemption in accordance with the provisions of the resolution, order or ordinance authorizing their issuance upon compliance with the provisions of Texas law; and

**WHEREAS**, Chapter 1207, Texas Government Code, as amended ("Chapter 1207"), authorizes the Issuer to issue refunding bonds and to deposit the proceeds from the sale thereof, and any other available funds or resources, directly with an eligible institution, including any place of payment (paying agent) for any of the Refunded Obligations, and such deposit, if made before such payment dates and in sufficient amounts, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations; and

**WHEREAS**, Chapter 1207 further authorizes the Issuer to enter into an escrow agreement with any such eligible institution for any of the Refunded Obligations with respect to the safekeeping, investment, administration and disposition of any such deposit, upon such terms and conditions as the Issuer and such eligible institution may agree, provided that such deposits may be invested only in obligations authorized by Chapter 1207, and which shall mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment of principal and interest on the Refunded Obligations when due; and

**WHEREAS**, this Agreement constitutes an escrow agreement of the kind authorized and required by said Chapter 1207; and

**WHEREAS**, in accordance with Section 1207.061(a)(3) of the Government Code the Escrow Agent does not act as a depository bank of the Issuer; and

**WHEREAS**, The Bank of New York Mellon Trust Company, National Association is the paying agent for the Refunded Obligations; and

**WHEREAS**, the Issuer's Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2016 (the "Refunding Obligations") have been issued, sold and delivered for the purpose, among others, of obtaining the funds required to provide for the payment of the principal of the Refunded Obligations at their respective maturity dates or dates of redemption and the interest thereon to such dates as set forth in the Report; and

**WHEREAS**, the Issuer desires that, concurrently with the delivery of the Refunding Obligations to the purchasers thereof, certain proceeds of the Refunding Obligations, together with certain other available funds of the Issuer, if applicable, shall be applied to purchase certain direct obligations of the United States of America hereinafter defined as the "Escrowed Securities" for deposit to the credit of the Escrow Fund created pursuant to the terms of this Agreement and to establish a beginning cash balance (if needed) in such Escrow Fund; and

**WHEREAS**, the Escrowed Securities shall mature and the interest thereon shall be payable at such times and in such amounts so as to provide moneys which, together with cash balances from time to time on deposit in the Escrow Fund, will be sufficient to pay interest on the Refunded Obligations as it accrues and becomes payable and the principal of the Refunded Obligations on their respective maturity dates or dates of redemption; and

**WHEREAS**, to facilitate the receipt and transfer of proceeds of the Escrowed Securities, particularly those in book entry form, the Issuer desires to establish the Escrow Fund at a corporate trust office of the Escrow Agent; and

**WHEREAS**, the Escrow Agent is herein also referred to as the "Paying Agent," and any paying agent for the Refunded Obligations, acting through the Escrow Agent, is also a party to this Agreement, as a paying agent for the Refunded Obligations to acknowledge their acceptance of the terms and provisions of this Agreement in such capacity.

**NOW, THEREFORE**, in consideration of the mutual undertakings, promises and agreements herein contained, the sufficiency of which are hereby acknowledged, and in order to secure the full and timely payment of principal of and the interest on the Refunded Obligations, the Issuer and the Escrow Agent mutually undertake, promise, and agree for themselves and their respective representatives and successors, as follows:

## ARTICLE I

### **DEFINITIONS AND INTERPRETATIONS**

**Section 1.01. Definitions.** Unless the context clearly indicates otherwise, the following terms shall have the meanings assigned to them below when they are used in this Agreement:

**"Code"** means the Internal Revenue Code of 1986, as amended, or to the extent applicable the Internal Revenue Code of 1954, together with any other applicable provisions of any successor federal income tax laws.

**"Escrow Fund"** means the fund created by this Agreement to be administered by the Escrow Agent pursuant to the provisions of this Agreement.

**"Escrowed Securities"** means the direct noncallable, not pre-payable United States Treasury obligations and obligations the due timely payment of which is unconditionally guaranteed by the United States of America described in the Report or cash or other direct obligations of the United States of America substituted therefor pursuant to Article IV of this Agreement.

**"Paying Agent"** means \_\_\_\_\_ acting in its capacity as paying agent for the Refunded Obligations.

**Section 1.02. Other Definitions.** The terms "Agreement," "Issuer," "Escrow Agent," "Paying Agent," "Refunded Obligations," "Refunding Obligations," and "Report" when they are used in this Agreement, shall have the meanings assigned to them in the preamble to this Agreement.

**Section 1.03. Interpretations.** The titles and headings of the articles and sections of this Agreement have been inserted for convenience and reference only and are not to be considered a part hereof and shall not in any way modify or restrict the terms hereof. This Agreement and all of the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to achieve the intended purpose of providing for the refunding of the Refunded Obligations in accordance with applicable law.

## ARTICLE II

### **DEPOSIT OF FUNDS AND ESCROWED SECURITIES**

**Section 2.01. Deposits in the Escrow Fund.** Concurrently with the sale and delivery of the Refunding Obligations the Issuer shall deposit, or cause to be deposited, with the Escrow Agent, for deposit in the Escrow Fund, the funds and Escrowed Securities described in the Report,



and the Escrow Agent shall, upon the receipt thereof, acknowledge such receipt to the Issuer in writing.

### ARTICLE III

#### **CREATION AND OPERATION OF ESCROW FUND**

**Section 3.01. Escrow Fund.** The Escrow Agent has created on its books a special trust fund and irrevocable escrow to be known as the Issuer's Refunded Obligations Escrow Fund (the "Escrow Fund"). The Escrow Agent hereby agrees that upon receipt thereof it will irrevocably deposit to the credit of the Escrow Fund the funds and the Escrowed Securities described in the Report. Such deposit, all proceeds therefrom, and all cash balances from time to time on deposit therein (a) shall be the property of the Escrow Fund, (b) shall be applied only in strict conformity with the terms and conditions of this Agreement, and (c) are hereby irrevocably pledged to the payment of the principal of and interest on the Refunded Obligations, which payment shall be made by timely transfers of such amounts at such times as are provided for in Section 3.02 hereof. When the final transfers have been made for the payment of such principal of and interest on the Refunded Obligations on their respective maturity dates or dates of redemption, any balance then remaining in the Escrow Fund shall be transferred to the Issuer, and the Escrow Agent shall thereupon be discharged from any further duties hereunder.

**Section 3.02. Payment of Principal and Interest.** The Escrow Agent is hereby irrevocably instructed to transfer from the cash balances from time to time on deposit in the Escrow Fund, the amounts required to pay the principal of the Refunded Obligations at their respective maturity dates or dates of redemption and interest thereon to such maturity dates or dates of redemption in the amounts and at the times shown in the Report.

**Section 3.03. Sufficiency of Escrow Fund.** The Issuer represents (based solely on the Report) that the successive receipts of the principal of and interest on the Escrowed Securities will assure that the cash balance on deposit from time to time in the Escrow Fund will be at all times sufficient to provide moneys for transfer to the Paying Agent at the times and in the amounts required to pay the interest on the Refunded Obligations at their respective maturity dates or dates of redemption as such interest comes due and the principal of the Refunded Obligations at their respective maturity dates or dates of redemption as the Refunded Obligations mature, all as more fully set forth in the Report. If, for any reason, at any time, the cash balances on deposit or scheduled to be on deposit in the Escrow Fund shall be insufficient to transfer the amounts required by the paying agent for the Refunded Obligations to make the payments set forth in Section 3.02 hereof, notice of any such insufficiency shall be given to the Issuer by the Escrow Agent as promptly as practicable as hereinafter provided, but neither the Escrow Agent nor the Issuer shall in any manner be responsible for any insufficiency of funds in the Escrow Fund.

**Section 3.04. Trust Fund.** The Escrow Agent shall hold at all times the Escrow Fund, the Escrowed Securities and all other assets of the Escrow Fund, wholly segregated from all other funds and securities on deposit with the Escrow Agent; it shall never allow the Escrowed Securities

or any other assets of the Escrow Fund to be commingled with any other funds or securities of the Escrow Agent; and it shall hold and dispose of the assets of the Escrow Fund only as set forth herein. The Escrowed Securities and other assets of the Escrow Fund shall always be maintained by the Escrow Agent as trust funds for the benefit of the owners of the Refunded Obligations; and a special account thereof shall at all times be maintained on the books of the Escrow Agent. The owners of the Refunded Obligations shall be entitled to the same preferred claim and first lien upon the Escrowed Securities, the proceeds thereof, and all other assets of the Escrow Fund to which they are entitled as owners of the Refunded Obligations. The amounts received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the Issuer, and the Escrow Agent shall have no right to title with respect thereto except as a constructive trustee and Escrow Agent under the terms of this Agreement. The amounts received by the Escrow Agent under this Agreement shall not be subject to warrants, drafts or checks drawn by the Issuer or, except to the extent expressly herein provided, by the Paying Agent.

**Section 3.05. Security for Cash Balances.** Cash balances from time to time on deposit in the Escrow Fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a pledge of direct obligations of, or obligations unconditionally guaranteed by, the United States of America, having a market value at least equal to such cash balances.

## ARTICLE IV

### **LIMITATION ON INVESTMENTS**

**Section 4.01. Investments.** Except as provided in Sections 4.02, 4.03 and 4.04 hereof, the Escrow Agent shall not have any power or duty to invest or reinvest any money held hereunder, or to make substitutions of the Escrowed Securities, or to sell, transfer or otherwise dispose of the Escrowed Securities.

**Section 4.02. Reinvestment of Certain Cash Balances in Escrow by Escrow Agent.** In addition to the Escrowed Securities listed in the Report, the Escrow Agent shall reinvest cash balances shown in the Report in United States Treasury Obligations - State and Local Government Series with an interest rate equal to zero percent (0%), as and to the extent described in the Report, to the extent such Obligations are available from the Department of the Treasury. All such re-investments shall be made only from the portion of cash balances derived from the maturing principal of and interest on Escrowed Securities that are United States Treasury Certificates of Indebtedness, Notes or Bonds - State and Local Government Series. All such re-investments shall be acquired on and shall mature on the dates shown on the Report.

**Section 4.03. Substitutions and Reinvestments.** At the written direction of the Issuer, the Escrow Agent shall reinvest cash balances representing receipts from the Escrowed Securities, make substitutions of the Escrowed Securities or redeem the Escrowed Securities and reinvest the proceeds thereof or hold such proceeds as cash, together with other moneys or securities held in

the Escrow Fund, provided that, except for investments described in Section 4.02, the Issuer delivers to the Escrow Agent the following:

(1) an opinion by an independent certified public accountant that after such substitution or reinvestment the principal amount of the securities in the Escrow Fund (which shall be noncallable, not pre-payable direct obligations of the United States of America), together with the interest thereon and other available moneys, will be sufficient to pay, without further investment or reinvestment, as the same become due in accordance with the Report, the principal of, interest on and premium, if any, on the Refunded Obligations which have not previously been paid, and

(2) an unqualified opinion of nationally recognized municipal bond counsel to the effect that (a) such substitution or reinvestment will not cause the Refunded Obligations to be "arbitrage bonds" within the meaning of Section 103 of the Code or the regulations thereunder in effect on the date of such substitution or reinvestment, or otherwise make the interest on the Refunded Obligations subject to federal income taxation, and (b) such substitution or reinvestment complies with the Constitution and laws of the State of Texas and with all relevant documents relating to the issuance of the Refunded Obligations.

The Escrow Agent shall have no responsibility or liability for loss or otherwise with respect to investments made at the direction of the Issuer.

**Section 4.04. Substitution for Escrowed Securities.** Concurrently with the initial deposit by the Issuer with the Escrow Agent, but not thereafter, the Issuer, at its option, may substitute cash or direct noncallable and not pre-payable obligations of the United States Treasury (i.e., Treasury obligations which mature and are payable in a stated amount on the maturity date thereof, and for which there are no payments other than the payment made on the maturity date) (the "Substitute Obligations") for Escrowed Securities, if any, but only if such Substitute Obligations

- (a) are in an amount, and/or mature in an amount, which is equal to or greater than the amount payable on the maturity date of the obligation listed in the Report for which such Substitute Obligation is substituted,
- (b) mature on or before the maturity date of the obligation listed in the Report for which such Substitute Obligation is substituted, and
- (c) produce the amount necessary to pay the interest on and principal of the Refunded Obligations, as set forth in the Report, as verified by a certified public accountant or a firm of certified public accountants.

If, concurrently with the initial deposit by the Issuer with the Escrow Agent, any such Substitute Obligations are so substituted for any Escrowed Securities, the Issuer may, at any time thereafter,

substitute for such Substitute Obligations the same Escrowed Securities for which such Substitute Obligations originally were substituted.

**Section 4.05. Arbitrage.** The Issuer hereby covenants and agrees that it shall never request the Escrow Agent to exercise any power hereunder or permit any part of the money in the Escrow Fund or proceeds from the sale of Escrowed Securities to be used directly or indirectly to acquire any securities or obligations if the exercise of such power or the acquisition of such securities or obligations would cause any Refunding Obligations or Refunded Obligations to be an "arbitrage bond" within the meaning of the Code.

## ARTICLE V

### **APPLICATION OF CASH BALANCES**

**Section 5.01. In General.** Except as provided in Sections 3.02, 4.02, 4.03 and 4.04 hereof, no withdrawals, transfers, or reinvestment shall be made of cash balances in the Escrow Fund.

## ARTICLE VI

### **RECORDS AND REPORTS**

**Section 6.01. Records.** The Escrow Agent will keep books of record and account in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocations and application of the money and Escrowed Securities deposited to the Escrow Fund and all proceeds thereof, and such books shall be available for inspection at reasonable hours and under reasonable conditions by the Issuer and the owners of the Refunded Obligations.

**Section 6.02. Reports.** While this Agreement remains in effect, the Escrow Agent annually shall prepare and send to the Issuer a written report summarizing all transactions relating to the Escrow Fund during the preceding year, including, without limitation, credits to the Escrow Fund as a result of interest payments on or maturities of the Escrowed Securities and transfers from the Escrow Fund for payments on the Refunded Obligations or otherwise, together with a detailed statement of all Escrowed Securities and the cash balance on deposit in the Escrow Fund as of the end of such period.

## ARTICLE VII

### **CONCERNING THE PAYING AGENTS AND ESCROW AGENT**

**Section 7.01. Representations.** The Escrow Agent hereby represents that it has all necessary power and authority to enter into this Agreement and undertake the obligations and responsibilities imposed upon it herein, and that it will carry out all of its obligations hereunder.

**Section 7.02. Limitation on Liability.** The liability of the Escrow Agent to transfer funds for the payment of the principal of and interest on the Refunded Obligations shall be limited to the proceeds of the Escrowed Securities and the cash balances from time to time on deposit in the Escrow Fund. Notwithstanding any provision contained herein to the contrary, neither the Escrow Agent nor the Paying Agent shall have any liability whatsoever for the insufficiency of funds from time to time in the Escrow Fund or any failure of the obligors of the Escrowed Securities to make timely payment thereon, except for the obligation to notify the Issuer as promptly as practicable of any such occurrence.

The recitals herein and in the proceedings authorizing the Refunding Obligations shall be taken as the statements of the Issuer and shall not be considered as made by, or imposing any obligation or liability upon, the Escrow Agent. The Escrow Agent is not a party to the proceedings authorizing the Refunding Obligations or the Refunded Obligations and is not responsible for nor bound by any of the provisions thereof (except as a place of payment and paying agent and/or a Paying Agent/Registrar therefor). In its capacity as Escrow Agent, it is agreed that the Escrow Agent need look only to the terms and provisions of this Agreement.

The Escrow Agent makes no representations as to the value, conditions or sufficiency of the Escrow Fund, or any part thereof, or as to the title of the Issuer thereto, or as to the security afforded thereby or hereby, and the Escrow Agent shall not incur any liability or responsibility in respect to any of such matters.

It is the intention of the parties hereto that the Escrow Agent shall never be required to use or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder.

The Escrow Agent shall not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, nor shall the Escrow Agent be responsible for the consequences of any error of judgment; and the Escrow Agent shall not be answerable except for its own action, neglect or default, nor for any loss unless the same shall have been through its negligence or willful misconduct.

Unless it is specifically otherwise provided herein, the Escrow Agent has no duty to determine or inquire into the happening or occurrence of any event or contingency or the performance or failure of performance of the Issuer with respect to arrangements or contracts with others, with the Escrow Agent's sole duty hereunder being to safeguard the Escrow Fund, to dispose of and deliver the same in accordance with this Agreement. If, however, the Escrow Agent is called upon by the terms of this Agreement to determine the occurrence of any event or contingency, the Escrow Agent shall be obligated, in making such determination, only to exercise reasonable care and diligence, and in event of error in making such determination the Escrow Agent shall be liable only for its own willful misconduct or its negligence. In determining the occurrence of any such event or contingency the Escrow Agent may request from the Issuer or any

other person such reasonable additional evidence as the Escrow Agent in its discretion may deem necessary to determine any fact relating to the occurrence of such event or contingency, and in this connection may make inquiries of, and consult with, among others, the Issuer at any time.

**Section 7.03. Compensation.** Concurrently with the sale and delivery of the Refunding Obligations, the Issuer shall pay to the Escrow Agent, as a fee for performing the services hereunder and for all expenses incurred or to be incurred by the Escrow Agent in the administration of this Agreement, the amount set forth in Exhibit "C" attached hereto, the sufficiency of which is hereby acknowledged by the Escrow Agent. In the event that the Escrow Agent is requested to perform any extraordinary services hereunder, the Issuer hereby agrees to pay reasonable fees to the Escrow Agent for such extraordinary services and to reimburse the Escrow Agent for all expenses incurred by the Escrow Agent in performing such extraordinary services, and the Escrow Agent hereby agrees to look only to the Issuer for the payment of such fees and reimbursement of such expenses. The Escrow Agent hereby agrees that in no event shall it ever assert any claim or lien against the Escrow Fund for any fees for its services, whether regular or extraordinary, as Escrow Agent, or in any other capacity, or for reimbursement for any of its expenses.

The Bank of New York Mellon Trust Company, National Association is the place of payment (paying agent) for the Refunded Obligations. The Issuer covenants to timely pay for all future paying agency services of The Bank of New York Mellon Trust Company, National Association for the Refunded Obligations in accordance with the paying agent fee schedule now in effect through the final payment of the Refunded Obligations, the sufficiency of which is hereby acknowledged by The Bank of New York Mellon Trust Company, National Association

**Section 7.04. Successor Escrow Agents.** If at any time the Escrow Agent or its legal successor or successors should become unable, through operation or law or otherwise, to act as escrow agent hereunder, or if its property and affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy or for any other reason, a vacancy shall forthwith exist in the office of Escrow Agent hereunder. In such event the Issuer, by appropriate action, promptly shall appoint an Escrow Agent to fill such vacancy. If no successor Escrow Agent shall have been appointed by the Issuer within 60 calendar days, a successor may be appointed by the owners of a majority in principal amount of the Refunded Obligations then outstanding by an instrument or instruments in writing filed with the Issuer, signed by such owners or by their duly authorized attorneys-in-fact. If, in a proper case, no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this section within three months after a vacancy shall have occurred, the owner of any Refunded Obligation may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as it may deem proper, prescribe and appoint a successor Escrow Agent.

Any successor Escrow Agent shall be a corporation organized and doing business under the laws of the United States or the State of Texas, authorized under such laws to exercise corporate trust powers, authorized under Texas law to act as an escrow agent, having its principal office and

place of business in the State of Texas, having a combined capital and surplus of at least \$5,000,000 and subject to the supervision or examination by Federal or State authority.

Any successor Escrow Agent shall execute, acknowledge and deliver to the Issuer and the Escrow Agent an instrument accepting such appointment hereunder, and the Escrow Agent shall execute and deliver an instrument transferring to such successor Escrow Agent, subject to the terms of this Agreement, all the rights, powers and trusts of the Escrow Agent hereunder. Upon the request of any such successor Escrow Agent, the Issuer shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor Escrow Agent all such rights, powers and duties.

The Escrow Agent at the time acting hereunder may at any time resign and be discharged from the trust hereby created by giving not less than sixty (60) days' written notice to the Issuer and publishing notice thereof, specifying the date when such resignation will take effect, in a newspaper printed in the English language and with general circulation in New York, New York, such publication to be made once at least three (3) weeks prior to the date when the resignation is to take effect. No such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the owners of the Refunded Obligations or by the Issuer as herein provided and such successor Escrow Agent shall be a paying agent for the Refunded Obligations and shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

Under any circumstances, the Escrow Agent shall pay over to its successor Escrow Agent proportional parts of the Escrow Agent's fee and, if applicable, its Paying Agent's fee hereunder.

## **ARTICLE VIII**

### **MISCELLANEOUS**

**Section 8.01. Notice.** Any notice, authorization, request, or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid addressed to the Issuer or the Escrow Agent at the address shown on Exhibit "A" attached hereto. The United States Post Office registered or certified mail receipt showing delivery of the aforesaid shall be conclusive evidence of the date and fact of delivery. Any party hereto may change the address to which notices are to be delivered by giving to the other parties not less than ten (10) calendar days prior notice thereof. Prior written notice of any amendment to this Agreement contemplated pursuant to Section 8.08 and immediate written notice of any incidence of a severance pursuant to Section 8.04 shall be sent to Moody's Investors Service, Attn: Public Finance Rating Desk/Refunded Bonds, 99 Church Street, New York, New York 10007 and Standard & Poor's Corporation, Attn: Municipal Bond Department, 25 Broadway, New York, New York 10004.

**Section 8.02. Termination of Responsibilities.** Upon the taking of all the actions as described herein by the Escrow Agent, the Escrow Agent shall have no further obligations or

responsibilities hereunder to the Issuer, the owners of the Refunded Obligations or to any other person or persons in connection with this Agreement.

**Section 8.03. Binding Agreement.** This Agreement shall be binding upon the Issuer and the Escrow Agent and their respective successors and legal representatives, and shall inure solely to the benefit of the owners of the Refunded Obligations, the Issuer, the Escrow Agent (and, in the case of Section 4.05, the owners of the Refunding Obligations) and their respective successors and legal representatives.

**Section 8.04. Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

**Section 8.05. Texas Law Governs.** This Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the State of Texas.

**Section 8.06. Time of the Essence.** Time shall be of the essence in the performance of obligations from time to time imposed upon the Escrow Agent by this Agreement.

**Section 8.07. Effective Date of Agreement.** This Agreement shall be effective upon receipt by the Escrow Agent of the funds described in the Report and the Escrowed Securities, together with the specific sums stated in subsections (a) and (b) of Section 7.03 for Escrow Agent and paying agency fees, expenses, and services.

**Section 8.08. Amendments.** This Agreement shall not be amended except to cure any ambiguity or formal defect or omission in this Agreement. No amendment shall be effective unless the same shall be in writing and signed by the parties thereto. No such amendment shall adversely affect the rights of the holders of the Refunded Obligations and the Refunding Obligations.



**EXECUTED** as of the date first written above.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 17**

By \_\_\_\_\_

Name: Jeff Roberts

Title: Pricing Officer

---

By \_\_\_\_\_  
Authorized Signatory

**EXHIBIT "A"**

**ADDRESSES OF THE ISSUER AND THE ESCROW AGENT**

**Issuer**

Travis County Water Control and  
and Improvement District No. 17  
3812 Eck Lane  
Austin, Texas 78734

**Escrow Agent**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

**EXHIBIT "B"**  
**VERIFICATION REPORT**

**EXHIBIT "C"**

**ESCROW AGENT FEE**

## **PAYING AGENT/REGISTRAR AGREEMENT**

**THIS AGREEMENT** entered into as of \_\_\_\_\_, 2016 (this "Agreement"), by and between Travis County Water Control and Improvement District No. 17 (the "Issuer"), and \_\_\_\_\_, \_\_\_\_\_, Texas, a banking corporation duly organized and existing under the laws of the United States of America (the "Bank").

### **RECITALS**

**WHEREAS**, the Issuer has duly authorized and provided for the issuance of its \$\_\_\_\_\_ Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2016, (the "Securities"), such Securities to be issued in fully registered form only as to the payment of principal and interest thereon; and

**WHEREAS**, the Securities are scheduled to be delivered to the initial purchasers thereof on or about \_\_\_\_\_, 2016; and

**WHEREAS**, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on the Securities and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

**WHEREAS**, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

**NOW, THEREFORE**, it is mutually agreed as follows:

### **ARTICLE ONE APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR**

#### **Section 1.01. Appointment.**

The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities. As Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof, all in accordance with this Agreement and the "Order" (hereinafter defined).

The Issuer hereby appoints the Bank as Registrar with respect to the Securities. As Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of the Securities and with respect to the transfer and exchange thereof as provided herein and in the "Order."

The Bank hereby accepts its appointment, and agrees to serve as the Paying Agent and Registrar for the Securities.

**Section 1.02. Compensation.**

As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in Schedule A attached hereto for the first year of this Agreement and thereafter the fees and amounts set forth in the Bank's current fee schedule then in effect for services as Paying Agent/Registrar for political subdivisions, which shall be supplied to the Issuer on or before 90 days prior to the close of the Fiscal Year of the Issuer, and shall be effective upon the first day of the following Fiscal Year.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

**ARTICLE TWO  
DEFINITIONS**

**Section 2.01. Definitions.**

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

"Bank Office" means the designated office for payment of the Bank as indicated on the signature page hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

"Financial Advisor" is Specialized Public Finance Inc.

"Fiscal Year" means the fiscal year of the Issuer, ending September 30.

"Holder" and "Security Holder" each means the Person in whose name a Security is registered in the Security Register.

"Issuer Request" and "Issuer Order" means a written request or Order signed in the name of the Issuer by an authorized representative, delivered to the Bank.

"Legal Holiday" means a day on which the Bank is required or authorized to be closed.

"Order" means the Order of the governing body of the Issuer pursuant to which the Securities are issued, certified by the Secretary of the Board or any other officer of the Issuer and delivered to the Bank.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government.

"Predecessor Securities" of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Order).

"Redemption Date" when used with respect to any Bond to be redeemed means the date fixed for such redemption pursuant to the terms of the Order.

"Responsible Officer" when used with respect to the Bank means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Security Register" means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfer of the Securities.

"Stated Maturity" means the date specified in the Order on which the principal of a Security is scheduled to be due and payable.

## **Section 2.02. Other Definitions.**

The terms "Bank," "Issuer," and "Securities (Security)" have the meanings assigned to them in the recital paragraphs of this Agreement.

The term "Paying Agent/Registrar" refers to the Bank in the performance of the duties and functions of this Agreement.

## **ARTICLE THREE PAYING AGENT**

### **Section 3.01. Duties of Paying Agent.**

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the principal of each Security at its Stated Maturity or Redemption Date, to the Holder upon surrender of the Security to the Bank at the Bank Office.



As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and preparing and sending checks by United States Mail, first-class postage prepaid, on each payment date, to the Holders of the Securities (or their Predecessor Securities) on the respective Record Date, to the address appearing on the Security Register or by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder's risk and expense.

Principal and interest payments made pursuant to this Section 3.01 shall be made by wire transfer.

**Section 3.02. Payment Dates.**

The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Order.

**Section 3.03 Reporting Requirements.**

To the extent required by the Internal Revenue Code of 1986, as amended, or the Treasury Regulations, the Bank shall report to or cause to be reported to the Holders and the Internal Revenue Service the amount of interest paid or the amount treated as interest accrued on the Securities which is required to be reported by the Holders on their returns of federal income tax.

**ARTICLE FOUR  
REGISTRAR**

**Section 4.01. Security Register - Transfers and Exchanges.**

The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the "Security Register"), and, if the Bank Office is located outside the State of Texas, a copy of such books and records shall be kept in the State of Texas, for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. The Bank also agrees to keep a copy of the Security Register within the State of Texas. All transfers, exchanges and replacement of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the National Association of Securities Dealers, in form satisfactory to the Bank, duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

**Section 4.02. Certificates.**

The Issuer shall provide an adequate inventory of printed Securities certificates to facilitate transfers or exchanges thereof. The Bank covenants that the inventory of printed Securities certificates will be kept in safekeeping pending their use, and reasonable care will be exercised by the Bank in maintaining such Securities certificates in safekeeping, which shall be not less than the level of care maintained by the Bank for debt securities of other political subdivisions or corporations for which it serves as registrar, or that it maintains for its own securities.

**Section 4.03. Form of Security Register.**

The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

**Section 4.04. List of Security Holders.**

The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security Register. The Issuer may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order or other notice of a legal proceeding and prior to the release or disclosure of any of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the same or such release or disclosure of the contents of the Security Register.

**Section 4.05. Return of Cancelled Certificates.**

The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

**Section 4.06. Mutilated, Destroyed, Lost or Stolen Securities.**

The Issuer hereby instructs the Bank, subject to the applicable provisions of the Order, to deliver and issue Securities certificates in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities certificates as long as the same does not result in an overissuance.

In case any Security shall be mutilated, or destroyed, lost or stolen, the Bank, in its discretion, may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such destroyed lost or stolen Security, only after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, or destroyed, lost or stolen.

**Section 4.07. Transaction Information to Issuer.**

The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities certificates it has paid pursuant to Section 3.01, Securities certificates it has delivered upon the transfer or exchange of any Securities certificates pursuant to Section 4.01, and Securities certificates it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities certificates pursuant to Section 4.06.

**ARTICLE FIVE  
THE BANK**

**Section 5.01. Duties of Bank.**

The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

The Bank is authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum as prepared by the Issuer's Financial Advisor or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum acknowledged by the Issuer, the Issuer's Financial Advisor or other agent as the final closing memorandum. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

**Section 5.02. Reliance on Documents, Etc.**

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank by the Issuer.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proven that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any Order, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities certificates containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a Order, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security, or other paper or document supplied by the Issuer.

(e) The Bank may consult with legal counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon, provided that any such written advice or opinion is supplied to the Issuer by the Bank.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

**Section 5.03. Recitals of Issuer.**

The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

**Section 5.04. May Hold Securities.**

The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

**Section 5.05. Moneys Held by Bank.**

The Bank shall deposit any moneys received from the Issuer into a segregated account to be held by the Bank solely for the benefit of the owners of the Securities to be used solely for the payment of the Securities, with such moneys in the account that exceed the deposit insurance available to the Issuer by the Federal Deposit Insurance Corporation, to be fully collateralized with securities or obligations that are eligible under the laws of the State of Texas to secure and be pledged as collateral for such accounts until the principal and interest on such securities have been presented for payment and paid to the owner thereof. Payments made from such account shall be made by check drawn on such account unless the owner of such Securities shall, at its own expense and risk, request such other medium of payment.

Subject to the Unclaimed Property Law of the State of Texas, any money deposited with the Bank for the payment of the principal, premium (if any), or interest on any Security and remaining unclaimed for three years after the final maturity of the Security has become due and payable will be paid by the Bank to the Issuer if the Issuer so elects, and the Holder of such Security shall hereafter look only to the Issuer for payment thereof, and all liability of the Bank with respect to such monies shall thereupon cease. If the Issuer does not elect, the Bank is directed to report and dispose of the funds in compliance with Title Six of the Texas Property Code, as amended.

**Section 5.06. Indemnification.**

To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on the Bank's part, arising out of or in connection with the Bank's acceptance or administration of its duties hereunder, including the cost and expense incurred by the Bank in defending against any claim or from liability imposed on the Bank in connection with the Bank's exercise or performance of any of its powers or duties under this Agreement.

**Section 5.07. Interpleader.**

The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the Travis County, Texas, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in Travis County, Texas to determine the rights of any Person claiming any interest herein.

**Section 5.08. Depository Trust Company Services.**

It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements," effective August 1, 1987, which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

Attached hereto is a copy of the Blanket Issuer Letter of Representations between the Issuer and The Depository Trust Company, New York, New York, providing for the Bonds to be issued in a Book-Entry Only System. The Bank and the Issuer hereby confirm their obligations under such Letter of Representation.

**ARTICLE SIX  
MISCELLANEOUS PROVISIONS**

**Section 6.01. Amendment.**

This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

**Section 6.02. Assignment.**

This Agreement may not be assigned by either party without the prior written consent of the other.

**Section 6.03. Notices.**

Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page of this Agreement.

**Section 6.04. Effect of Headings.**

The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

**Section 6.05. Successors and Assigns.**

All covenants and agreements herein by the Issuer and the Bank shall bind their respective successors and assigns, whether so expressed or not.

**Section 6.06. Severability.**

In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 6.07. Benefits of Agreement.**

Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

**Section 6.08. Entire Agreement.**

This Agreement and the Order constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Order, the Order shall govern.

**Section 6.09. Counterparts.**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

**Section 6.10. Termination.**

This Agreement will terminate on the date of final payment by the Bank of the principal of and interest on the Securities to the Holders thereof.

This Agreement may be earlier terminated upon 30 days written notice by either party; provided, however, that this Agreement may not be terminated (i) by the Bank until a successor Paying Agent/Registrar that is a national or state banking institution and a corporation or association organized and existing under the laws of the United States of America or of any state which possesses trust powers and is subject to supervision or examination by a federal or state regulatory agency has been appointed by the Issuer and has accepted such appointment, or (ii) at any time during which such termination might, in the judgment of the Issuer, disrupt, delay, or otherwise adversely affect the payment of the principal, premium, if any, or interest on the Securities. Prior to terminating this Agreement, the Issuer may reasonably require the Bank to show that such termination will not occur during a period described in (ii) above.

The resigning Paying Agent/Registrar may petition any court of competent jurisdiction for the appointment of a successor Paying Agent/Registrar if an instrument of acceptance by a successor Paying Agent/Registrar has not been delivered to the resigning Paying Agent/Registrar within 30 days after the giving of such notice of resignation.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The Bank agrees that no termination fee or other charge not specifically provided for in this Agreement will be due or payable by the Issuer in connection with any early termination of this Agreement.

**Section 6.11. Governing Law.**

This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

[The remainder of this page is intentionally left blank.]



**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the day and year first above written.

\_\_\_\_\_

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

Title: \_\_\_\_\_

Mailing Address:

\_\_\_\_\_

\_\_\_\_\_, Texas 7\_\_\_\_\_

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 17**

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

Title: Pricing Officer

Address:

3812 Eck Lane

Austin, Texas 78734

**SCHEDULE A**

**Paying Agent/Registrar Fee Schedule**

## PAYING AGENT/REGISTRAR AGREEMENT

**THIS AGREEMENT** entered into as of \_\_\_\_\_, 2016 (this "Agreement"), by and between Travis County Water Control and Improvement District No. 17 (the "Issuer"), and \_\_\_\_\_, \_\_\_\_\_, Texas, a banking corporation duly organized and existing under the laws of the United States of America (the "Bank").

### RECITALS

**WHEREAS**, the Issuer has duly authorized and provided for the issuance of its \$\_\_\_\_\_ Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Refunding Bonds, Series 2016, (the "Securities"), such Securities to be issued in fully registered form only as to the payment of principal and interest thereon; and

**WHEREAS**, the Securities are scheduled to be delivered to the initial purchasers thereof on or about \_\_\_\_\_, 2016; and

**WHEREAS**, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on the Securities and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

**WHEREAS**, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

**NOW, THEREFORE**, it is mutually agreed as follows:

### ARTICLE ONE APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

#### **Section 1.01. Appointment.**

The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities. As Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof, all in accordance with this Agreement and the "Order" (hereinafter defined).

The Issuer hereby appoints the Bank as Registrar with respect to the Securities. As Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of the Securities and with respect to the transfer and exchange thereof as provided herein and in the "Order."

The Bank hereby accepts its appointment, and agrees to serve as the Paying Agent and Registrar for the Securities.

**Section 1.02. Compensation.**

As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in Schedule A attached hereto for the first year of this Agreement and thereafter the fees and amounts set forth in the Bank's current fee schedule then in effect for services as Paying Agent/Registrar for political subdivisions, which shall be supplied to the Issuer on or before 90 days prior to the close of the Fiscal Year of the Issuer, and shall be effective upon the first day of the following Fiscal Year.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

**ARTICLE TWO  
DEFINITIONS**

**Section 2.01. Definitions.**

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

"Bank Office" means the designated office for payment of the Bank as indicated on the signature page hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

"Financial Advisor" is Specialized Public Finance Inc.

"Fiscal Year" means the fiscal year of the Issuer, ending September 30.

"Holder" and "Security Holder" each means the Person in whose name a Security is registered in the Security Register.

"Issuer Request" and "Issuer Order" means a written request or Order signed in the name of the Issuer by an authorized representative, delivered to the Bank.

"Legal Holiday" means a day on which the Bank is required or authorized to be closed.

"Order" means the Order of the governing body of the Issuer pursuant to which the Securities are issued, certified by the Secretary of the Board or any other officer of the Issuer and delivered to the Bank.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government.

"Predecessor Securities" of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Order).

"Redemption Date" when used with respect to any Bond to be redeemed means the date fixed for such redemption pursuant to the terms of the Order.

"Responsible Officer" when used with respect to the Bank means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Security Register" means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfer of the Securities.

"Stated Maturity" means the date specified in the Order on which the principal of a Security is scheduled to be due and payable.

## **Section 2.02. Other Definitions.**

The terms "Bank," "Issuer," and "Securities (Security)" have the meanings assigned to them in the recital paragraphs of this Agreement.

The term "Paying Agent/Registrar" refers to the Bank in the performance of the duties and functions of this Agreement.

## **ARTICLE THREE PAYING AGENT**

### **Section 3.01. Duties of Paying Agent.**

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the principal of each Security at its Stated Maturity or Redemption Date, to the Holder upon surrender of the Security to the Bank at the Bank Office.

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and preparing and sending checks by United States Mail, first-class postage prepaid, on each payment date, to the Holders of the Securities (or their Predecessor Securities) on the respective Record Date, to the address appearing on the Security Register or by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder's risk and expense.

Principal and interest payments made pursuant to this Section 3.01 shall be made by wire transfer.

**Section 3.02. Payment Dates.**

The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Order.

**Section 3.03 Reporting Requirements.**

To the extent required by the Internal Revenue Code of 1986, as amended, or the Treasury Regulations, the Bank shall report to or cause to be reported to the Holders and the Internal Revenue Service the amount of interest paid or the amount treated as interest accrued on the Securities which is required to be reported by the Holders on their returns of federal income tax.

**ARTICLE FOUR  
REGISTRAR**

**Section 4.01. Security Register - Transfers and Exchanges.**

The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the "Security Register"), and, if the Bank Office is located outside the State of Texas, a copy of such books and records shall be kept in the State of Texas, for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. The Bank also agrees to keep a copy of the Security Register within the State of Texas. All transfers, exchanges and replacement of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the National Association of Securities Dealers, in form satisfactory to the Bank, duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

**Section 4.02. Certificates.**

The Issuer shall provide an adequate inventory of printed Securities certificates to facilitate transfers or exchanges thereof. The Bank covenants that the inventory of printed Securities certificates will be kept in safekeeping pending their use, and reasonable care will be exercised by the Bank in maintaining such Securities certificates in safekeeping, which shall be not less than the level of care maintained by the Bank for debt securities of other political subdivisions or corporations for which it serves as registrar, or that it maintains for its own securities.

**Section 4.03. Form of Security Register.**

The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

**Section 4.04. List of Security Holders.**

The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security Register. The Issuer may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order or other notice of a legal proceeding and prior to the release or disclosure of any of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the same or such release or disclosure of the contents of the Security Register.



**Section 4.05. Return of Cancelled Certificates.**

The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

**Section 4.06. Mutilated, Destroyed, Lost or Stolen Securities.**

The Issuer hereby instructs the Bank, subject to the applicable provisions of the Order, to deliver and issue Securities certificates in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities certificates as long as the same does not result in an overissuance.

In case any Security shall be mutilated, or destroyed, lost or stolen, the Bank, in its discretion, may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such destroyed lost or stolen Security, only after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, or destroyed, lost or stolen.

**Section 4.07. Transaction Information to Issuer.**

The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities certificates it has paid pursuant to Section 3.01, Securities certificates it has delivered upon the transfer or exchange of any Securities certificates pursuant to Section 4.01, and Securities certificates it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities certificates pursuant to Section 4.06.

**ARTICLE FIVE  
THE BANK**

**Section 5.01. Duties of Bank.**

The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

The Bank is authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum as prepared by the Issuer's Financial Advisor or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum acknowledged by the Issuer, the Issuer's Financial Advisor or other agent as the final closing memorandum. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

**Section 5.02. Reliance on Documents, Etc.**

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank by the Issuer.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proven that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any Order, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities certificates containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a Order, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security, or other paper or document supplied by the Issuer.

(e) The Bank may consult with legal counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon, provided that any such written advice or opinion is supplied to the Issuer by the Bank.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

**Section 5.03. Recitals of Issuer.**

The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

**Section 5.04. May Hold Securities.**

The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

**Section 5.05. Moneys Held by Bank.**

The Bank shall deposit any moneys received from the Issuer into a segregated account to be held by the Bank solely for the benefit of the owners of the Securities to be used solely for the payment of the Securities, with such moneys in the account that exceed the deposit insurance available to the Issuer by the Federal Deposit Insurance Corporation, to be fully collateralized with securities or obligations that are eligible under the laws of the State of Texas to secure and be pledged as collateral for such accounts until the principal and interest on such securities have been presented for payment and paid to the owner thereof. Payments made from such account shall be made by check drawn on such account unless the owner of such Securities shall, at its own expense and risk, request such other medium of payment.

Subject to the Unclaimed Property Law of the State of Texas, any money deposited with the Bank for the payment of the principal, premium (if any), or interest on any Security and remaining unclaimed for three years after the final maturity of the Security has become due and payable will be paid by the Bank to the Issuer if the Issuer so elects, and the Holder of such Security shall hereafter look only to the Issuer for payment thereof, and all liability of the Bank with respect to such monies shall thereupon cease. If the Issuer does not elect, the Bank is directed to report and dispose of the funds in compliance with Title Six of the Texas Property Code, as amended.

**Section 5.06. Indemnification.**

To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on the Bank's part, arising out of or in connection with the Bank's acceptance or administration of its duties hereunder, including the cost and expense incurred by the Bank in defending against any claim or from liability imposed on the Bank in connection with the Bank's exercise or performance of any of its powers or duties under this Agreement.

**Section 5.07. Interpleader.**

The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the Travis County, Texas, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in Travis County, Texas to determine the rights of any Person claiming any interest herein.

**Section 5.08. Depository Trust Company Services.**

It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements," effective August 1, 1987, which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

Attached hereto is a copy of the Blanket Issuer Letter of Representations between the Issuer and The Depository Trust Company, New York, New York, providing for the Bonds to be issued in a Book-Entry Only System. The Bank and the Issuer hereby confirm their obligations under such Letter of Representation.

**ARTICLE SIX  
MISCELLANEOUS PROVISIONS**

**Section 6.01. Amendment.**

This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

**Section 6.02. Assignment.**

This Agreement may not be assigned by either party without the prior written consent of the other.

**Section 6.03. Notices.**

Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page of this Agreement.

**Section 6.04. Effect of Headings.**

The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

**Section 6.05. Successors and Assigns.**

All covenants and agreements herein by the Issuer and the Bank shall bind their respective successors and assigns, whether so expressed or not.

**Section 6.06. Severability.**

In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 6.07. Benefits of Agreement.**

Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

**Section 6.08. Entire Agreement.**

This Agreement and the Order constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Order, the Order shall govern.

**Section 6.09. Counterparts.**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

**Section 6.10. Termination.**

This Agreement will terminate on the date of final payment by the Bank of the principal of and interest on the Securities to the Holders thereof.

This Agreement may be earlier terminated upon 30 days written notice by either party; provided, however, that this Agreement may not be terminated (i) by the Bank until a successor Paying Agent/Registrar that is a national or state banking institution and a corporation or association organized and existing under the laws of the United States of America or of any state which possesses trust powers and is subject to supervision or examination by a federal or state regulatory agency has been appointed by the Issuer and has accepted such appointment, or (ii) at any time during which such termination might, in the judgment of the Issuer, disrupt, delay, or otherwise adversely affect the payment of the principal, premium, if any, or interest on the Securities. Prior to terminating this Agreement, the Issuer may reasonably require the Bank to show that such termination will not occur during a period described in (ii) above.

The resigning Paying Agent/Registrar may petition any court of competent jurisdiction for the appointment of a successor Paying Agent/Registrar if an instrument of acceptance by a successor Paying Agent/Registrar has not been delivered to the resigning Paying Agent/Registrar within 30 days after the giving of such notice of resignation.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The Bank agrees that no termination fee or other charge not specifically provided for in this Agreement will be due or payable by the Issuer in connection with any early termination of this Agreement.

**Section 6.11. Governing Law.**

This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

[The remainder of this page is intentionally left blank.]

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the day and year first above written.

\_\_\_\_\_

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

Title: \_\_\_\_\_

Mailing Address:

\_\_\_\_\_

\_\_\_\_\_, Texas 7\_\_\_\_\_

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 17**

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

Title: Pricing Officer

Address:

3812 Eck Lane

Austin, Texas 78734



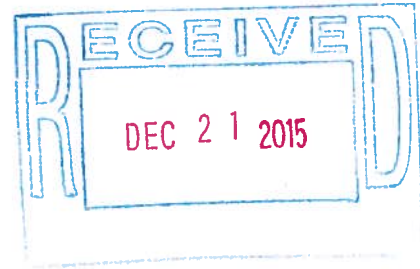
**SCHEDULE A**

**Paying Agent/Registrar Fee Schedule**



# SECURITY BENEFIT®

PO Box 55976  
Boston, MA 02205-5976



December 2015

Travis County Water  
Attn: Business Office  
3812 Eck Lane  
Austin, TX 78734

Re: Restatement of the Travis County Water Control and Improvement, 612017000 and Travis County Water Control & Improvement District No. 17 401(a) Plan, 801288000

Dear Retirement Plan Sponsor,

As your 457 and 401(a) Plan provider, Security Benefit is committed to assisting you with your responsibility to keep your Plan in compliance with all applicable regulatory guidelines. The documents governing your retirement plans currently need to be amended and restated to comply with IRS regulations.

#### 457(b) Plans

The new plan document is fully consistent with all applicable regulations. In addition, the new plan document will not only keep your plan in compliance, but will also provide more robust and flexible plan options for you, such as allowing you to include or exclude certain classes of employees, the ability to expand distribution options, and more. The features of your current plan were mapped to the new document. Please note, there is no fee for this restatement.

**Please sign the signature page of the Adoption Agreement and Resolution documents by January 31, 2016 and return to us by February 29, 2016.** You may email or fax the document to: [ges.compliance@securitybenefit.com](mailto:ges.compliance@securitybenefit.com) or fax 785-438-4960.

#### 401(a) Plans

The IRS requires that plan documents be updated from time to time. All defined contribution plan documents must be restated to incorporate language and provisions from the Pension Protection Act (PPA) of 2006 and various other required amendments that took effect between 2010 and 2015. The features of your current plan were mapped to the new document. Please note, there is no fee for this restatement.

**Please sign the signature page of the Adoption Agreement and Resolution documents by January 31, 2016 and return to us by February 29, 2016.** You may email or fax the document to: [ges.compliance@securitybenefit.com](mailto:ges.compliance@securitybenefit.com) or fax 785-438-4960.

Although the Adoption Agreement is used most often, it alone does not comprise your plan document. The Adoption Agreement works in conjunction with the Basic Plan Document in satisfying the written plan document requirement in order for plan contributions to be tax deductible. Therefore, it is very important that you retain all of these documents in your permanent files. If you have any questions, please contact Lesa Pugh at 785-438-3286 or Diane Cray at 785-438-3043.

Sincerely,

Security Benefit  
Retirement Plan Operations

## **2015 Plan Document Restatement – 457(b) Plans Frequently Asked Questions**

**Q: Why do my plan documents need to be restated?**

A: There are two reasons for this restatement:

1. Generally speaking, plan documents must be restated from time to time to comply with IRS regulatory changes. The new plan documents are consistent with all current applicable regulations.
2. The new plan documents are more comprehensive and offer increased flexibility in selecting your plan provisions.

**Q: Do I need to provide all plan provisions to Security Benefit again?**

A: No. We have mapped your existing plan provisions into the new documents. We ask that you review these provisions to ensure they are all current. If changes to your plan document are necessary, we ask that you write these changes on the document in the applicable sections and return them to us with the signature page. We will make updates to the plan document and send a clean copy for your records.

**Q: Is there a charge for this restatement?**

A: No. Security Benefit is absorbing the charge associated with this restatement.

**Q: I use a different provider's 457 plan document. Do I still need to return the signed Security Benefit document?**

A: No. Please return a copy of your current plan document for our records.

**Q: When do I need to sign and return the documents to Security Benefit?**

A: Your documents must be signed by the end of your plan year. Please refer to your Adoption Agreement to identify the plan year end date if necessary. Your signed documents should be returned to us by February 29, 2016.

**Q: What should I do with the Summary?**

A: This document should be distributed to the Participants. It describes the plan features in layman's terms.

**ADOPTING RESOLUTION**

The undersigned authorized representative of Travis County Water (the Employer) hereby certifies that the following resolutions were duly adopted by the Employer on \_\_\_\_\_, and that such resolutions have not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended 457 Plan and Trust effective July 1, 2015, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

The undersigned further certifies that attached hereto as Exhibits A and B, respectively, are true copies of Travis County Water Control and Improvement as amended and restated and the Summary of 457 Provisions, which are hereby approved and adopted.

Date: \_\_\_\_\_

Signed: \_\_\_\_\_

\_\_\_\_\_  
[print name/title]

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT

PARTICIPANT LOAN POLICY

Travis County Water Control and Improvement permits loans to be made to Participants, their beneficiaries, and alternate payees pursuant to a written loan policy. All references to Participants in this loan policy include Participants who are active employees.

The Plan Administrator is authorized to administer the Participant loan policy. A Participant must apply to the Plan Administrator for a loan in the manner set forth by the Plan Administrator.

1. LOAN APPLICATION/BORROWER QUALIFICATION. Any Participant may apply for a loan from the Plan. A Participant must apply for each loan with an application which specifies the amount of the loan desired, the requested duration for the loan and the source of security for the loan.

All loan applications will be considered by the Plan Administrator within a reasonable time after the Participant applies for the loan.

2. LOAN LIMITATIONS. The Plan Administrator will not approve any loan to a Participant in an amount which exceeds 50% of his or her nonforfeitable account balance. The maximum aggregate dollar amount of loans outstanding to any Participant may not exceed \$50,000, reduced by the excess of the Participant's highest outstanding Participant loan balance during the 12-month period ending on the date of the loan over the Participant's current outstanding Participant loan balance on the date of the loan. With regard to any loan made pursuant to this loan policy, the following rule(s) and limitation(s) will apply, in addition to such other requirements set forth in the Plan:

- No loan in an amount less than \$1,000 will be granted to any Participant.
- A Participant can have One loan(s) currently outstanding from the Plan.
- Loan refinancing is not permitted.
- Loans will be permitted for any reasonable purpose.

3. EVIDENCE AND TERMS OF LOAN. The Plan Administrator will document every loan in the form of a promissory note signed by the Participant for the face amount of the loan, together with a commercially reasonable rate of interest.

Any loan granted or renewed under this policy will bear an interest rate equal to 2% above the prime rate.

The loan must provide at least quarterly payments under a level amortization schedule. If the Participant is currently employed by the Employer, the Plan Administrator will require the Participant receiving a loan from the Plan to enter into either a payroll deduction or an ACH agreement to repay the loan.

The Plan Administrator will fix the term for repayment of any loan, however, in no instance may the term of repayment be greater than five years, unless the loan qualifies as a home loan. A "home loan" is a loan used to acquire a dwelling unit which, within a reasonable time, the Participant will use as a principal residence. The term for a home loan will be 15 years.

All loans will be considered a directed investment from the account(s) of the Participant maintained under the Plan. As such, all payments of principal and interest made by the Participant will be credited only to the account(s) of such Participant.

A loan, if not otherwise due and payable, is due and payable on the date of the Participant's termination of employment with the Employer unless the Participant is a "party in interest" as described above.

A loan, if not otherwise due and payable, is due and payable on termination of the Plan, notwithstanding any contrary provision in the promissory note. Nothing in this loan policy restricts the Employer's right to terminate the Plan at any time.

Participants should note the law treats the amount of any loan (other than a "home loan") not repaid five years after the date of the loan as a taxable distribution on the last day of the five year period or, if sooner, at the time the loan is in default. If a Participant extends a non-home loan having a five year or less repayment term beyond five years, the balance of the loan at the time of the extension is a taxable distribution to the Participant.

4. SECURITY FOR LOAN. The Plan will require that adequate security be provided by the Participant before a loan is granted. For this purpose, the Plan will consider a Participant's interest under the Plan (account balance) to be adequate security. However, in no event will more than 50% of a Participant's vested interest in the Plan (determined immediately after origination of the loan) be used as security for the loan. Generally, it will be the policy of the Plan not to make loans which require security other than the Participant's vested interest in the Plan. However, if additional security is necessary to adequately secure the loan, then the Plan Administrator will require that such security be provided before the loan will be granted.

5. **FORM OF PLEDGE.** The pledge and assignment of a Participant's account balances will be in the form prescribed by the Plan Administrator.
6. **LEAVE OF ABSENCE/SUSPENSION OF PAYMENT.** The Plan Administrator will suspend loan repayments for a period not exceeding one year which occurs during an approved leave of absence, either without pay from the Employer or at a rate of pay (after applicable employment tax withholdings) that is less than the amount of the installment payments required under the terms of the loan. The Plan Administrator will provide the Participant with a written explanation of the effect of the leave of absence upon his or her Plan loan.
7. **PAYMENTS AFTER LEAVE OF ABSENCE.** When payments resume following a payment suspension in connection with a leave of absence authorized above, the Participant will select one of the following methods to repay the loan, plus accumulated interest:
- The Participant will increase the amount of the required installments to an amount sufficient to amortize the remaining balance of the loan, plus accrued interest, over the remaining term of the loan.
  - The Participant will pay a balloon payment of the remaining unpaid principal and interest, at the conclusion of the term of the loan as determined in the promissory note.
  - The Participant may extend the maturity of the loan and re-amortize the payments over the remaining term of the loan. In no event will the amount of the adjusted installment payment be less than the amount of the installment payment provided under the promissory note. In the case of a non-military leave of absence, the revised term of the loan will not exceed the maximum term permitted under item 3 above. In the case of a military leave of absence, the revised term of the loan will not exceed the maximum term permitted under item 3 above, augmented by the time the Participant was actually in United States military service.
8. **DEFAULT.** The Plan Administrator will treat a loan as in default if:
- any scheduled payment is missed (no grace period)
  - any scheduled payment remains unpaid beyond the last day of the calendar quarter following the calendar quarter in which the Participant missed the scheduled payment

Upon default, the Participant will have the opportunity to repay the loan, resume current status of the loan by paying any missed payment plus interest or, if distribution is available under the Plan, request distribution of the note. If the loan remains in default, the Plan Administrator will offset the Participant's vested account balances by the outstanding balance of the loan to the extent permitted by law. The Plan Administrator will treat the note as repaid to the extent of any permissible offset. Pending final disposition of the note, the Participant remains obligated for any unpaid principal and accrued interest.

9. **FEES.** If you apply for a loan, you will be charged for Plan expenses associated with the loan. The application fee (including processing and document preparation) is \$50.00. The annual maintenance fee is \$50.00. All fees are subject to change.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_. This loan policy may be amended from time to time.

\_\_\_\_\_  
Signature of Plan Administrator  
Travis County Water Control and Improvement

## 2015 Plan Document Restatement – 401(a) Plans Frequently Asked Questions

**Q: Why do my plan documents need to be restated?**

A: The IRS requires that plan documents be updated from time to time. All defined contribution plan documents must be restated to incorporate language and provisions from the Pension Protection Act (PPA) of 2006 and various other required amendments that took effect between 2010 and 2015.

**Q: Do I need to provide all plan provisions to Security Benefit again?**

A: No. We have mapped your existing plan provisions into the new documents. We ask that you review these provisions to ensure they are all current. If corrections to your plan document are necessary, we ask that you write these corrections on the document in the applicable sections and return them to us with the signature page. We will make updates to the plan document and send a clean copy for your records.

**Q: Is there a charge for this restatement?**

A: No. Security Benefit is absorbing the charge associated with this restatement.

**Q: When do I need to sign and return the documents to Security Benefit?**

A: Your documents must be signed by January 31, 2016 and returned to us by February 29, 2016.

**Q: What should I do with the Summary?**

A: This document should be distributed to the Participants. It describes the plan features in layman's terms.

**ADOPTING RESOLUTION**

The undersigned authorized representative of Travis County Water Control & Improvement District No. 17 (the Employer) hereby certifies that the following resolution was duly adopted by the Employer on \_\_\_\_\_, and that such resolution has not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended Plan and Trust effective January 1, 2016, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

The undersigned further certifies that attached hereto are true copies of Travis County Water Control & Improvement District No. 17 401(a) Plan as amended and restated, and the Summary of Plan Provisions, which are hereby approved and adopted.

Date: \_\_\_\_\_

Signed: \_\_\_\_\_

\_\_\_\_\_  
[print name/title]





# State of Texas CO-OP Program

## What is the State of Texas CO-OP Program?

Created by legislation in 1979, the Texas Comptroller of Public Accounts (CPA) State of Texas CO-OP Program offers members a unique opportunity to make the most of their purchasing dollars and efforts by using the State of Texas volume buying power.

### Who can join?

- Local governments
- MHMR community centers
- Assistance organizations
- Texas Rising Star Providers (certified by the Texas Workforce Commission)

Sections 271.081-271.083, Local Government Code, and Sections 2155.202 and 2175.001(1), Government Code, provide the legal authority for the CO-OP Program:

## Why should you join the State of Texas CO-OP?

- **Get Best Value for Your Purchases** – Our purchasers competitively bid and award hundreds of contracts in accordance with state purchasing statutes and competitive bidding requirements. You reap the savings for your organization and ultimately for the citizens of Texas.
- **Save Valuable Time and Effort** – No bidding, just order from hundreds of established state contracts.
- **Search Thousands of Vendors** – Looking for something not on one of our negotiated contracts? Use our Centralized Master Bidder's List to identify vendors from our database of over 12,000 companies (including HUB). <http://www2.CPA.state.tx.us/cmbi/cmbihub.html>
- **Post Bid and Award Notices on the Electronic State Business Daily** – As a CO-OP member, set up FREE password access to the Electronic State Business Daily (ESBD) where you can post your entity's solicitations to increase vendor participation and provide public notice of awards. <http://esbd.CPA.state.tx.us/>
- **Save Money on Travel** – Qualified CO-OP members may use the State Travel Management Program for discounted rates on rental cars and over 1,000 hotels.

If you have any questions or need more information about our program please feel free to e-mail [coop@cpa.state.tx.us](mailto:coop@cpa.state.tx.us) or call (512) 463-3368.



# State of Texas CO-OP Program

## Accessing the State of Texas CO-OP on the Internet

Go to the State of Texas CO-OP web site: <http://www.window.state.tx.us/coop>

- **CO-OP Forms Library:** This is the complete CO-OP forms library, to include the application, name change form, purchase order forms, and school bus specifications.
- **Term Contracts:** All CPA term contracts have been competitively bid, saving you valuable time. This is a complete numeric listing of all of the current CPA term contracts. To access the contract, click on the contract number. To use state term contracts please follow the ordering instructions on the contract. The state's online ordering system, TxSmartBuy will generate a state purchase order on your behalf, forwarding a copy to you and to the vendor. The vendor will then ship the merchandise and invoice your entity directly. CPA has awarded term contracts for many commodities and services, including:

- Copiers
- Vehicles
- Office Supplies
- Procurement Card Services
- Appliances
- Road and Highway Equipment
- Police Equipment
- Pharmaceuticals
- Cleaning Supplies
- Food

- **TXMAS Information:** This is a complete listing of the Texas Multiple Award Schedules (TXMAS). TXMAS contracts feature the most favored customer pricing and the possibility of negotiation. TXMAS can be used as alternative volume contracts if you cannot find the items you need on the CPA term contracts.
- **Managed Contracts:** Managed term contracts are established by TPASS, the Council on Competitive Government (CCG) or the Strategic Sourcing Division for unique items and allow you to order directly from the awarded contractor.
- **CMBL Search:** This feature enables you to access the state Centralized Master Bidders List to create a bid list by product/ service code. You may narrow the search by entering a county, city or zip code. This is a vendor list only. You should use this only as a vendor resource. You will need to follow your local bid requirements to purchase from these vendors.
- **State Travel Management Program:** Texas Government Code, Sections 2171.001-2171.055 extend the state travel management contracts to certain members of the State of Texas CO-OP program. Eligible entities include Municipalities, Counties, School Districts, Public Junior and Community Colleges, and Emergency Communication Districts, hospital districts and transit/transportation districts.

The screenshot displays the 'Window on State Government' website. The main navigation bar includes links for HOME, ABOUT US, TEXAS TAXES, EDUCATION, FINANCES & ECONOMY, STATE PURCHASING, FORMS, and e-SERVICES. The 'STATE PURCHASING' section is highlighted. The page title is 'State Purchasing' and the sub-header is 'State of Texas CO-OP Purchasing'. The content area describes the program, its benefits (Save Time and Money, Order Online), and provides a 'Sign Up' button. A sidebar on the left lists 'Resources' and 'Publications'. A sidebar on the right lists 'Related Links' and 'External Links'. The footer contains contact information for Susan Combs, Texas Comptroller of Public Accounts.



# State of Texas CO-OP Program

## State of Texas CO-OP Application

Name of Authorized Individual

*(NOTE: This person is authorized to sign for purchases and will receive all correspondence from CPA. Additional authorized signers or Agents of Record may be listed on the resolution with the signatures documented at the bottom of the resolution.)*

Organization/Qualified Entity Name

Address

City, State, Zip Code

Email Address (More than one may be listed.)

Phone Number

Fax Number

The annual membership fee for participation in the State of Texas CO-OP is: **\$100.00 – FEE IS NON-REFUNDABLE**

**Please make checks payable to:**

**Texas Comptroller of Public Accounts**

**Please mail to:**

**Texas Comptroller of Public Accounts  
P.O. Box 13186  
Austin, TX 78711**

**PLEASE RETURN THIS FORM WITH PAYMENT  
AND ALL REQUIRED DOCUMENTS AND SIGNATURES**

Questions? Contact the CO-OP at (512) 463-3368 or at [coop@cpa.state.tx.us](mailto:coop@cpa.state.tx.us).



# RESOLUTION

**State of Texas**  
**County of** \_\_\_\_\_

Whereas, the Texas Comptroller of Public Accounts is authorized to provide purchasing services for local governments pursuant to §§ 271.082 and 271.083 of the Local Government Code;

and **WHEREAS**, the \_\_\_\_\_  
(e.g., Commissioner’s Court, City Council, School Board, Board of Directors)

of \_\_\_\_\_, is a: (Check one of the following.)  
(Name of Qualified Entity)

- |  |   |
|--|---|
| <input type="radio"/> County   | <input type="radio"/> Independent School District   |
| <input type="radio"/> Municipality                                     | <input type="radio"/> Junior College District   |
| <input type="radio"/> Political Subdivision (Special Districts, Other) | <input type="radio"/> Mental Health and Mental Retardation Community Center                       |
| <input type="radio"/> Assistance Organization                          | <input type="radio"/> Texas Rising Star Provider<br>(certified by the Texas Workforce Commission) |

defined as an entity qualified to participate in the Cooperative Purchasing Program of the Texas Comptroller of Public Accounts pursuant to § 271.081 of the Local Government Code; and

WHEREAS, in accordance with the requirements of 34 TAC §20.85 administrative rules, the Agent(s) of Record,  
\_\_\_\_\_, \_\_\_\_\_  
(Name of Person) (Title)

(and \_\_\_\_\_, \_\_\_\_\_) is/are authorized to execute  
(Name of Person) (Title)

any and all documentation for \_\_\_\_\_ pertaining to its participation in the Texas Comptroller of Public Accounts Cooperative Purchasing Program; and

WHEREAS, \_\_\_\_\_ acknowledges its obligation to pay participation fees established  
(Entity Name)  
by the Texas Comptroller of Public Accounts.

NOW, THEREFORE BE IT RESOLVED, that request be made to the Texas Comptroller of Public Accounts to approve \_\_\_\_\_ for participation in the Texas Comptroller of Public Accounts Cooperative Purchasing Program.  
(Entity Name)

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by \_\_\_\_\_  
(Entity Name)

By: \_\_\_\_\_  
(Signature of Chair)

\_\_\_\_\_  
(Signature of Agent of Record)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Name/Title of Agent of Record)

\_\_\_\_\_  
(Title of Chair)

\_\_\_\_\_  
(Signature of Agent of Record)

\_\_\_\_\_  
(Name/Title of Agent of Record)



# State of Texas CO-OP Program

## Documents required for proof of eligibility

Submit all documentation required as proof of eligibility at the time you apply for membership in the State of Texas CO-OP. All documentation must be on file at the State of Texas CO-OP BEFORE a determination of eligibility can be made.

### Local Governments

County, Independent School District, Municipality, Jr. College District, Volunteer Fire Department

*Documents required:*

- ✓ Board approved resolution

### MHMR Community Centers

*Documents required:*

- ✓ Board approved resolution

### Special Districts or Other Legally Constituted Political Subdivisions of the State

*Documents required:*

- ✓ Board approved resolution
- ✓ Documentation evidencing creation of entity including statutory citation.  
This can be in the form of:
  - a. Legislation in which the entity was created by name
  - b. A resolution passed by a city or a county stating that there is a need for the entity to exist and actually creating the entity

### Assistance Organizations

Non-profit organizations that receive state funds and provide educational, health, or human services or provide assistance to homeless individuals

*Documents required:*

- ✓ Board approved resolution
- ✓ Articles of Incorporation and Certificate of Incorporation. A letter from the Secretary of State with the entity's charter number evidencing that the entity filed for incorporation will be accepted in lieu of a Certificate of Incorporation. **The State of Texas CO-OP cannot accept by-laws in lieu of Articles of Incorporation**
- ✓ Current contract or grant from a State agency to prove State funding. This document must show beginning and end dates for the current State of Texas Fiscal Year, and these dates must be valid at the time the application is reviewed.

### Texas Rising Star Providers

Childcare providers certified as Texas Rising Star Providers by Texas Workforce Commission

*Documents required:*

- ✓ Board Approved Resolution



**NOW THEREFORE**, it is ordered by the Board of Directors of Travis County Water Control & Improvement District No. 17 that:

**Section 1:** The above recitals are true and correct and are incorporated into this Order for all purposes.

**Section 2:** The District shall hold a public hearing, beginning at 6:45 p.m., on March 17, 2016, at the District's offices at 3812 Eck Lane, Austin, Texas 78734, to review and discuss the proposed amendments to the Land Use Assumptions, a Capital Improvements Plan and Water Impact Fee for the District Wide Water System, and determine whether such amendments should be adopted. Notice of such hearing shall be provided as required by Chapter 395 of the Texas Local Government Code.

**Section 4:** The District's General Manager, Engineer, and General Counsel are authorized to take all actions necessary to carry out the purposes of this Order and otherwise comply with applicable Texas laws and regulations, including, but not limited to, Chapter 395 of the Texas Local Government Code.

**PASSED AND APPROVED** this \_\_\_\_\_ day of January, 2016.

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Jeff Roberts, President  
Board of Directors

ATTEST:

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Jerri Lynn Ward, Secretary