



**CITY OF MARSHALL, TEXAS
REGULAR CITY COMMISSION MEETING
COMMISSION CHAMBERS, CITY HALL, 401 SOUTH ALAMO
THURSDAY, JULY 23, 2020, 12:00 P.M.**

This meeting will be conducted utilizing a video and audio conferencing tool, as well as, a standard conference call. Instructions and direct links to view the meeting or speak during Citizen Comment can be found at www.marshalltexas.net.

**AGENDA INFORMATION PACKET IS AVAILABLE FOR THE
PUBLIC TO REVIEW ON THE CITY’S WEB SITE AFTER 8:00 A.M.
ON WEDNESDAY BEFORE THE MEETING AT
www.marshalltexas.net**

1. **CALL TO ORDER AND ROLL CALL**
Page 1

2. **INVOCATION AND PLEDGES**
Page 2

3. **CITIZEN COMMENTS**

House Bill 2840 requires that a governmental body must allow each member of the public who desires to address the body regarding an item on an agenda the opportunity to do so before or during the body's consideration of the item. The “Citizens Comments” portion of the meeting meets the requirements of this law and is the public’s opportunity to speak on any item on the agenda. Those who wish to speak will have three minutes to do so unless additional time has been requested.

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4. **ITEMS TO BE WITHDRAWN FROM CONSENT AGENDA**
Page 4

5. **CONSENT AGENDA**

The items on the Consent Agenda require little or no deliberation by the Commission. Approval of the Consent Agenda authorizes the City Manager or his designee to proceed with conclusion of

each in accordance with staff recommendations, a copy of which is filed with the minutes of the meeting. A Commissioner may remove items from the Consent Agenda by making such request prior to a motion and vote on the Consent Agenda.

- A. Consider approval of the minutes from the July 9, 2020 Regular meeting.

Page 5

- B. Monthly financial report. (Finance)

Page 9

6. **PUBLIC HEARING AND ORDINANCE**

- A. Conduct a public hearing and consider an ordinance amending the official zoning map regarding a rezoning a property described as 24.166 acres of land in the A. Langford Survey A- 400, from A-E (Agriculture and Estate) to PD (Planned Development). The property is located on the west side of South Washington Avenue between Oakley Drive and Alice Hope Road, more commonly known as 3409 Washington Avenue. (Director of Community & Economic Development)

Page 13

7. **CITY MANAGER REPORTS AND REQUESTS FOR CITY COMMISSION CONSIDERATION**

- A. Consider approval of the appointment of an Acting City Secretary/Finance Director. (City Manager)

Page 30

- B. Consider a Municipal Advisory Agreement with Hilltop Securities. (City Manager)

Page 32

8. **CONSIDERATION OF ITEMS WITHDRAWN FROM THE CONSENT AGENDA**
Page 55

9. **EXECUTIVE SESSION**

- A. Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Section 551.071 – Consultation with Attorney to discuss matters related to pending or contemplated litigation.

Page 56

10. **ADJOURNMENT**
Page 57

Posted: July 20, 2020
11:00 a.m.
Y. Graham

Marshall City Commission Meeting

July 23, 2020

Page 3

This meeting will be conducted in accordance with the Americans with Disabilities Act. Requests for sign interpretive services will be available with at least 48-hour notice prior to the meeting. To make arrangements for these services, please call the City Secretary's Office 903-935-4446.

ITEM 1

CALL TO ORDER AND ROLL CALL

ITEM 2

INVOCATION AND PLEDGES

ITEM 3

CITIZEN COMMENTS

ITEM 4

ITEMS TO BE WITHDRAWN FROM CONSENT AGENDA

ITEM 5A

CONSENT AGENDA

**APPROVAL OF THE MINUTES FROM
THE JULY 9, 2020 REGULAR MEETING**

Eric Powell, Public Works Director, provided information regarding a variety of grant applications to enhance the quality of life in the City of Marshall. He stated a street study was performed by Streetscan, determining the condition of every street owned by City of Marshall, to enable the Street Improvement Program to address the order in which streets need to be repaired. Eric also provided an update regarding the Capital Improvement Plan.

Wes Morrison, Community & Economic Development Director, provided information regarding Downtown Redevelopment and Design Review Standards.

Commissioners asked questions and discussed.

154. DISCUSSION OF MANDATING USE OF FACE COVERINGS.

This item was withdrawn.

155. CONSIDERATION OF ITEMS WITHDRAWN FROM THE CONSENT AGENDA

B. Street Sweeping Activity Report.

Commissioners asked questions and discussed.

Eric Powell provided information regarding the Street Sweeping Activity Report.

Wes Morrison stated Code Enforcement Officers must witness a violation in order to issue a citation.

Commissioner Calhoun made a motion to approve Item B of the Consent Agenda. Commissioner Ware seconded the motion, which passed with a vote of 6:0.

155. EXECUTIVE SESSION

A. An Executive Session pursuant to the Open Meetings Act, Chapter 551 of the Texas Government Code under Section 551.074 Personnel Matters: Discuss or deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: City Secretary/Finance Director Elaine Altman.

Commissioner Calhoun made a motion to convene into Executive Session. Mayor Brown seconded the motion, which passed with a vote of 6:0. The time was 12:50 p.m.

The Commission reconvened from Executive Session. The time was 1:08 p.m.

156. ACTION ITEM FOLLOWING EXECUTIVE SESSION

A. Take actions necessary as a result of the Executive Session regarding Personnel Matters – City Secretary/Finance Director: to deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of the City Secretary/Finance Director.

Commissioner Calhoun made a motion for Scott Rectenwald, Acting City Attorney, to accept the conditions of the resignation of Elaine Altman. Commissioner Bonner seconded the motion, which passed with a vote of 6:0.

157. **ADJOURNMENT**

Commissioner Ware made a motion for adjournment. Commissioner Bonner seconded the motion, which passed with a vote of 6:0.

APPROVED:

**Mayor of the City Commission
of the City of Marshall, Texas**

ATTEST:

Acting City Secretary

ITEM 5B

CONSENT AGENDA

MONTHLY FINANCIAL REPORT

MEMORANDUM

To: Mark Rohr, City Manager

From: Glenna Williams, Interim Finance Director

Date: July 16, 2020

Subject: June Revenue and Expense Report Summaries – General Fund and
Water and Sewer Enterprise Fund

Attached is the Revenue and Expense Report Summaries for June. This report provides current month, year to date, and budgeted amounts for major revenue categories and expenditures by department. The report also provides a percent of current budget. On average, a department will expend approximately 8.33% of its budget on a monthly basis and this can be used as a benchmark when reviewing this report.

CITY OF MARSHALL
REV/EXP/BUD - SHORT REPORT - NEW
PERIOD ENDING: JUNE, 2020

GENERAL FUND	CURRENT MONTH	CURRENT YTD	PRIOR YTD	REVISED ADOPTED BUDGET	ADOPTED BUDGET	6/12 IF ADOPTED BUDGE	PERCENT OF ADOPTED (6 month norm=50%)		REMAINING BUDGET
REVENUES:									
TAXES	593,713	6,283,752	6,099,197	12,467,306	12,467,306	6,233,653	50.4%	A	6,183,554
LICENSES & PERMITS	17,604	80,931	96,379	178,000	178,000	89,000	45.5%		97,069
INTERGOVERNMENTAL REVENUE	9,686	116,609	56,230	161,235	161,235	80,618	72.3%	B	44,626
FEES	410,179	2,418,044	2,269,683	5,200,894	5,200,894	2,600,447	46.5%	C	2,782,850
FINES & FORFEITURES	21,005	139,592	377,170	484,332	484,332	242,166	28.8%	D	344,740
MISCELLANEOUS REVENUE	13,219	986,477	1,287,905	2,573,331	2,573,331	1,286,666	38.3%	E	1,586,854
TOTAL GENERAL FUND REVENUE	1,065,406	10,025,405	10,186,565	21,065,098	21,065,098	10,532,549	47.6%		11,039,693
EXPENSES:									
GENERAL GOVERNMENT	35,604	265,852	225,081	555,300	555,300	277,650	47.9%		289,448
FINANCE	45,747	247,822	273,091	522,314	522,314	261,157	47.4%		274,492
POLICE	362,385	2,261,745	2,864,508	5,153,135	5,153,135	2,576,568	43.9%	E	2,891,390
FIRE	287,694	2,167,650	2,144,038	4,144,820	4,144,820	2,072,410	52.3%		1,977,170
PUBLIC WORKS	315,841	1,893,738	2,217,982	5,034,940	4,768,142	2,384,071	39.7%	F	2,874,404
PLANNING	87,487	313,089	197,259	598,469	598,469	299,235	52.3%		285,380
SUPPORT SERVICES	50,554	421,557	772,815	887,855	905,449	452,725	46.6%	G	483,892
TOURISM & PROMOTIONS	54,417	507,220	199,856	1,206,297	1,206,297	603,149	42.0%	G	699,077
PARKS & RECREATION	25,637	185,844	366,519	439,866	530,892	265,446	35.0%		345,048
NON DEPARTMENTAL	172,995	1,095,272	1,066,728	2,226,990	2,045,370	1,022,685	53.5%		950,098
APPRAISAL DISTRICT	23,327	69,981	70,115	97,910	97,910	48,955	71.5%		27,929
INTERFUND TRANSFERS				537,000	537,000	268,500			537,000
CAPITAL OUTLAY			54,283.48						
TOTAL GENERAL FUND EXPENSES	1,461,689	9,429,771	10,452,277	21,404,896	21,065,098	10,532,549	44.8%		11,635,327
TOTAL GENERAL FUND	(396,283)	595,634	(265,712)	(339,798)				H	(595,634)

A - YTD Tax Revenue is up \$184k from prior year. Current YTD tax revenue includes sales taxes (down \$142k from 2019), property taxes (up \$335), and franchise taxes (down \$9k).

B - Intergovernmental Revenue increased \$60k from 2019. \$32k of this increase is for a COVID-19 grant the Fire Dept. received from Emergicon; \$19k is for revenue recognized to date from a \$269k CARES (Coronavirus Relief Fund) grant.

C - An increase in Fee Revenue (up \$148 from 2019) can be attributed to \$32k of additional ambulance revenue and \$186k of higher refuse collection fees. This increase is offset by lower Convention Center revenue (down \$51k) and lower golf course revenue (down \$16).

D - Fines & Forfeitures revenue is down \$238 from last year. \$171k of this reduction is due to the loss of Traffic Light Revenue; the balance, \$67k, is from lower Municipal Court fines resulting from Covid-19.

E - Offsetting revenue & expenses (totaling \$612k) were recorded in 2019 for the lease purchase of 12 police vehicles; this explains the reduction in Misc Revenue & Police Expenses from prior year.

F - Public Works expenses are \$324k lower than last year due to delayed and/or reduced (pending COVID-19 impact) street improvement expenditures.

G - Moving the Golf Course, Arena, and Library from the Support Services Dept. to the Tourism & Promotions Dept resulted in offsetting year over year expense variances (i.e., Support Services expenses are \$351k lower and Tourism expenses are \$308k higher than prior year)

H - General Fund YTD Net Income totals \$595k versus -\$265k in 2019. This increase is primarily a result of lower street improvement expenses and higher property tax revenue. Budget Amendments approved by the Commission in April are reflected in the Revised Budget column bottom line net loss of \$340k. This balance is slated to be paid out of Reserves.

CITY OF MARSHALL
REV/EXP/BUD - SHORT REPORT - NEW
PERIOD ENDING: JUNE, 2020

	CURRENT MONTH	CURRENT YTD	PRIOR YTD	REVISED ADOPTED BUDGET	ADOPTED BUDGET	6/12 OF ADOPTED BUDGET	PERCENT OF ADOPTED (6 month norm=50%)	REMAINING BUDGET
WATER & SEWER ENTERPRISE FUND								
REVENUES:								
PERMITS & FEES	1,246	4,329	7,019	11,400	11,400	5,700	38.0%	7,072
WATER & SEWER CHARGES	666,499	4,281,904	4,651,166	10,301,854	10,301,854	5,150,927	41.6%	6,019,950
MISCELLANEOUS REVENUES	96	9,152	43,757	72,000	72,000	36,000	12.7%	62,848
TOTAL W&S REVENUE	667,842	4,295,384	4,701,941	10,385,254	10,385,254	5,192,627	41.4%	A 6,089,870
EXPENSES:								
ADMINISTRATION	25,923.49	176,822.81	123,499.90	371,424.00	398,310.00	199,155.00	44.4%	221,487
WATER PRODUCTION	61,083.48	596,810.12	751,321.23	1,729,835.00	1,735,906.00	867,953.00	34.4%	1,139,096
DISTRIBUTION/COLLECTION	92,784.60	691,831.07	624,803.02	2,485,866.00	2,483,027.00	1,241,513.50	27.9%	1,791,196
WASTEWATER TREATMENT	72,629.74	609,184.23	717,038.38	1,711,986.00	1,718,056.00	859,028.00	35.5%	1,108,872
WATER BILLING	36,755.05	229,859.86	242,027.13	512,884.00	512,884.00	256,442.00	44.8%	283,024
ENGINEERING	2,238.98	16,625.07	30,083.50	31,576.00	31,576.00	15,788.00	52.7%	14,951
NON DEPARTMENTAL	77,598.80	612,295.08	545,777.15	1,029,769.00	990,267.00	495,133.50	61.8%	B 377,972
INTERFUND TRANSFERS	817,725.26	1,610,225.26	3,199,762.24	2,515,228.00	2,515,228.00	1,257,614.00	64.0%	C 905,003
TOTAL W&S EXPENSES	1,186,739	4,543,654	6,234,313	10,388,568	10,385,254	5,192,627	43.8%	5,841,601
TOTAL WATER & SEWER FUND	(518,898)	(248,270)	(1,532,371)	(3,314)	0	0		D 248,270

A - Water & Sewer revenue is down \$406k from 2019 and \$894k from 6 months of budget. The Summer will see a boost in water revenue, but COVID-19 has had a negative impact on revenue from partial shutdowns & citizens unable to pay utility bills).

B - Nondepartmental expenses are higher than prior year and budget due to higher insurance premiums and drag-up payments (vacation & sick payout) for terminated employees.

C - Interfund transfer payments for June reflect payments on debt. Debt and payments for YTD are \$1,589K less than 2019.

D - The net loss YTD is \$248K.

ITEM 6A

PUBLIC HEARING AND ORDINANCE

**CONDUCT A PUBLIC HEARING AND
CONSIDER AN ORDINANCE
AMENDING THE OFFICIAL ZONING
MAP FROM A-E (AGRICULTURE
AND ESTATE) TO PD (PLANNED
DEVELOPMENT). THE PROPERTY IS
COMMONLY KNOWN AS 3409
WASHINGTON AVENUE**



Agenda Information Sheet

July 23, 2020

Agenda Item Z-20-06:

consider an ordinance amending the official zoning map regarding a rezoning a property described as 24.166 acres of land in the A. Langford Survey A- 400, from A-E (Agriculture and Estate) to PD (Planned Development). The property is located on the west side of South Washington Avenue between Oakley Drive and Alice Hope Road, more commonly known as 3409 Washington Avenue.

The Planning & Zoning Commission recommended approval with conditions by a vote of 4-0-0.

Applicant	Marshall Christian Academy 3402 South Washington Avenue Marshall, Texas 75672
Property Owner	Marshall Christian Academy 3402 South Washington Avenue Marshall, Texas 75672
Surrounding Property Notices	20 Notices Sent within 200 ft of the Site 1 Responses back
Existing Zoning	A-E (Agriculture and Estate)
Proposed Zoning	PD (Planned Development)

Background:

On May 11th the Planning & Zoning Commission conducted a public hearing for the above stated rezoning request. After the public comment portion of that meeting, the Commission voiced the following concerns with the proposed planned development district:

- Buffer yard widths
- Additional access for the site
- Avoid staking (parking of cars) along South Washington

The Planning & Zoning Commission tabled the request to allow staff time to work with the applicant to address the concerns listed above.

After the applicant met with staff, a new concept plan has been submitted and is attached for the Commission's review. Changes in the concept plan include:

- Increasing landscape buffer from 10 feet to 15 feet on all sides except that property line to the south, a 30-foot buffer is proposed along the southern property line.
- Phases have been added to the project, Phase 1 includes the multi-purpose building and parking for 110 vehicles, Phase 2 includes a classroom building and recreation areas.
- The applicant also removed the football stadium and parking on the south portion of the concept plan, the use is still listed in permitted uses within the development standards but as the site develops and additional access points are acquired the applicant will have to come back and amend the concept plan

to show how the site will be developed accessed. Any amendment to a concept plan or the planned development requires a public hearing notice just like that of any other zoning change.

Based on the changes made by the applicant, on June 8th, the Planning & Zoning Commission recommended approval of the zoning change with the following conditions:

1. Phase 1 is the only phase that may be constructed with the one access to South Washington Avenue, all future phases may not be constructed until a second access point to the site is acquired.
2. Parking or staking of vehicles along South Washington Avenue is not permitted.

In addition, if the Commission recommends approval of the zoning change, then staff would also recommend the Future Land Use designation for this area be changes from “Rural” to “Public Service”. It is not required that the future land use designation be consistent with zoning however in this case the difference is so great that it would be a good practice to amend the future land use map.

Suggested Motions:

The following are motions that the Commission may make in moving this case forward to the City Commission.

1. Motion to approve case number Z-20-06 as recommended.
2. Motion to approve case number Z-20-06 with conditions.
3. Motion to deny case number Z-20-06.

Attachments:

1. Original Agenda Sheet – May 11, 2020
2. Proposed Development Standards
3. Proposed Concept Plan
4. Aerial of Site
5. Pictures of the Site
6. 200 Foot Notification Map
7. Letter of Opposition
8. Ordinance



Agenda Information Sheet

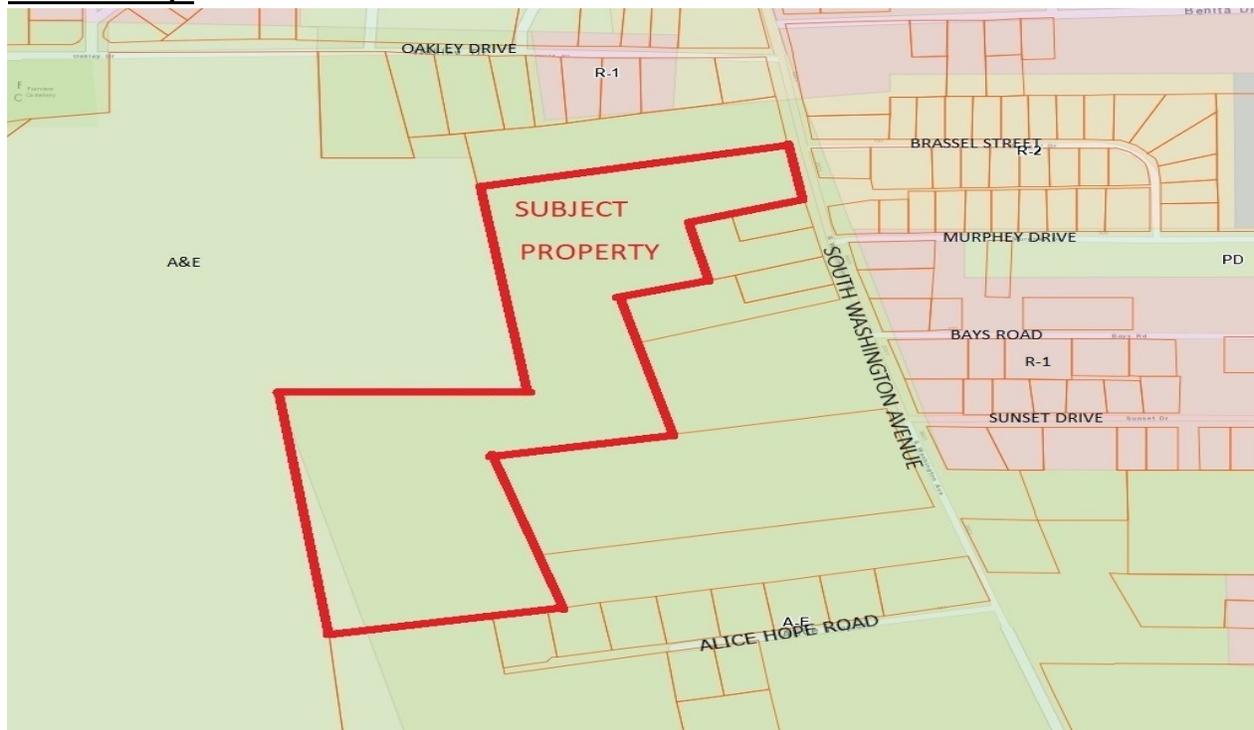
May 11, 2020

Agenda Item Z-20-06:

Conduct a public hearing and make a recommendation to the City Commission regarding a rezoning a property described as 24.166 acres of land in the A. Langford Survey A- 400, from A-E (Agriculture and Estate) to PD (Planned Development). The property is located on the west side of South Washington Avenue between Oakley Drive and Alice Hope Road, more commonly known as 3409 Washington Avenue.

Applicant	Marshall Christian Academy 3402 South Washington Avenue Marshall, Texas 75672
Property Owner	Marshall Christian Academy 3402 South Washington Avenue Marshall, Texas 75672
Surrounding Property Notices	20 Notices Sent within 200 ft of the Site 0 Responses back
Existing Zoning	A-E (Agriculture and Estate)
Proposed Zoning	PD (Planned Development)

Location Map:



Background & Summary of Request:

The Marshall Christian Academy is requesting a zoning change to construct a new campus that will include uses such as a elementary and secondary school, church, performing arts spaces, and athletic buildings, including an athletic field and stadium. It is anticipated the site will be developed in phases.

According to the Zoning Ordinance, a Planned Development District is established to provide for a way of developing property which involves activities or a combination of activities that the zoning ordinance does not allow. For instance, the numbers of uses commonly found on a school campus are not typically allowed in one zoning district. Planned Development Districts are a “create your own” zoning district and involve two different steps that can be combined into one or divided out, based on the property owner’s decision.

This particular application, the applicant is providing the development standards for the entire property.

Picture of the Site:



Existing Conditions:

The subject property is primarily vacant with some open areas on the north side and wooded on the south side. There is a storage building and an area for ball sports. The table below outlines the surrounding zoning and land uses:

	Zoning Classification	Land Use
North of the Property	A-E (Agricultural-Estate)	Single-family residences
East of the Property	R-2 (Single Family Residential)	Single-family residences
South of the Property	A-E (Agricultural-Estate)	Single-family residences
West of the Property	A-E (Agricultural-Estate)	Vacant

Water service to the site is provided by an existing 10” water line along the west side of South Washington Avenue. Sewer service is provided by an existing 6” sewer line along the east side of South Washington Avenue.

Development Review Analysis:

Below is an outline of the steps involved in creating a Planned Development District:

Step 1: Creation of Development Standards & Concept Plan– These standards is the regulations that will be applied to the subject property. They typically include items such as permitted uses, building setbacks, parking and landscaping requirements, etc. These standards are attached to the rezoning ordinance. In addition, a concept plan is provided to illustrate the planned layout of the site.

Step 2: Development Plans – A development plan is required as a part of the Planned Development process and also adopted by ordinance to ensure the approving body is properly informed on the design of the proposed development. This includes a detailed site plan and building elevations.

Below is an overview of the Development Standards submitted with this rezoning application and attached to this report.

Permitted Uses:

The uses allowed within this planned development are those customary to a school campus such as parking lots, offices, cultural facilities and recreation facilities. These uses are not typically allowed in one zoning district and the City’s current zoning ordinance does not have a zoning district that would accommodate schools; therefore, the primary reason for the applicant requesting a planned development district.

Building Setback Requirements:

Setback from South Washington Avenue	30 ft
Setback from other streets	10 ft
Rear Building Setback	10 ft

Design Standards:

The current zoning regulations do not regulate building design standards. The applicant has proposed development standards that require buildings to be designed in a compatible manner that would typically be constructed for schools. In addition, building elevations have been provided and will be attached to the adopting ordinance for the zoning change, if approved. This will provide the city with the assurance as to how buildings will be designed.

Parking Requirements:

School; elementary, middle, or junior high: One (1) space for each classroom plus one (1) space for each four (4) seats in any auditorium, gymnasium, or other place of assembly.

Commercial sport arena, stadium, or gymnasium: One (1) parking space for each four (4) sets or seating spaces.

When taking in the consideration of parking requirements on street parking and shared parking between uses will be permitted.

Buffer Yard Requirements:

A minimum of a ten (10) foot landscaped buffer yard must be provided along the perimeter that abuts any residentially zoned property, within that buffer an eight (8) foot high sight baring fence must be constructed along the property line and at least four (4) ornamental shrubs per 100 linear feet must be planted in accordance with Chapter 29 of the Zoning Ordinance.

Comprehensive Plan and Future Land Use Analysis:

The 2018 Future Land Use Map identifies the property as sitting in a Rural Area and Moderate Density Residential. Rural Areas future land use designation to allow for low density residential development, while Moderate Density future land use designation to allow for the type of neighborhood development found in Marshall's established single-family neighborhoods, compactness areas, and adjacent to mixed-use and commercial areas.

The following questions should be answered when determining if a zoning change is appropriate:

1. Will the proposed change be in compliance with the goals of the Comprehensive Plan? *The proposed change would not be in compliance with the Comprehensive Plan. However, the rezoning to planned development allows the growth of the school/academy and provides protection and transition to the surrounding neighborhoods.*
2. Will there be an adverse impact on surrounding property if the request is approved? In evaluating this question, consideration should be given to all permitted uses in the proposed new zoning and the impact it could have on surrounding property. *The surrounding property is primarily developed with single-family homes and agricultural uses; while the proposed uses are quite different than those in the surrounding area the applicant is proposing buffer yard as protection to the surrounding property owners.*
3. Is the property suitable for use as it is currently zoned or does the zoning need to be changed to allow the property to be put to use in a way that is in keeping with the surrounding activities. *The property is currently surrounded by single-family and agricultural uses which is consistent with the zoning and future land use map. However, for the school/academy to continue to grow in this location, the zoning change will be needed.*
4. What is the relationship of the proposed change to the health, safety and welfare of the general community? In other words, will the change make the community better or is it merely for the convenience of the owner? Will surrounding property owners suffer or lose any enjoyment in the area of their property as a result of this change? Does the proposed change seem to be a logical extension of similar types of development? *Through the development standards proposed, the applicant is attempting to protect the surrounding property owners from any possible nuisances the development could propose.*

Suggested Motions:

It should be noted that while most zoning changes cannot be approved with conditions, when reviewing planned development districts, conditions may be placed on the approval, so not only do you have the options of the motion before, the Planning & Zoning Commission may also place conditions if concerns arise during the public hearing.

1. Motion to recommend approval of case number Z-20-06 as requested.
2. Motion to recommend approval of case number Z-20-06 with conditions.
3. Motion to recommend denial of case number Z-20-06.

Attachments:

1. Proposed Development Standards
2. Proposed Concept Plans
3. Aerial of Site
4. Pictures of the Site
5. 200 Foot Notification Map

Marshall Christian Academy

Planned Development Regulations

Purpose: In accordance with Section 20.16 of the City of Marshall Zoning Ordinance, this Planned Development is being established to allow unique development which contribute to an improved quality of life in Marshall and accommodate the growth of Marshall Christian Academy.

PD District Boundaries: These Planned Development regulations shall apply to property described as 24.166 acres of land in the A. Langford Survey A- 400.

Permitted Uses: The following uses shall be permitted within the defined Planned Development:

- Church
- Academic Classes & Offices
- Commercial Parking Lots
- Recreation facilities (Academy Managed)
- School Cafeteria

Site Development Standards:

Setback from South Washington Avenue	30 ft
Setback from other streets	10 ft
Rear Building Setback	10 ft

The above stated setbacks are for proposed buildings.

Building Design Standards:

Buildings that face South Washington Avenue shall be architecturally designed in a manner that is compatible with the overall architectural theme of the Academy.

Parking Requirements:

School; elementary, middle, or junior high: One (1) space for each classroom plus one (1) space for each four (4) seats in any auditorium, gymnasium, or other place of assembly.

School; high school, or college: One (1) space for each classroom, laboratory or instruction area plus one (1) space for each four (4) students accommodated in the institution.

Commercial sport arena, stadium, or gymnasium: One (1) parking space for each four (4) sets or seating spaces.

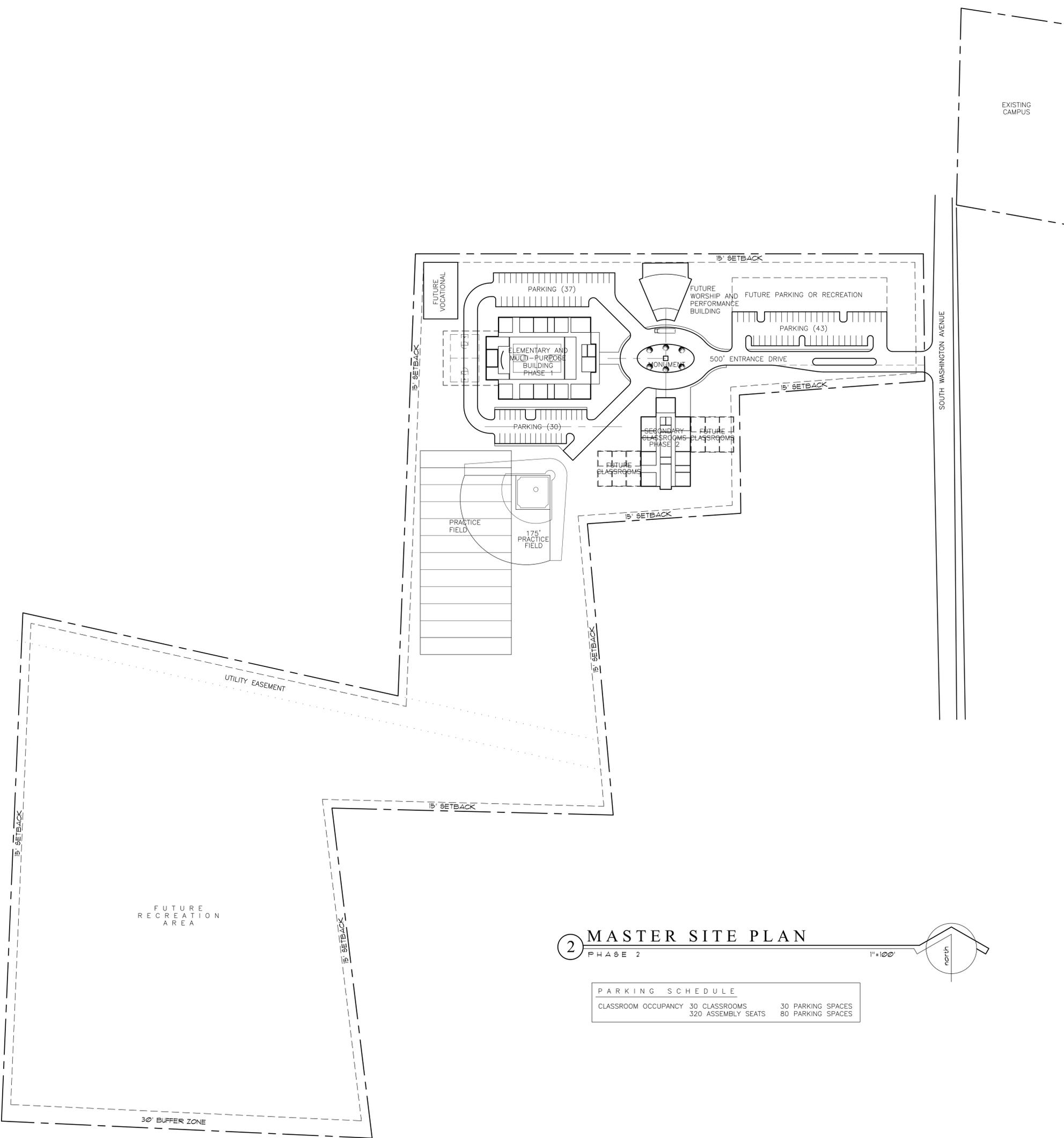
When taking in the consideration of parking requirements on street parking and shared parking between uses will be permitted.

Buffer Yard Requirements:

A minimum of a ten (10) foot landscaped buffer yard must be provided along the perimeter that abuts any residentially zoned property, within that buffer an eight (8) foot high sight baring fence must be constructed along the property line and at least four (4) ornamental shrubs per 100 linear feet must be planted in accordance with Chapter 29 of the Zoning Ordinance.

Conflict with City Ordinances:

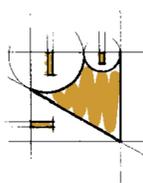
Any provision in this document shall supersede conflicting city codes. Other regulations in the City of Marshall Code of Ordinances that are not covered in this document shall be adhered too.



2 MASTER SITE PLAN
 PHASE 2
 1"=100'

PARKING SCHEDULE		
CLASSROOM OCCUPANCY	30 CLASSROOMS	30 PARKING SPACES
	320 ASSEMBLY SEATS	80 PARKING SPACES

MAY 2020
P2



BREVARD ARCHITECTURE
 804 FOX COVE STREET TYLER, TX 75703 (903) 747-0704

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MASTER PLAN FOR
MARSHALL CHRISTIAN ACADEMY
 3402 South Washington Avenue Marshall, TX 75672 (903) 935-1060



Z-20-06
Aerial Photograph



Please note, areas depicted on the above map just for representation purposes only and do not identify the exact boundaries of the property in question.

Z-20-06
Site Pictures



Subject Property



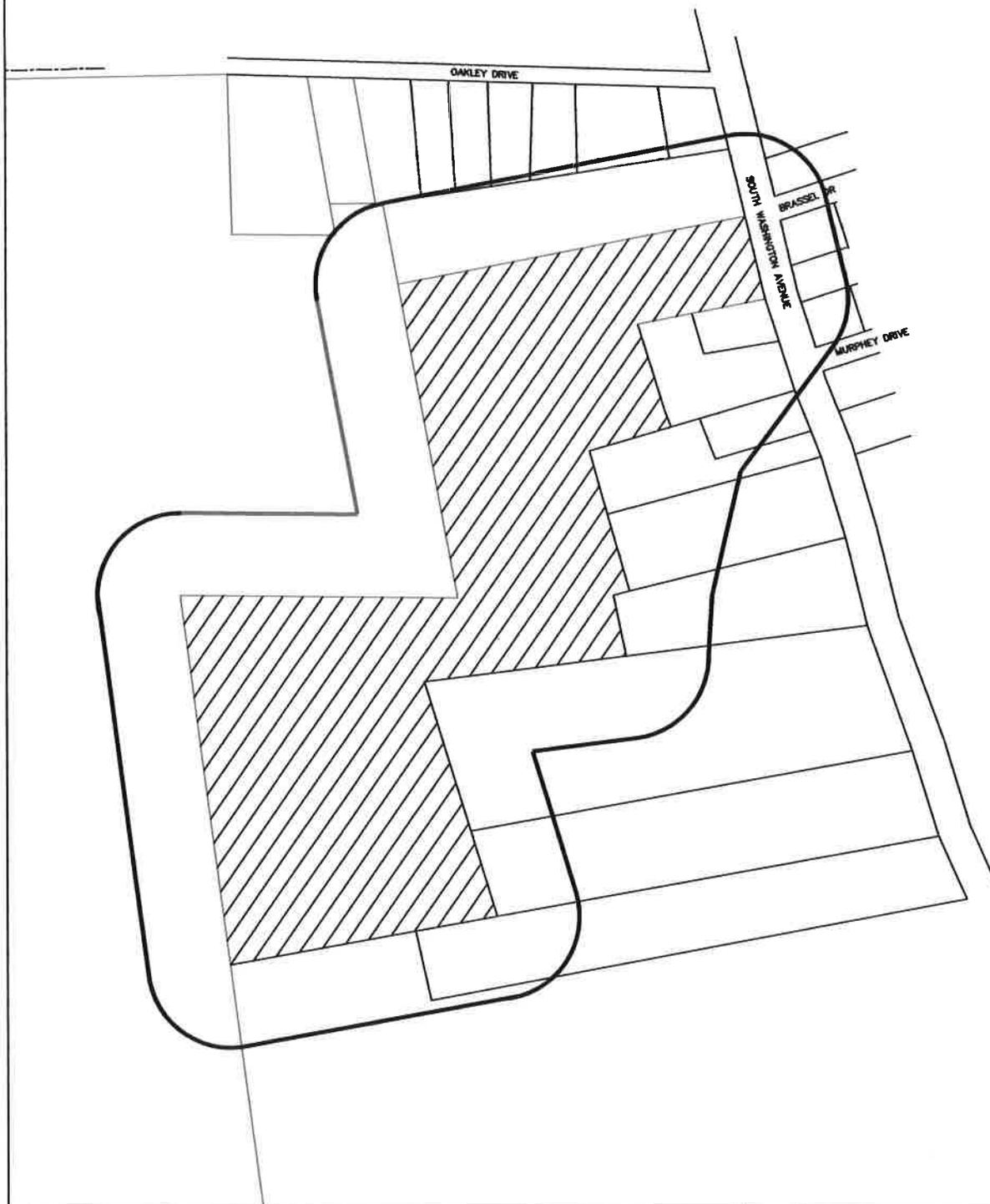
Property to east



Property to south



Property to north



Case No. Z-20-06

Scale: 1"=400'

Date: 05-11-2020

PLANNING DEPARTMENT
CITY OF MARSHALL, TEXAS

Remarks: a request to re-
zone 24.166 acres of land in
A. Langford Survey A-400
Survey A-400 from A&E
(Agriculture and Estate)
to PD(Planned Development)

Applicant: Marshall Christian
Academy
Location: 3409 S. Washington Ave.

MARSHALL CHRISTIAN ACADEMY & SPORTS COMPLEX

- South Washington is inadequate. The street is adequate to serve current residential development, and land uses anticipated by city plans. However, two-lane Washington cannot safely or adequately handle traffic for this proposed project, which often comes all at once (school openings/closings, special events). Imagine an ambulance from the Hughes Street fire station trying to go south to a home or traffic accident during a traffic backup caused by a ballgame or other special event.
- Need bifurcated drive. If the city chooses to permit the school property, a two-part driveway access off Washington should be required. This is common practice for a project with only one access point, so that if a driveway is blocked, a second remains open, as was done at Oakwood Estates, for example. The drives should be at least 50 feet apart.
- Public safety ingress and egress is inadequate. The very deep, narrow, and circuitous route to the future recreation area should not be allowed and almost certainly fails to meet the fire code. A property of this size and intensity needs two separate points of access for public safety. **A requirement has been wisely suggested to disallow development of the rear portion until construction of a southern ingress/egress, and I completely concur.**
- Inconsistent with future land use plan. Current zoning is AE; the city's future land use plan (FLUP) calls for residential. Approving a zoning change in contradiction to the FLUP is bad precedent. Developers need to be able to look at a city's plans and trust them. They will not invest in areas that are unpredictable. Marshall needs to think bigger and longer-term—or quit planning.
- Incompatible location for this type use. This type of use generates noise, light, traffic, debris, nighttime uses, etc., that are incompatible with agricultural, estate, and residential land uses. This project should be located in an area in which it fits, and for which the city's future land use plan has made provisions.
- Inappropriate use of PD zoning. Planned Development does not fit here. If the city moves forward anyway, the commission should understand that the site plan becomes the zoning (completely unlike straight zoning); therefore, if the city moves forward with a PD, it cannot include the "future" area without further P&Z and city commission action on a site plan (with 100' setbacks).
- Stormwater issues, converting creek to a drainage channel. This is a poor location to add significant impervious surfaces, thereby polluting the existing creek with runoff from parking areas and drives.
- Zoning's purpose is to provide. At the P&Z commission meeting in which I spoke, the applicant noted they were good people who wanted to help Marshall. He added they had had an open house at which they paid for snacks. I do not doubt these are good people who want to build a quality product. But every product does not fit into every part of an orderly, well-planned community, and zoning decisions should be based on legal and planning principles, not on how nice the applicants are and how many cookies they buy. Good planning would deny this project, or approve the school portion only and with modifications.

ORDINANCE NO. _____

AN ORDINANCE AMENDING ORDINANCE NO. 0-87-13 TO REZONE A 24.166 ACRES OF LAND IN THE A. LANGFORD SURVEY A- 400, FROM A-E (AGRICULTURE AND ESTATE) TO PD (PLANNED DEVELOPMENT). THE PROPERTY IS LOCATED ON THE WEST SIDE OF SOUTH WASHINGTON AVENUE BETWEEN OAKLEY DRIVE AND ALICE HOPE ROAD, MORE COMMONLY KNOWN AS 3409 WASHINGTON AVENUE IN THE CITY OF MARSHALL, TEXAS.

WHEREAS, the City of Marshall enacted zoning on December 13, 1951 and amended said ordinance on July 7, 1963 and on March 26, 1987 repealed and replaced all ordinance with Ordinance No. 0-87-13 amending the Code of Ordinances of the City of Marshall to add Chapter 32 regarding Zoning; and

WHEREAS, a Zoning District Map was adopted as a part of Ordinance No. 0-87-13; and

WHEREAS, Chapter 32, Section 14 of the Code of Ordinances established a procedure for a property owner, his agent, or the City to request zoning district map amendments; and

WHEREAS, the Planning & Zoning Commission, after due and proper notice in the manner and for the length of time required by law, held a public hearing for the purpose of considering proposed changes to the Zoning District Map; and

WHEREAS, after the close of said public hearing and pursuant thereto, the Planning & Zoning Commission filed a written report with the City Commission, recommending changes in the Zoning District Map; and

WHEREAS, pursuant to said report and after notice in the manner and for the length of time required by law, the City Commission held a public hearing in Marshall, Texas at City Hall on the 23rd day of July, 2020, at 12:00pm for the purpose of considering the requested Zoning Map change, and at which hearing all property owners, interested parties, and interested citizens had an opportunity to be heard; and

WHEREAS, the City Commission, after considering the proposed changes and after hearing all parties and citizens desiring to be heard, deems that the following changes are necessary and for the best interest of the general welfare of the citizens of the City of Marshall, Texas.

NOW, THEREFORE, BE IT ORDERED BY THE CITY COMMISSION OF THE CITY OF MARSHALL, TEXAS THAT:

Section 1. The facts and opinions in the preamble of this ordinance are true and correct.

Section 2. Rezone a 24.166 acres of land in the A. Langford Survey A- 400, from A-E (Agriculture and Estate) to PD (Planned Development). The property is located on the west side of South Washington Avenue between Oakley Drive and Alice Hope Road, more commonly known as 3409 Washington Avenue in the City of Marshall, Texas with the following conditions:

1. Phase 1 is the only phase that may be constructed with the one access to South Washington Avenue, all future phases may not be constructed until a second access point to the site is acquired.
2. Parking or staking of vehicles along South Washington Avenue is not permitted.

Section 3. The site shall be developed in accordance with the attached site development regulations and site plan, known as Exhibit A and B of this Ordinance.

Section 4. All ordinances and agreements and parts of ordinances and agreements in conflict herewith are hereby repealed to the extent of the conflict only.

PASSED on first reading the 23rd day of July, 2020.

AYES: __

NOES: __

ABSTAINED: __

PASSED on second reading the 13th day of August, 2020.

AYES: ____

NOES: ____

ABSTAINED: _____

MAYOR OF THE CITY COMMISSION
OF THE CITY OF MARSHALL, TEXAS

ATTEST:

CITY SECRETARY

ITEM 7A

**CONSIDER APPROVAL OF THE
APPOINTMENT OF AN ACTING CITY
SECRETARY/FINANCE**

MEMORANDUM

To: Members of the City Commission

From: Mark Rohr, City Manager

Date: July 13, 2020

Subject: Consider approval of the appointment of an Acting City Secretary/Finance Director

With the recent resignation of the City Secretary/Finance Director, I am recommending that the Commission approve the appointment of Glenna Williams, Accounting/Finance Manager, to the temporary position of Acting City Secretary/Finance Director.

This appointment will provide continuity within the department and provide official certification to all City records until the appointment of the new City Secretary/Finance Director by the Commission.

To allow this appointment to focus on our 2021 budget process and the day to day operations of the office, we will utilize our current Deputy City Secretary Nikki Smith to assist with all City Secretary functions, including but not limited to, attending Commission meetings.

ITEM 7B

**CONSIDER A MUNICIPAL ADVISORY
AGREEMENT WITH HILLTOP
SECURITIES**

MEMORANDUM

To: Members of the City Commission

From: Mark Rohr, City Manager

Date: July 14, 2020

Subject: Consider a Municipal Advisory Agreement with Hilltop Securities

Attached is a Municipal Advisory Agreement with Hilltop Securities. This agreement engages Hilltop Securities for professional services as a municipal advisor to advise the City regarding the issuance of municipal securities. It is a three-year agreement and can be terminated by either party. The City's relationship with this firm (or some variation) dates back to 1986.

MUNICIPAL ADVISORY AGREEMENT

This Municipal Advisory Agreement (the “Agreement”) is made and entered into by and between the **CITY OF MARSHALL, TEXAS** (the “Issuer”) and Hilltop Securities Inc. (“HilltopSecurities”), and is dated, and shall be effective as of, the date executed by the Issuer as set forth on the signature page hereof (the “Effective Date”).

WITNESSETH:

WHEREAS, the Issuer will have under consideration from time to time the authorization and issuance of municipal securities, including but not limited to the issuance and sale of evidences of indebtedness or debt obligations that may currently or in the future be authorized and issued or otherwise created or assumed by the Issuer, in amounts and forms which cannot presently be determined; and

WHEREAS, in connection with the authorization, sale, issuance and delivery of such municipal securities, as well as in connection with any matters relating to municipal financial products of the Issuer, the Issuer desires to retain a municipal advisor; and

WHEREAS, the Issuer desires to obtain the professional services of HilltopSecurities as a municipal advisor to advise the Issuer regarding the issuance of municipal securities and any municipal financial products, all as more fully described herein, during the period in which this Agreement shall be effective; and

WHEREAS, HilltopSecurities is willing to provide its professional services and its facilities as a municipal advisor in connection with the Issuer’s issuances of municipal securities and any municipal financial products, all as more fully described herein, during the period in which this Agreement shall be effective.

NOW, THEREFORE, the Issuer and HilltopSecurities, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, do hereby agree as follows:

SECTION I SCOPE OF SERVICES

A. Scope of Services and Discharge of Responsibilities.

1. *Scope of Services.*

(a) HilltopSecurities is engaged by the Issuer as its municipal advisor to provide the services set forth in **Appendix A** hereto (the “Municipal Advisory Services”). The Municipal Advisory Services, together with any services to be provided by HilltopSecurities as the Issuer’s independent registered municipal advisor (“IRMA”) pursuant to subparagraph B.1 of this Section I, are hereinafter collectively referred to as the “Scope of Services” hereunder. The Scope of Services to be provided by HilltopSecurities may be changed only as provided in paragraph D of this Section I.

(b) If the Issuer engages HilltopSecurities or any of its affiliates, in a capacity other than as municipal advisor, to provide additional services that are not municipal advisory activities (“Non-Municipal Advisor Services”), such engagement for Non-Municipal Advisor Services shall be evidenced by a separate agreement between the Issuer and such party. The parties hereto acknowledge that such Non-Municipal Advisor Services shall not be governed by this Agreement and are intended to consist of activities not requiring registration as a municipal advisor under the Securities Exchange Act.

(c) The Issuer shall provide written notice to HilltopSecurities of any other municipal advisor engaged by the Issuer, whether in regard to all or any portion of the Municipal Advisory Services or for

any other aspects of the issuance of municipal securities or municipal financial products outside the scope of the Municipal Advisory Services, as described in clause (c) of subparagraph B.1 of this Section I.

2. ***Inquiries and Information in Connection with HilltopSecurities' Duties.*** If and to the extent provided in the Scope of Services, HilltopSecurities is called upon to make recommendations to the Issuer or to review recommendations made by others to the Issuer, and in connection therewith to determine whether such recommendations are suitable for the Issuer, in order to fulfill its duties with respect to such recommendations and any associated suitability determinations, HilltopSecurities is required under applicable regulations to make reasonable inquiries of the Issuer as to the relevant facts. Such facts include, at a minimum, information regarding the Issuer's financial situation and needs, objectives, tax status, risk tolerance, liquidity needs, experience with municipal securities transactions or municipal financial products generally or of the type and complexity being recommended, financial capacity to withstand changes in market conditions during the term of the municipal financial product or the period that municipal securities to be issued in the municipal securities transaction are reasonably expected to be outstanding, and any other material information known by HilltopSecurities about the Issuer and the municipal securities transaction or municipal financial product. In addition, HilltopSecurities is required under applicable regulations to use reasonable diligence to know the essential facts about the Issuer and the authority of each person acting on behalf of the Issuer so as to effectively service HilltopSecurities' municipal advisory relationship with the Issuer, to act in accordance with any special directions from the Issuer, to understand the authority of each person acting on behalf of the Issuer, and to comply with applicable laws, regulations and rules.

Accordingly, the Issuer hereby agrees to provide accurate and complete information reasonably designed to permit HilltopSecurities to fulfill its responsibilities in connection with any such recommendations and suitability determinations and to provide to HilltopSecurities reasonable access to relevant documents and personnel in connection with its required investigation to determine that any recommendations are not based on materially inaccurate or incomplete information. The Issuer acknowledges that HilltopSecurities may not be able to make requested recommendations or suitability determinations if it is not provided access to such information and that the Issuer shall be estopped from claiming a violation of HilltopSecurities' fiduciary duty to the Issuer in connection with a recommendation or suitability determination made by HilltopSecurities based on materially inaccurate or incomplete information provided by the Issuer.

3. ***Actions Independent of or Contrary to Advice.*** The parties hereto acknowledge that the Issuer shall not be required to act in accordance with any advice or recommendation provided by HilltopSecurities to the Issuer. Upon providing such advice or recommendation to the Issuer, together with the basis for such advice or recommendation, HilltopSecurities shall have discharged its duties with regard to such advice or recommendation and shall not be liable for any financial or other damages resulting from the Issuer's election not to act in accordance with such advice or recommendation. Furthermore, the Issuer shall be estopped from claiming a violation of HilltopSecurities' fiduciary duty to the Issuer as a result of its election not to act in accordance with any advice or recommendation by HilltopSecurities, including but not limited to any claim that HilltopSecurities should have taken steps, in addition to providing its advice or recommendation together with the basis therefor, to cause the Issuer to follow its advice or recommendation.

4. ***Preparation of Official Statement in Connection with Issuance of Municipal Securities.*** If and to the extent provided in the Scope of Services, HilltopSecurities is called upon to assist the Issuer in the preparation of its official statement in connection with the issuance of municipal securities, the Issuer hereby agrees to provide accurate and complete information to HilltopSecurities reasonably designed to permit HilltopSecurities to fulfill its responsibility to have a reasonable basis for any information

HilltopSecurities provides about the Issuer, its financial condition, its operational status and its municipal securities in connection with the preparation of the official statement. While HilltopSecurities may participate in the due diligence process in connection with the preparation of the official statement, if such participation is within the Scope of Services, HilltopSecurities shall not be obligated to undertake any inquiry or investigation in connection with such due diligence beyond any inquiries or investigations otherwise required by this Agreement. Furthermore, HilltopSecurities shall not be responsible for certifying the accuracy or completeness of the official statement, other than with respect to information about HilltopSecurities provided for inclusion in the official statement, if applicable. The Issuer agrees that HilltopSecurities may rely on any information provided to it by the Issuer for purposes of this paragraph.

5. ***Representations and Certifications.*** If and to the extent provided in the Scope of Services, HilltopSecurities is called upon to make representations and certifications with regard to certain aspects of matters pertaining to the Issuer, its municipal securities or municipal financial products arising as part of the Municipal Advisory Services to be provided pursuant to this Agreement, the Issuer hereby agrees to provide accurate and complete information to HilltopSecurities as may be reasonably necessary or otherwise helpful to HilltopSecurities in fulfilling its responsibility to have a reasonable basis for any representations, other than representations by HilltopSecurities regarding itself, made in a certificate signed by HilltopSecurities that may be relied upon by the Issuer, any other party involved in any matter arising as part of the Municipal Advisory Services, or investors in the Issuer's municipal securities. The Issuer agrees that HilltopSecurities may rely on any information provided to it by the Issuer for purposes of this paragraph.

B. Services as Independent Registered Municipal Advisor.

1. ***Designation as IRMA and Scope of Designation.***

(a) Subject to clause (b) of this subparagraph B.1, if the Issuer elects to designate HilltopSecurities, and HilltopSecurities agrees to represent the Issuer, as the Issuer's IRMA for purposes of Securities Exchange Commission ("SEC") Rule 15Ba1-1(d)(3)(vi) (the "IRMA exemption") with respect to the Municipal Advisory Services, HilltopSecurities will treat such role as IRMA as within the scope of Municipal Advisory Services. Any reference to HilltopSecurities, its personnel and its role as IRMA in the written representation of the Issuer contemplated under SEC Rule 15Ba1-1(d)(3)(vi)(B) shall be subject to prior approval by HilltopSecurities.

If there are any other aspects of the issuance of municipal securities or municipal financial products outside the scope of the Municipal Advisory Services with respect to which the Issuer seeks to have HilltopSecurities serve as its IRMA, such aspects, which are separate and distinct from Municipal Advisory Services for purposes of this Agreement, shall be included in Appendix A hereto and may be changed only as provided in paragraph D of this Section I. HilltopSecurities' duties as IRMA shall be strictly limited to the provision of advice to the Issuer with regard to third-party recommendations on any aspects of the issuance of municipal securities or municipal financial products outside the scope of the Municipal Advisory Services, subject to subparagraph B.3 of this Section I, and the provision of advice by HilltopSecurities to the Issuer with respect to such matters shall not result in a change in scope of the Municipal Advisory Services. By way of example, if HilltopSecurities serves as municipal advisor for an issuance of municipal securities within the scope of Municipal Advisory Services, but is asked to review a recommendation made by a third party with respect to a different issuance of municipal securities not within the scope of Municipal Advisory Services, any advice with respect to such review would not, by itself, cause such other issuance to come within the scope of Municipal Advisory Services, and HilltopSecurities

would not be obligated to undertake any of the services set forth in Appendix A with regard to such issuance unless the scope of Municipal Advisory Services hereunder is amended to include such issuance.

(b) If the Issuer elects not to designate HilltopSecurities to serve as an IRMA for purposes of the IRMA exemption with respect to the Municipal Advisory Services, or if the Issuer elects to designate HilltopSecurities to serve as IRMA for less than the full range of Municipal Advisory Services, such election shall be set forth in Appendix A.

(c) The Issuer shall provide written notice to HilltopSecurities of any other municipal advisor engaged by the Issuer, whether such other municipal advisor has been designated as an IRMA, and such notice shall include the scope of services of such municipal advisor. If the Issuer has engaged, or has caused HilltopSecurities to engage through subcontract, any other party to serve as municipal advisor to the Issuer with regard to all or any portion of the Municipal Advisory Services (“Joint Municipal Advisory Services”), whether engaged jointly with or separately from HilltopSecurities (a “Co-Municipal Advisor”), the Issuer agrees that such Co-Municipal Advisor shall not be entitled to treat HilltopSecurities as an IRMA with respect to the Joint Municipal Advisory Services. Notwithstanding the preceding sentence, the Issuer may seek to have HilltopSecurities provide advice on any recommendation made by a Co-Municipal Advisor with regard to matters within the scope of Joint Municipal Advisory Services on the same terms as set forth in subparagraph B.3 of this Section I, provided that any such advice provided by HilltopSecurities shall not serve to eliminate or reduce such Co-Municipal Advisor’s fiduciary or other duties as municipal advisor to the Issuer.

2. ***HilltopSecurities Not Responsible for Independence from Third Parties.*** Notwithstanding HilltopSecurities’ status as an IRMA, HilltopSecurities shall not be responsible for ensuring that it is independent, within the meaning of the IRMA exemption as interpreted by the SEC, from another party wishing to rely on the exemption from the definition of municipal advisor afforded under the IRMA exemption or for otherwise ensuring that any such party not be treated as a municipal advisor for purposes of Section 15B of the Securities Exchange Act or any SEC or Municipal Securities Rulemaking Board (“MSRB”) rule thereunder. The Issuer expressly acknowledges that it is the responsibility of such other party to make its own determination of independence and that such other party shall not be entitled to cause HilltopSecurities to make any personnel changes to allow such party to qualify for the IRMA exemption.

3. ***Recommendations Provided by Third Parties Relying on IRMA Exemption.*** The Issuer agrees that, to the extent the Issuer seeks to have HilltopSecurities provide advice with regard to any recommendation made by a third party relying on the IRMA exemption, the Issuer shall provide to HilltopSecurities written direction to provide advice with regard to such third party recommendation as well as any information it has received from such third party. In connection therewith, HilltopSecurities shall be authorized to communicate with such third party as necessary or appropriate in order for HilltopSecurities to have the information it needs to provide informed advice to the Issuer with regard to such recommendation. HilltopSecurities shall provide to the Issuer recommendations it receives directly from any third party but shall not be required to provide advice to the Issuer with regard to any such recommendation unless the Issuer has provided to HilltopSecurities the written direction as described above in this subparagraph B.3.

Except as may be otherwise expressly provided in writing by HilltopSecurities, no recommendation by a third-party (including but not limited to a Co-Municipal Advisor) shall be deemed to be a recommendation by HilltopSecurities, and the failure by HilltopSecurities to specifically address any aspect of a third-party recommendation shall not be viewed as HilltopSecurities having implicitly accepted or

approved such aspect of the recommendation or otherwise having adopted the recommendation or any aspect thereof as its own recommendation. Furthermore, the Issuer agrees that, to the extent the Issuer does not seek to have HilltopSecurities provide advice with regard to any recommendation made by a third party relying on the IRMA exemption, HilltopSecurities shall not be required to provide any advice with regard to such recommendation notwithstanding any information it may have received from such third party. HilltopSecurities may rely on the absence of the Issuer's written direction to provide advice with regard to a third party recommendation as indicative that the Issuer does not seek to have HilltopSecurities provide such advice.

C. Limitations on Scope of Engagement.

1. ***Express Limitations.*** The Scope of Services with respect to HilltopSecurities' engagement as municipal advisor shall be solely as provided in paragraphs A and B of this Section I and Appendix A of this Agreement, subject to the express limitations set forth in this paragraph C. The failure of the parties hereto to set out any particular service or responsibility, or any particular type or aspect of the issuance of municipal securities or municipal financial products, within the express limitations in this paragraph C shall not, by its omission, cause such service, responsibility or product to be within the scope of this engagement if not contemplated by the mutual agreement of the parties hereto or if not reasonably viewed as encompassed by the description of the Municipal Advisory Services set forth in this Agreement.

2. ***Limitation as to Matters Within Then-Current Scope of Engagement.*** It is expressly understood that HilltopSecurities serves as municipal advisor to the Issuer only with respect to the matters, and with respect to specific aspects of matters, within the then-current Scope of Services. The Issuer acknowledges that HilltopSecurities is not a municipal advisor to the Issuer with respect to matters expressly excluded from such Scope of Services as set forth in this paragraph C or matters otherwise not within the Scope of Services as set forth in paragraphs A and B of this Section I and Appendix A hereto. Without limiting the generality of the preceding sentence, the parties hereto agree that HilltopSecurities' service as municipal advisor for one issuance of municipal securities would not result in HilltopSecurities being a municipal advisor to the Issuer for any other issuances of municipal securities if such other issuances are not within the Scope of Services. It is expressly understood that HilltopSecurities shall be municipal advisor with respect to a particular issuance of municipal securities or a particular municipal financial product beginning on the earlier of (a) the date on which HilltopSecurities is assigned to serve or is otherwise put on notice by the Issuer that it will serve as municipal advisor for such particular matter or (b) the date on which HilltopSecurities first provides advice to the Issuer with respect to such particular matter, and it is further understood that HilltopSecurities shall not be deemed to be a municipal advisor to the Issuer with respect to any such particular matter prior to such date merely due to the fact that the matter falls within the general description of the Scope of Services.

3. ***Transactions and Services Outside Scope of Engagement.*** To the extent that the Issuer engages in any transaction with HilltopSecurities, or any affiliate of HilltopSecurities, as principal relating to municipal securities (including but not limited to as underwriter for the issuance of municipal securities) or municipal financial products that are not within the Scope of Services and with respect to which HilltopSecurities does not in fact provide advice other than as permitted within the exceptions and exclusions of SEC Rule 15Ba1-1, the Issuer agrees that it would not view HilltopSecurities as serving as its municipal advisor with respect to such transaction or any related issuance of municipal securities or municipal financial product. In addition, as noted in clause (b) of subparagraph A.1 of this Section I, the Issuer understands that Non-Municipal Advisor Services are outside the scope of this engagement.

4. ***Issuer Consent to Limitation in Scope.*** The Issuer expressly consents to the limitations in scope of the engagement as described in this paragraph C.

D. Change in Scope of Services. The scope of services to be provided by HilltopSecurities, whether within or outside of the scope of the Municipal Advisory Services, may be changed only by written amendment to Appendix A, and the parties hereto agree to amend such appendix promptly to reflect any material changes or additions to the scope of such services, as applicable. Furthermore, the parties hereto agree to amend paragraph C of this Section I to reflect any material changes or additions to the limitations on the overall Scope of Services.

The parties hereto agree that if, on an infrequent or inadvertent basis, HilltopSecurities takes any actions for or on behalf of the Issuer that constitute municipal advisory activities within the meaning of MSRB Rule G-42(f)(iv) but which are not within the Scope of Services under this Agreement, such actions shall not, by themselves, serve to change the Scope of Services under this Agreement without a written amendment as provided in this paragraph. Furthermore, to the extent that any such activities not within the Scope of Services under this Agreement consists of inadvertent advice provided with respect to the issuance of municipal securities or municipal financial products that are not within the Scope of Services under this Agreement, HilltopSecurities may take such action, if any, as it deems appropriate pursuant to Supplementary Material .07 of MSRB Rule G-42 with respect to such inadvertent advice, to maintain the Scope of Services under this Agreement consistent with the intent of the parties hereto.

Amendments to Appendix A may be effected by replacement of the prior version of the appendix with a new version or by the addition of an addendum to such appendix, provided that any such amended appendix shall be dated as of its effective date and shall cause Appendix A, taken together with the provisions of this Section I, to clearly set forth the then-current scope of HilltopSecurities' engagement hereunder and any limitations to such scope.

E. Non-Municipal Advisory Activities Related to Scope of Services. The Scope of Services under this Agreement is intended to encompass activities subject to the provisions of Securities Exchange Act Section 15B and the rules of the SEC and MSRB thereunder relating to municipal advisory activities. However, the Issuer and HilltopSecurities acknowledge that in some cases the range of activities necessary or appropriate to provide the intended services hereunder in a fair, effective and efficient manner for the benefit of the Issuer may involve a combination of actions that consist of municipal advisory activities and actions that may not qualify as municipal advisory activities. Unless otherwise prohibited by Securities Exchange Act Section 15B or any rule of the SEC or MSRB thereunder, the fact that HilltopSecurities serves as municipal advisor to the Issuer in connection with a particular matter shall not prohibit HilltopSecurities from undertaking such necessary or appropriate non-municipal advisory activities in connection therewith, and the fact that HilltopSecurities undertakes such non-municipal advisory activities within the Scope of Services under this Agreement would not, by itself, cause such activities to become municipal advisory activities for purposes Securities Exchange Act Section 15B or any rule of the SEC or MSRB thereunder.

SECTION II TERM AND TERMINATION

A. Term of this Engagement. The term of this Agreement begins on the Effective Date and remains in force until terminated pursuant to paragraph B of this Section II.

B. Termination of this Engagement. This Agreement may be terminated with or without cause by the Issuer or HilltopSecurities upon the giving of at least thirty (30) days' prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination. In the event of such termination, it is understood and agreed that only the amounts due HilltopSecurities for services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement.

SECTION III COMPENSATION, EXPENSES, LIABILITY AND OTHER FINANCIAL MATTERS

A. Compensation. The fees due to HilltopSecurities for the Municipal Advisory Services and any other services set forth in Appendix A hereto shall be as provided in Appendix B hereto. The Issuer has agreed to the compensation arrangements set forth in Appendix B and believes that they are reasonable and not excessive. If at any time the Issuer becomes concerned that, notwithstanding its initial belief that the compensation arrangements set forth in this Agreement are reasonable, the actual amount of compensation to be paid in accordance with such arrangements for any particular matter during the course of this engagement may potentially become excessive, the Issuer shall immediately notify HilltopSecurities in writing of its concern in that regard.

B. Expenses. HilltopSecurities shall be entitled to reimbursement of expenses incurred in connection with any services provided hereunder as set forth in Appendix B.

C. Third-Party Payments. The Issuer agrees that any request it makes to HilltopSecurities to make payments to any third party on its behalf (other than with any underwriter), whether pursuant to a fee-splitting arrangement or otherwise, shall be in writing and shall set forth the name of the recipient, the amount of payment, and a brief statement of the purpose of such payment. The Issuer agrees that the counter signature by HilltopSecurities of any such written request shall be satisfactory disclosure of such third-party payment or fee-splitting arrangement for purposes of MSRB Rule G-42(e)(i)(D) and shall, in the case of any such arrangements made after the Effective Date, serve as satisfactory written disclosure of any conflict of interest arising from such third-party payment or fee-splitting arrangement for purposes of MSRB Rule G-42(b)(i)(D) and (c)(ii).

D. No Custody of Issuer Funds. This engagement does not contemplate that HilltopSecurities receive deposit of or maintain custody of the Issuer's funds unless otherwise provided in Appendix A hereto.

E. Limitation on Liability. In the absence of willful misconduct, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of HilltopSecurities or any of its associated persons, HilltopSecurities and its associated persons shall have no liability to the Issuer for any act or omission in the course of, or connected with, rendering services hereunder or for any error of judgment, mistake of law, or any loss arising out of any issuance of municipal securities, any municipal financial product or any other investment.

SECTION IV REQUIRED DISCLOSURES

A. Disclosure of Conflicts of Interest and Information Regarding Legal or Disciplinary Events. The Issuer hereby acknowledges receipt of, and has read and understands the content of, the Municipal Advisor Disclosure Statement, attached hereto as Appendix C, current as of the date of this Agreement,

setting forth disclosures by HilltopSecurities of material conflicts of interest (the “Conflict Disclosures”), if any, and of any legal or disciplinary events required to be disclosed pursuant to MSRB Rule G-42(b) and (c)(ii). The Conflict Disclosures also describe how HilltopSecurities addresses or intends to manage or mitigate any disclosed conflicts of interest, as well as the specific type of information regarding, and the date of the last material change, if any, to the legal and disciplinary events required to be disclosed on Forms MA and MA-I filed by HilltopSecurities with the SEC.

B. Waiver of Disclosed Conflicts of Interest. By executing this Agreement, the Issuer hereby waives any conflicts of interest disclosed by HilltopSecurities in the Conflict Disclosures as of the date of this Agreement.

C. Consent to Electronic Delivery of Disclosures. By executing this Agreement, the Issuer consents, for the full term of this Agreement, to the electronic delivery of the Conflict Disclosures at no cost to the Issuer, in lieu of delivery of hard copy. The Conflict Disclosures may be delivered by email to the Issuer at williams.glenna@marshalltexas.net or at such other email address as the Issuer may hereafter provide in writing to HilltopSecurities.

SECTION V MISCELLANEOUS

A. Choice of Law. This Agreement shall be construed and given effect in accordance with the laws of the State of Texas.

B. Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the Issuer and HilltopSecurities, their respective successors and assigns; provided however, neither party hereto may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party.

C. Entire Agreement. This instrument, including all appendices hereto, contains the entire agreement between the parties relating to the rights herein granted and obligations herein assumed. Any oral or written representations or modifications concerning this Agreement shall be of no force or effect except for a subsequent modification in writing signed by all parties hereto, subject to the provisions of paragraph D of Section I hereof.

Signature page follows

HILLTOP SECURITIES INC.

By: 

John L. Martin, Jr
Regional Managing Director

CITY OF MARSHALL, TEXAS

By: _____

Mark Rohr
City Manager

Date: July 23, 2020

APPENDIX A MUNICIPAL ADVISORY SERVICES

This Appendix A sets out the scope of the Municipal Advisory Services to be performed by HilltopSecurities pursuant to the Agreement, subject to the limitations in scope set out in paragraph C of Section I of the Agreement, and with the understanding that:

(a) Individual actions taken within this scope shall be consistent with any request or direction provided by an authorized representative of the Issuer or as HilltopSecurities determines to be necessary or appropriate in furtherance of any matter for which it serves as municipal advisor. However, not all listed activities will be appropriate, necessary or applicable to any particular matter subject to this Agreement.

(b) For purposes of this Agreement, an issuance of municipal securities (an “issuance”) shall encompass any and all stages in the life of an issuance, from the pre-issuance planning stage to the repayment stage.

I. New Issuances of Municipal Securities. At the direction of or upon the request of the Issuer, HilltopSecurities shall provide advice to the Issuer on any new issuances, including reofferings of outstanding issuances that are treated for purposes of the federal securities laws and/or federal tax laws as new issuances, throughout the term of this Agreement. The activities to be performed by HilltopSecurities may include, depending on the specific circumstances of an issuance and any request or direction of the Issuer, one or more of the following:

Planning for New Issuance

1. ***Survey and Analysis.*** Surveying the financial resources of the Issuer in connection with its capacity to authorize, issue and service the contemplated issuance. This survey would be expected to include an analysis of any existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, would include a study of the trend of the assessed valuation, taxing power and present and future taxing requirements of the Issuer. In the event revenues of existing or projected facilities operated by the Issuer are to be pledged to repayment of the contemplated issuance, the survey would be expected to take into account any outstanding indebtedness payable from such revenues, additional revenues to be available from any proposed rate increases, and additional revenues resulting from improvements to be financed by the contemplated issuance, as projected by consulting engineers engaged by the Issuer.

2. ***Future Financings.*** In connection with the contemplated issuance, considering and analyzing future financing needs as projected by the Issuer's staff and consulting engineers or other experts, if any, engaged by the Issuer.

3. ***Recommendations.*** Making recommendations to the Issuer on the contemplated issuance, including such elements as the date of issue, interest payment dates, schedule of principal maturities, options for prepayment, security provisions, and such other provisions as may be appropriate.

4. ***Market Information.*** Advising the Issuer of HilltopSecurities' view of current bond market conditions, other related forthcoming bond issues and general information (including

applicable economic data) which might normally be expected to influence interest rates or bidding conditions relevant to setting an appropriate date and time for the sale of the issuance.

5. ***Elections.*** In the event it is necessary to hold an election to authorize the contemplated issuance, assisting in coordinating the assembly of such data as may be required for the preparation of necessary petitions, orders, resolutions, ordinances, notices and certificates in connection with the election, including assistance in the transmission of such data to the Issuer's bond counsel.

Debt Management and Financial Implementation for New Issuance

6. ***Method of Sale.*** Evaluating the particular financing being contemplated, giving consideration to the complexity, market acceptance, rating, size and structure in order to make a recommendation as to an appropriate method of sale, and:

- a. If the issuance is to be sold by a competitive sale:
 - (1) Supervising the sale of the municipal securities;
 - (2) Disseminating information to prospective bidders, organizing such informational meetings as may be necessary, and facilitating prospective bidders' efforts in making timely submission of proper bids;
 - (3) Assisting the staff of the Issuer in coordinating the receipt of bids, the safekeeping of good faith checks and the tabulation and comparison of submitted bids;
 - (4) Advising the Issuer regarding the best bid and provide advice regarding acceptance or rejection of the bids; and
 - (5) Obtaining CUSIP numbers on behalf of the Issuer.
- b. If the issuance is to be sold by negotiated sale:
 - (1) Recommending for the Issuer's final approval and acceptance one or more investment banking firms, as sole underwriter or as managers of an underwriting syndicate, for the purpose of negotiating the purchase of the municipal securities;
 - (2) Cooperating with and assisting any selected sole or managing underwriter and its counsel, as well as any disclosure counsel retained by the Issuer, in connection with the preparation of any preliminary or final official statement or offering memorandum. HilltopSecurities will cooperate with and assist the underwriters in the preparation of a bond purchase contract, an underwriters' agreement and other related documents;
 - (3) Assisting the staff of the Issuer in the safekeeping of any good faith checks and providing a cost comparison to the then-current market of expenses, interest rates and prices which are proposed by the underwriters;
 - (4) Advising the Issuer on the fairness of the price offered by the underwriters;

(5) Advising the Issuer in connection with any terms and conditions it may wish to establish with respect to order priorities and other similar matters relating to the underwriting of the new issuance;

(6) If the new issuance will have a retail order period, advising the Issuer on retail eligibility criteria and other features of the retail order period and reviewing information provided by the underwriters to the Issuer in connection with retail orders received; and

(7) At the request of the Issuer, reviewing required disclosures by underwriters to the Issuer relating to their role as underwriter, conflicts of interests, material terms and risks of the issuance, and any other matters, and providing any appropriate advice to the Issuer in connection with such disclosures.

7. ***Offering Documents for Competitive Offerings.*** Coordinating the preparation of the notice of sale and bidding instructions, preliminary official statement (including cooperating with and assisting any disclosure counsel retained by the Issuer), official bid form and such other documents as may be required and submitting all such documents to the Issuer for examination, approval and certification. After such examination, approval and certification, HilltopSecurities shall provide the Issuer with a supply of all such documents sufficient to its needs and distribute sets of the same to prospective bidders for the municipal securities. HilltopSecurities also shall provide copies of the final official statement to the winning bidder purchasing the municipal securities in the MSRB-designated electronic format and in accordance with the notice of sale and bidding instructions promptly after the Issuer approves the final official statement for distribution.

8. ***Credit Ratings.*** Making recommendations to the Issuer on the advisability of obtaining one or more credit ratings for the issuance and, when directed by the Issuer, coordinating the preparation of such information as may be appropriate for submission to any rating agency. In those cases where the advisability of personal presentation of information to a rating agency may be indicated, HilltopSecurities will arrange for such personal presentations, utilizing such composition of representatives from the Issuer as may be approved or directed by the Issuer.

9. ***Trustee, Paying Agent, Registrar, Professionals and Other Transaction Participants.*** Upon request, providing advice to the Issuer in the selection of a trustee and/or paying agent/registrar, legal, accounting or other professionals, and other transaction participants relating to any issuance, and assisting in the negotiation of agreements pertinent to these services and the fees incident thereto.

10. ***Financial Publications.*** When appropriate, advising financial publications of the forthcoming sale of the municipal securities and providing them with all pertinent information.

11. ***Consultants.*** After consulting with and receiving directions from the Issuer, arranging for such reports and opinions of recognized independent consultants as may be appropriate for the successful marketing of the issuance.

12. ***Auditors.*** In the event formal verification by an independent auditor of any calculations incident to the issuance is required, making arrangements for such services.

13. **Issuer Meetings.** Attending meetings of the governing body of the Issuer, its staff, representatives or committees as requested when HilltopSecurities may be of assistance or service and matters within the scope of this engagement are to be discussed.

14. **Printing.** To the extent authorized by the Issuer, coordinating all work incident to printing or final production, physical or electronic, of the offering documents.

15. **Bond Counsel.** Maintaining liaison with bond counsel in the preparation of all legal documents pertaining to the authorization, sale and issuance of the municipal securities.

16. **Changes in Laws.** Providing to the Issuer copies of proposed or enacted changes in federal and state laws, rules and regulations having, or expected to have, a significant effect on the municipal bond market of which HilltopSecurities becomes aware in the ordinary course of its business, it being understood that HilltopSecurities does not and may not act as an attorney for, or provide legal advice or services to, the Issuer.

17. **Delivery of the Municipal Securities.** As soon as a bid for the purchase of a competitive issuance is accepted by the Issuer or the bond purchase contract for a negotiated issuance is signed by the Issuer, coordinating the efforts of all concerned to the end that the municipal securities may be delivered and paid for as expeditiously as possible and assisting the Issuer in the preparation or verification of final closing figures incident to the delivery of the municipal securities.

18. **Debt Service Schedule; Authorizing Resolution.** After the closing of the sale and delivery of the issuance, delivering to the Issuer a schedule of annual debt service requirements for the issuance and, in coordination with bond counsel, assuring that the paying agent/registrars and/or trustee has been provided with a copy of the authorizing ordinance, order or resolution.

19. **Continuing Disclosure.** Providing advice to the Issuer with regard to its continuing disclosure undertakings for its new issuances and its selection of a dissemination agent under its continuing disclosure undertakings; provided that, upon the mutual agreement of the Issuer and HilltopSecurities, HilltopSecurities may serve as dissemination agent under one or more of the Issuer's continuing disclosure undertakings upon such terms as the parties shall agree, with such service as dissemination agent being expressly excluded from the scope of this Agreement.

II. Baseline Advice on Outstanding Issuances of Municipal Securities. HilltopSecurities shall provide baseline on-going advice to the Issuer on any outstanding issuances throughout the term of this Agreement, which may include, depending on the specific circumstances of such issuance and any request or direction of the Issuer:

1. **Exercising Calls.** Providing advice and assistance to the Issuer with regard to exercising any calls of outstanding municipal securities unrelated to a refunding of such securities.

2. **Refundings and Tender Offers.** Providing advice to the Issuer with regard to opportunities for refundings of outstanding issuances or to make tender offers for outstanding issuances, whether by means of a new issuance, bank loans, or other funds of the Issuer, but not including serving as advisor in connection with the specific transaction through which such refunding or tender offer is effected. Transaction-based advice in connection with a specific new issuance of bonds to effectuate any such refunding or tender offer would be provided within the scope of Municipal Advisory Services for new issuances described in Section I above. Transaction-based advice in

connection with a specific bank loan or other transaction to effectuate any such refunding or tender offer, other than by means of a new issuance of bonds would be provided pursuant to a separate agreement as described in Section IV below.

3. ***Continuing Disclosure.*** Providing advice to the Issuer with regard to continuing disclosure undertakings for outstanding issuances; processes, policies and procedures to comply with continuing disclosure undertakings; and coordination of continuing disclosure obligations arising from different continuing disclosure undertakings for its various issuances. However, the preparation of continuing disclosure documents, other than in the capacity of dissemination agent under a continuing disclosure undertaking, would be provided within the scope of other services described in Section V. below.

III. Particularized Services on Outstanding Issuances of Municipal Securities. HilltopSecurities may provide to the Issuer certain additional advisory or related services in connection with particular outstanding issuances or matters affecting multiple outstanding issuances throughout the term of this Agreement, which may include, depending on the specific circumstances of such issuance and any request or direction of the Issuer:

1. ***Other Post-Sale Services.*** Reviewing the transaction features and documentation of outstanding issuances with legal counsel for the Issuer, bond counsel, auditors and other experts and consultants retained by the Issuer and assisting in developing appropriate responses to legal processes, audit procedures, inquiries, internal reviews and similar matters, or other services related to one or more outstanding issuances as may be agreed to by the Issuer and HilltopSecurities.

2. ***Brokerage of Municipal Escrow Investments.*** At the request of the Issuer, brokering the purchase of municipal escrow investments in connection with a refunding of an outstanding issuance, together with any recommendations by HilltopSecurities (but not by Hilltop Securities Asset Management, LLC as an investment adviser) with respect to such brokerage.

IV. Services as Independent Registered Municipal Advisor (“IRMA”). At the written request of the Issuer, HilltopSecurities shall, as the Issuer’s IRMA, review and provide advice to the Issuer in connection with any recommendations, proposals, ideas or matters suggested or otherwise communicated by a third party to the Issuer with respect to the same aspects of the issuance of municipal securities or municipal financial products that are within the scope of Municipal Advisory Services. There are no aspects of the issuance of municipal securities or municipal financial products that are outside the scope of Municipal Advisory Services set forth in this Appendix.

V. Other Services Relating to Municipal Securities. HilltopSecurities agrees to make available to the Issuer other services relating to municipal securities, when so requested by the Issuer and subject to the agreement by Issuer and HilltopSecurities regarding the specific requirements with respect to such services, which requirements shall be made part of the scope of Municipal Advisory Services and included in this Appendix as an amendment or addendum, which services may include, without limitation:

1. ***Capital Improvement Programs.*** Providing advice and assistance in the development of any capital improvement programs of the Issuer.

2. ***Long-Range Planning.*** Providing advice and assistance in the development of other long-range financing plans of the Issuer.

3. **Refundings and Tender Offers.** Providing advice and assistance in executing a refunding or tender offer of an outstanding issuance other than by means of refunding bonds, such as by means of a bank loan or other funds of the Issuer.

4. **Continuing Disclosure Documents.** Preparing and providing advice with regard to the content of continuing disclosure documents in compliance with the Issuer's continuing disclosure undertakings for its outstanding issuances, other than in the capacity of dissemination agent under a continuing disclosure undertaking.

* * * * *

As provided in paragraph D of Section I of the Agreement, amendments to this Appendix A may be effected by replacement of this Appendix A with a new version hereof or by the addition of an addendum to this Appendix A, and this Appendix A, as it may have been amended, shall be dated and effective as of the most recent of the date set forth in any such amendment or the date set forth in any addendum to this Appendix A.

**APPENDIX B
FORM AND BASIS OF COMPENSATION**

This Appendix B sets out the form and basis of compensation to HilltopSecurities for the Municipal Advisory Services provided under this Agreement as set forth in Appendix A; provided that the compensation arrangements set forth in this Appendix B shall also apply to any additional services hereafter added to the scope of the Municipal Advisory Services, unless otherwise provided in the amendment to the Agreement relating to such change in scope of Municipal Advisory Services as provided in paragraph D of Section I of the Agreement.

I. New Issuances of Municipal Securities. The fees due HilltopSecurities in connection with the Municipal Advisory Services set forth in Section I of Appendix A hereto for each new issuance of municipal securities will not exceed those contained in our fee schedule as listed below:

<u>For Proceeds Received:</u>	<u>The Fee Shall Be:</u>
Up to \$1,000,000	\$25,000
From \$1,000,000 to \$5,000,000	\$25,000 plus \$7.00 per \$1,000 for all over \$1,000,000
From \$5,000,000 to \$10,000,000	\$53,000 plus \$3.50 per \$1,000 for all over \$5,000,000
Over \$10,000,000	\$70,500 plus \$1.00 per \$1,000 for all over \$10,000,000

Refundings:

In addition to the above fees, refunding Obligations will be charged an analytical/structure fee calculated as follows:

<u>From</u>	<u>To</u>	<u>Analytics</u>
\$0.00	\$4,999,999.00	\$2,500.00
5,000,000.00	9,999,999.00	4,500.00
10,000,000.00	19,999,999.00	7,500.00
20,000,000.00	and up	9,500.00

The payment of charges as set forth in this Section I for new issuances shall be contingent upon the delivery of the new issuance and shall be due at the time that the municipal securities are delivered.

II. Baseline Advice on Outstanding Issuances of Municipal Securities. There shall be no additional fees due HilltopSecurities in connection with the Municipal Advisory Services set forth in Section II of Appendix A hereto, with the understanding that such services are integral to HilltopSecurities' engagement as municipal advisor to the Issuer and HilltopSecurities shall be compensated for such services through and as part of the fees paid for the other services provided by HilltopSecurities hereunder.

III. Particularized Services on Outstanding Issuances of Municipal Securities. In connection with Other Post-Sale Services described in Section III of Appendix A hereto, HilltopSecurities shall charge a fee that is mutually agreed upon with the Issuer.

In connection with the brokerage of municipal escrow investments described in Section III of Appendix A hereto, HilltopSecurities shall charge a commission that is normal and customary for investments of that type under then-current market conditions and shall disclose such commission to the Issuer so that the Issuer may consider the information in making its investment decision.

IV. Third-Party Recommendations, Proposals, Ideas or Other Matters as IRMA. In connection with its review of and advice on third-party recommendations to Issuers as an IRMA as described in Section IV of Appendix A hereto, HilltopSecurities shall charge a fee based on an hourly rate for services rendered in accordance with the schedule included above in Section III of this Appendix.

V. Other Services Relating to Municipal Securities. In connection with any services described in Section V of Appendix A hereto requested by the Issuer and agreed to by HilltopSecurities, the fees due with respect to any such services shall be as agreed to by the parties hereto, which terms shall be made part of the compensation provided under this Agreement and shall be included in this Appendix as an amendment or addendum hereto.

VI. Expenses. The Issuer shall be responsible for the following expenses in connection with the Municipal Advisory Services (including any additional services hereafter added to the scope of the Municipal Advisory Services), if and when applicable, whether they are charged to the Issuer directly as expenses or charged to the Issuer by HilltopSecurities as reimbursable expenses: bond counsel fees and expenses, bond printing costs, bond ratings fees and expenses, computer structuring costs, credit enhancement fees and expenses, accountant fees for verifications and related activities in connection with refundings, official statement preparation and printing, paying agent/registrar/trustee fees and expenses, travel expenses, underwriter and underwriter's counsel fees and expenses, and other miscellaneous expenses incurred by HilltopSecurities in the furtherance of any matter for which it serves as municipal advisor, including copy, delivery, phone and other charges normally incurred in connection with engagements of this type.

The Issuer agrees that any expense that it requests that HilltopSecurities pay to any third party on the Issuer's behalf shall be made in writing and shall be in accordance with paragraph C of Section III of the Agreement.

The payment of reimbursable expenses that HilltopSecurities has assumed on behalf of the Issuer shall NOT be contingent upon the delivery of a new issuance of municipal securities or the completion of any other transactions for which such expenses have been assumed and shall be due at the time that services are rendered and payable upon receipt of an invoice therefor submitted by HilltopSecurities, unless otherwise provided for in any amendment or addendum hereto in connection with the compensation arrangements for any services provided under the Agreement for which such amendment or addendum is required.

APPENDIX C MUNICIPAL ADVISOR DISCLOSURE STATEMENT

This disclosure statement (“Conflict Disclosures”) is provided by **Hilltop Securities Inc.** (“the Firm”) to you (the “Client”) in connection with our current municipal advisory agreement, (“the Agreement”). These Conflict Disclosures provide information regarding conflicts of interest and legal or disciplinary events of the Firm that are required to be disclosed to the Client pursuant to MSRB Rule G-42(b) and (c)(ii).

PART A – Disclosures of Conflicts of Interest

MSRB Rule G-42 requires that municipal advisors provide to their clients disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable.

Material Conflicts of Interest – The Firm makes the disclosures set forth below with respect to material conflicts of interest in connection with the Scope of Services under the Agreement with the Firm, together with explanations of how the Firm addresses or intends to manage or mitigate each conflict.

General Mitigations – As general mitigations of the Firm’s conflicts, with respect to all of the conflicts disclosed below, the Firm mitigates such conflicts through its adherence to its fiduciary duty to Client, which includes a duty of loyalty to Client in performing all municipal advisory activities for Client. This duty of loyalty obligates the Firm to deal honestly and with the utmost good faith with Client and to act in Client’s best interests without regard to the Firm’s financial or other interests. In addition, because the Firm is a broker-dealer with significant capital due to the nature of its overall business, the success and profitability of the Firm is not dependent on maximizing short-term revenue generated from individualized recommendations to its clients but instead is dependent on long-term profitability built on a foundation of integrity, quality of service and strict adherence to its fiduciary duty. Furthermore, the Firm’s municipal advisory supervisory structure, leveraging our long-standing and comprehensive broker-dealer supervisory processes and practices, provides strong safeguards against individual representatives of the Firm potentially departing from their regulatory duties due to personal interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

I. Affiliate Conflict. The Firm, directly and through affiliated companies, provides or may provide services/advice/products to or on behalf of clients that are related to the Firm’s advisory activities within the Scope of Services outlined in the Agreement. Hilltop Securities Asset Management (HSAM), a SEC-registered affiliate of the Firm, provides post issuance services including arbitrage rebate and treasury management. The Firm’s arbitrage team verifies rebate and yield restrictions on the investments of bond proceeds on behalf of clients in order to meet IRS restrictions. The treasury management division performs portfolio management/advisor services on behalf of public sector clients. The Firm, through affiliate Hilltop Securities Asset Management (HSAM), provides a multi-employer trust tailor-made for public entities which allows them to prefund Other Post-Employment Benefit liabilities. The Firm has a structured products desk that provides advice to help clients mitigate risk through investment management, debt management and commodity price risk management products. These products consist of but are not limited to swaps (interest rate, currency, commodity), options, repos, escrow structuring and other securities. Continuing Disclosure services provided by the Firm work with issuers to assist them in meeting disclosure requirements set forth in SEC rule 15c2-12. Services include but are not limited to ongoing maintenance of issuer compliance, automatic tracking of issuer’s annual filings and public notification of material events. The Firm administers government investment pools. These programs offer governmental entities

investment options for their cash management programs based on the entities specific needs. The Firm and the aforementioned affiliate's business with a client could create an incentive for the Firm to recommend to a client a course of action designed to increase the level of a client's business activities with the affiliates or to recommend against a course of action that would reduce or eliminate a client's business activities with the affiliates. This potential conflict is mitigated by the fact that the Firm and affiliates are subject to their own comprehensive regulatory regimes.

II. PlainsCapital Bank Affiliate Conflict. The Firm, directly and through affiliated companies, provides or may provide services/advice/products to or on behalf of clients that are related to the Firm's advisory activities within the Scope of Services outlined in the Agreement. Affiliate, PlainsCapital Bank, provides banking services to municipalities including loans and custody. The Firm and the aforementioned affiliate's business with a client could create an incentive for the Firm to recommend to a client a course of action designed to increase the level of a client's business activities with the affiliates or to recommend against a course of action that would reduce or eliminate a client's business activities with the affiliates. This potential conflict is mitigated by the fact that the Firm and affiliates are subject to their own comprehensive regulatory regimes.

III. Other Municipal Advisor or Underwriting Relationships. The Firm serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of Client. For example, the Firm serves as municipal advisor to other municipal advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to Client. These other clients may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering. In acting in the interests of its various clients, the Firm could potentially face a conflict of interest arising from these competing client interests. In other cases, as a broker-dealer that engages in underwritings of new issuances of municipal securities by other municipal entities, the interests of the Firm to achieve a successful and profitable underwriting for its municipal entity underwriting clients could potentially constitute a conflict of interest if, as in the example above, the municipal entities that the Firm serves as underwriter or municipal advisor have competing interests in seeking to access the new issue market with the most advantageous timing and with limited competition at the time of the offering. None of these other engagements or relationships would impair the Firm's ability to fulfill its regulatory duties to Client.

IV. Secondary Market Transactions in Client's Securities. The Firm, in connection with its sales and trading activities, may take a principal position in securities, including securities of Client, and therefore the Firm could have interests in conflict with those of Client with respect to the value of Client's securities while held in inventory and the levels of mark-up or mark-down that may be available in connection with purchases and sales thereof. In particular, the Firm or its affiliates may submit orders for and acquire Client's securities issued in an Issue under the Agreement from members of the underwriting syndicate, either for its own account or for the accounts of its customers. This activity may result in a conflict of interest with Client in that it could create the incentive for the Firm to make recommendations to Client that could result in more advantageous pricing of Client's bond in the marketplace. Any such conflict is mitigated by means of such activities being engaged in on customary terms through units of the Firm that operate independently from the Firm's municipal advisory business, thereby reducing the likelihood that such investment activities would have an impact on the services provided by the Firm to Client under this Agreement.

V. Broker-Dealer and Investment Advisory Business. The Firm is dually registered as a broker-dealer and an investment advisor that engages in a broad range of securities-related activities to service its clients, in addition to serving as a municipal advisor or underwriter. Such securities-related activities, which

may include but are not limited to the buying and selling of new issue and outstanding securities and investment advice in connection with such securities, including securities of Client, may be undertaken on behalf of, or as counterparty to, Client, personnel of Client, and current or potential investors in the securities of Client. These other clients may, from time to time and depending on the specific circumstances, have interests in conflict with those of Client, such as when their buying or selling of Client's securities may have an adverse effect on the market for Client's securities, and the interests of such other clients could create the incentive for the Firm to make recommendations to Client that could result in more advantageous pricing for the other clients. Furthermore, any potential conflict arising from the firm effecting or otherwise assisting such other clients in connection with such transactions is mitigated by means of such activities being engaged in on customary terms through units of the Firm that operate independently from the Firm's municipal advisory business, thereby reducing the likelihood that the interests of such other clients would have an impact on the services provided by the Firm to Client.

VI. Compensation-Based Conflicts. Fees that are based on the size of the issue are contingent upon the delivery of the Issue. While this form of compensation is customary in the municipal securities market, this may present a conflict because it could create an incentive for the Firm to recommend unnecessary financings or financings that are disadvantageous to Client, or to advise Client to increase the size of the issue. This conflict of interest is mitigated by the general mitigations described above.

Fees based on a fixed amount are usually based upon an analysis by Client and the Firm of, among other things, the expected duration and complexity of the transaction and the Scope of Services to be performed by the Firm. This form of compensation presents a potential conflict of interest because, if the transaction requires more work than originally contemplated, the Firm may suffer a loss. Thus, the Firm may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. This conflict of interest is mitigated by the general mitigations described above.

Hourly fees are calculated with, the aggregate amount equaling the number of hours worked by Firm personnel times an agreed-upon hourly billing rate. This form of compensation presents a potential conflict of interest if Client and the Firm do not agree on a reasonable maximum amount at the outset of the engagement, because the Firm does not have a financial incentive to recommend alternatives that would result in fewer hours worked. This conflict of interest is mitigated by the general mitigations described above.

PART B – Disclosures of Information Regarding Legal Events and Disciplinary History

MSRB Rule G-42 requires that municipal advisors provide to their clients certain disclosures of legal or disciplinary events material to its client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel.

Accordingly, the Firm sets out below required disclosures and related information in connection with such disclosures.

I. Material Legal or Disciplinary Event. The Firm discloses the following legal or disciplinary events that may be material to Client's evaluation of the Firm or the integrity of the Firm's management or advisory personnel:

- For related disciplinary actions please refer to the Firm's [BrokerCheck](#) webpage.

- The Firm self-reported violations of SEC Rule 15c2-12: Continuing Disclosure. The Firm settled with the SEC on February 2, 2016. The firm agreed to retain independent consultant and adopt the consultant's finding. Firm paid a fine of \$360,000.
- The Firm settled with the SEC in matters related to violations of MSRB Rules G-23(c), G-17 and SEC rule 15B(c) (1). The Firm disgorged fees of \$120,000 received as financial advisor on the deal, paid prejudgment interest of \$22,400.00 and a penalty of \$50,000.00.
- The Firm entered into a Settlement Agreement with Rhode Island Commerce Corporation. Under the Settlement Agreement, the firm agreed to pay \$16.0 million to settle any and all claims in connection with The Rhode Island Economic Development Corporation Job Creation Guaranty Program Taxable Revenue Bond (38 Studios, LLC Project) Series 2010, including the litigation thereto. The case, filed in 2012, arose out of a failed loan by Rhode Island Economic Development Corporation. The firm's predecessor company, First Southwest Company, LLC, was one of 14 defendants. HilltopSecurities' engagement was limited to advising on the structure, terms, and rating of the underlying bonds. Hilltop settled with no admission of liability or wrongdoing.
- On April 30, 2019, the Firm entered into a Settlement Agreement with Berkeley County School District of Berkeley County, South Carolina. The case, filed in March of 2019, arose in connection with certain bond transactions occurring from 2012 to 2014, for which former employees of Southwest Securities, Inc., a predecessor company, provided financial advisory services. The Firm agreed to disgorge all financial advisory fees related to such bond transactions, which amounted to \$822,966.47, to settle any and all claims, including litigation thereto. Under the Settlement Agreement, the Firm was dismissed from the lawsuit with prejudice, no additional penalty, and with no admission of liability or wrongdoing.

II. How to Access Form MA and Form MA-I Filings. The Firm's most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR system at [Forms MA and MA-I](#). The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by the Firms in its capacity as a broker-dealer on Form BD or Form U4 or as an investment adviser on Form ADV, as applicable. Information provided by the Firm on Form BD or Form U4 is publicly accessible through reports generated by BrokerCheck at <http://brokercheck.finra.org/>, and the Firm's most recent Form ADV is publicly accessible at the Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov/>. For purposes of accessing such BrokerCheck reports or Form ADV, click previous hyperlinks.

PART C – Future Supplemental Disclosures

As required by MSRB Rule G-42, this Municipal Advisor Disclosure Statement may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of the Firm. The Firm will provide Client with any such supplement or amendment as it becomes available throughout the term of the Agreement.

ITEM 8

CONSIDERATION OF ITEMS WITHDRAWN FROM THE CONSENT AGENDA

ITEM 9A

EXECUTIVE SESSION

**CONSULTATION WITH ATTORNEY TO
DISCUSS MATTERS RELATED TO
PENDING OR CONTEMPLATED
LITIGATION**

ITEM 10

ADJOURNMENT