

AGENDA ITEM # 12June 17, 1997

*

Consider setting a date for public hearing to set speed limit for Oak Grove Road.

Moved: Commissioner Boatright

Seconded: Judge Doerfler

Motion: To authorize public hearing at 10:15 a.m. on July 15, 1997, to set speed limit for Oak Grove Road.

Vote: Motion carried 4 - 0

AGENDA ITEM # 13June 17, 1997

*

Consider and take appropriate action concerning listing agreement with Frank Childress on Sutton County School Land.

Moved: Judge Doerfler

Seconded: Commissioner Boatright

Motion: To authorize Commissioner Boatright to enter into agreement with Frank Childress on Sutton County School Land on the additional 800 acres, after County Attorney Gene Taylor has issued his opinion on the agreement.

Vote: Motion carried 4 - 0

AGENDA ITEM # 14June 17, 1997

*

Open and consider awarding, rejecting or extending bids for thermo plastic road striping.At 10:00 a.m. on June 17, 1997, Judge Doerfler announced time open to receive bids for thermo plastic road striping.

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At 10:01 a.m. on June 17, 1997, Judge Doerfler announced time closed to receive bids for thermo plastic road striping.

One bid was opened and read aloud from:

Paul Revelle

Moved: Commissioner Heiligenstein

Seconded: Commissioner Hays

Motion: To award Paul Revelle bid for thermo plastic road striping.

Vote: Motion carried 4 - 0

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WILLIAMSON COUNTY BID FORM

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The undersigned hereby submits its sealed BID for items to be purchased by Williamson County, Texas for the 1997 fiscal year. The bidder understands and agrees that it is bound by all of the bid conditions set out on page 3 of this bid packet.

NAME OF BIDDER: Paul Revelle
 Mailing Address: 951 CR 260
 City: Liberty Hill State: Tx Zip: 78642
 Telephone: (512) 515-5619 Fax: (512) 778-5619

BID

(Add additional sheets if necessary)

ITEM	UNIT PRICE
① 4" Line y/crw	.71.5 ⁴ Per L.F.
② Sg. Foot y/w	2.10 Per Sg. Foot
③ TURN ARROWS	65.00 EACH
④ LETTERING	50.00 Per Letter

LIMITATIONS

(Add additional sheets if necessary)

[Unless this space is filled out to the contrary, the undersigned understands and agrees that this Bid is to be considered on a low item basis for any or all county departments and geographic areas with no limitation on quantities available, and that the prices quoted are firm from the date of the BID opening until September 30, 1997.]

NO EXTRA CHARGE FOR yellow or white

Signature: Paul Revelle Date of BID: June 17, 97 80

Name and Title of Signer: Paul D Revelle owner
 THIS IS REQUIRED. The signer represents that he/she has the authority to bind the bidder by this signature.

DO NOT SIGN OR SUBMIT THIS FORM
WITHOUT READING PAGE 3

Paul Revelle
 951 CR 260
 Liberty Hill TX
 78642
 512-515-5619

AGENDA ITEM # 15June 17, 1997*

Discuss and take appropriate action on cancelling Commissioners Court meeting on June 24, 1997.

Moved: Judge Doerfler

Seconded: Commissioner Boatright

Motion: To cancel the Commissioners Court meeting of June 24, 1997.

Vote: Motion carried 4 - 0

AGENDA ITEM # 16June 17, 1997*

Consider awarding, rejecting or extending bids for various agricultural tracts.

No action was taken on this item which will be added to the agenda for the meeting of July 1, 1997.

AGENDA ITEM # 17June 17, 1997*

Open and consider awarding, rejecting or extending bids for road side chemicals and herbicides.

At 10:15 a.m. Judge Doerfler announced time open to accept bids for road side chemicals and herbicides.

At 10:16 a.m. Judge Doerfler announced time closed to accept bids for road side chemicals and herbicides.

Bids were opened and read aloud from:

Estes, Inc.

Helena Chemical Company

Terra Industries

Timberland Enterprises, Inc.

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Moved: Judge Doerfler

Seconded: Commissioner Boatright

Motion: To note receipt of bids with award to be made on July 1, 1997.

Vote: Motion carried 4 - 0

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**WILLIAMSON COUNTY
SPECIFICATIONS FOR
ROAD SIDE CHEMICALS AND HERBICIDES**

GARLON 4
GARLON 3A
UNTRA and/or PRO (ROUND-UP)
HIVAR-XL
TORDON K
PATH FINDER
OUST
RODEO
ARSENAL
SURFACTANT AND STICKERS (such as SIDE KICK and more)

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Estes, Inc. Waco, TX

WILLIAMSON COUNTY BID FORM

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The undersigned hereby submits its sealed BID for items to be purchased by Williamson County, Texas for the 1997 fiscal year. The bidder understands and agrees that it is bound by all of the bid conditions set out on page 3 of this bid packet.

NAME OF BIDDER: Estes

Mailing Address: PO Box 23027

City: Waco

State: TX

Zip: 76706

Telephone: (800) 234-9792

Fax: (817) 662-4983

BID

(Add additional sheets if necessary)

ITEM	UNIT PRICE
Garlon 4 2.5gal	205.79
Garlon 3A 2.5gal	184.52
Roundup Pro 2.5gal	120.12
Roundup Pro 30gal	1337.10

LIMITATIONS

(Add additional sheets if necessary)

[Unless this space is filled out to the contrary, the undersigned understands and agrees that this Bid is to be considered on a low item basis for any or all county departments and geographic areas with no limitation on quantities available, and that the prices quoted are firm from the date of the BID opening until September 30, 1997.]

Signature: John Rose

Date of BID: 6-12-97

Name and Title of Signer: John Rose - Warehouse Mgr.

THIS IS REQUIRED. The signer represents that he/she has the authority to bind the bidder by this signature.

DO NOT SIGN OR SUBMIT THIS FORM
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WILLIAMSON COUNTY BID FORM

The undersigned hereby submits its sealed BID for items to be purchased by Williamson County, Texas for the 1997 fiscal year. The bidder understands and agrees that it is bound by all of the bid conditions set out on page 3 of this bid packet.

NAME OF BIDDER: Estes, Inc.

Mailing Address: P.O. Box 23027

City: Waco State: TX Zip: 76702

Telephone: (800) 234-9772 Fax: (817) 662-4983

BID

(Add additional sheets if necessary)

ITEM	UNIT PRICE
Hyvar XL Gal	48.50
Tordon K 2.5 gal	213.00
Pathfinder 2.5 gal	68.00
Oust 3#	489.60

LIMITATIONS

(Add additional sheets if necessary)

[Unless this space is filled out to the contrary, the undersigned understands and agrees that this bid is to be considered on a low item basis for any or all county departments and geographic areas with no limitation on quantities available, and that the prices quoted are firm from the date of the BID opening until September 30, 1997.]

Signature: John Rose Date of BID: 6-12-97

Name and Title of Signer: John Rose - Warehouse Mgr.
THIS IS REQUIRED. The signer represents that he/she has the authority to bind the bidder by this signature.

DO NOT SIGN OR SUBMIT THIS FORM
WITHOUT READING PAGE 3

WILLIAMSON COUNTY BID FORM

The undersigned hereby submits its sealed BID for items to be purchased by Williamson County, Texas for the 1997 fiscal year. The bidder understands and agrees that it is bound by all of the bid conditions set out on page 3 of this bid packet.

NAME OF BIDDER: Estes, Inc.
Mailing Address: P.O. Box 23027
City: Waco State: TX Zip: 76702
Telephone: (800) 234-5792 Fax: (817) 662-4983

BID

(Add additional sheets if necessary)

ITEM	UNIT PRICE
Rodeo 2.5 gal	262.50
Rodeo 30 gal	2880.00
Sahara (Arsenal) 40#	390.60
SurfKing Plus 2.5 gal	43.90

LIMITATIONS

(Add additional sheets if necessary)

[Unless this space is filled out to the contrary, the undersigned understands and agrees that this Bid is to be considered on a low item basis for any or all county departments and geographic areas with no limitation on quantities available, and that the prices quoted are firm from the date of the BID opening until September 30, 1997.]

Signature: John Rose Date of BID: 6-12-97

Name and Title of Signer: John Rose - Warehouse Mgr.
THIS IS REQUIRED. The signer represents that he/she has the authority to bind the bidder by this signature.

**DO NOT SIGN OR SUBMIT THIS FORM
WITHOUT READING PAGE 3**

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WILLIAMSON COUNTY BID FORM

The undersigned hereby submits its sealed BID for items to be purchased by Williamson County, Texas for the 1997 fiscal year. The bidder understands and agrees that it is bound by all of the bid conditions set out on page 3 of this bid packet.

NAME OF BIDDER: Estes, Inc.
Mailing Address: PO Box 23027
City: Waco State: TX Zip: 76702
Telephone: (800) 234-9792 Fax: (817) 662-4983

BID

(Add additional sheets if necessary)

ITEM	UNIT PRICE
<u>Surfactant 80 2.5 gal</u>	<u>30.00</u>
<u>Cidekick II gal</u>	<u>16.50</u>

LIMITATIONS

(Add additional sheets if necessary)

[Unless this space is filled out to the contrary, the undersigned understands and agrees that this bid is to be considered on a low item basis for any or all county departments and geographic areas with no limitation on quantities available, and that the prices quoted are firm from the date of the BID opening until September 30, 1997.]

Signature: John Rose Date of BID: 6-12-97
Name and Title of Signer: John Rose - Warehouse Mgr.
THIS IS REQUIRED. The signer represents that he/she has the authority to bind the bidder by this signature.

**DO NOT SIGN OR SUBMIT THIS FORM
WITHOUT READING PAGE 3**

WILLIAMSON COUNTY BID FORM VOL 0089 PAGE 087

The undersigned hereby submits its sealed BID for items to be purchased by Williamson County, Texas for the 1997 fiscal year. The bidder understands and agrees that it is bound by all of the bid conditions set out on page 3 of this bid packet.

NAME OF BIDDER: Helena Chem Co
Billing Address: P.O. Box 1267
City: Taylor State: TX Zip: 76574
Telephone: (512) 352-1532 Fax: (512) 352-9385

BID

(Add additional sheets if necessary)

ITEM	UNIT PRICE
<u>Roundup Ultra or Roundup Pro</u>	<u>30 gal Containers - 42.36 per gal</u>
<u>Tordon 22K</u>	<u>1 gal Containers - 41.95 per gal</u>
<u>Rodeo</u>	<u>2 1/2 gal Containers - 96.00 per gal</u>

LIMITATIONS

(Add additional sheets if necessary)

Unless this space is filled out to the contrary, the undersigned understands and agrees that this Bid is to be considered on a low item basis for any or all county departments and geographic areas with no limitation on quantities available, and that the prices quoted are firm from the date of the BID opening until September 30, 1997.

<u>Cide Kick</u>	<u>1 gal Containers - 15.50 per gal</u>
<u>Hyvar-XL</u>	<u>1 gal Containers - 44.20 per gal</u>

Signature: Larry W. Sladet Date of BID: 6-16-97

Name and Title of Signer: Helena Chem Co Larry W. Sladet - Manager
THIS IS REQUIRED. The signer represents that he/she has the authority to bind the bidder by this signature.

**DO NOT SIGN OR SUBMIT THIS FORM
WITHOUT READING PAGE 3**

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SPECIAL NOTES

Please check the following prior to sealing and submitting your bid/proposal.

1. Official Williamson County Bid Form Completed, signed, and enclosed?

YES ☒ NO ☐

2. All bid specification sheets completed (including company name at bottom of each sheet) and attached?

YES ☒ NO ☐

3. Have you included three (3) copies of your bid as required?

YES ☒ NO ☐

4. Have you written the name of your business on the front of the sealed envelope?

YES ☒ NO ☐

5. Have you written the description of the commodity that you are bidding on the front of the sealed envelope?

YES ☒ NO ☐

06/16/1997 07:40 5123521536
06/09/97 15:35

MEHEVEC

PAGE 82
P. 005**WILLIAMSON COUNTY BID FORM**

The undersigned hereby submits its sealed BID for items to be purchased by Williamson County, Texas for the 1997 fiscal year. The bidder understands and agrees that it is bound by all of the bid conditions set out on page 3 of this bid packet.

NAME OF BIDDER: TEARA INDUSTRIES
 Mailing Address: P.O. Box 330
 City: TAYLOR State: TX Zip: 76574
 Telephone: (512) 352-5545 Fax: (512) 352-5616

BID

(Add additional sheets if necessary)

ITEM	UNIT PRICE
<u>GARLOW 4 2 1/2</u>	<u>75.82/sal</u>
<u>GARLOW 3 2 1/2</u>	<u>59.64/sal</u>
<u>POWDUA PBD 30sal drum</u>	<u>41.80/sal</u>

LIMITATIONS

(Add additional sheets if necessary)

[Unless this space is filled out to the contrary, the undersigned understands and agrees that this Bid is to be considered on a low bid basis for any or all county departments and geographic areas with no limitation on quantities available, and that the prices quoted are firm from the date of the BID opening until September 30, 1997.]

Signature: Douglas WolkbreckDate of BID: 6/17/97Name and Title of Signer: Douglas WolkbreckSALESMAN

THIS IS REQUIRED. The signer represents that he/she has the authority to bind the bidder by this signature.

DO NOT SIGN OR SUBMIT THIS FORM
WITHOUT READING PAGE 3

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06/16/1997 07:40 5123521536
06/09/97 15:35

MEHEVEC

PAGE 02
P. 005**WILLIAMSON COUNTY BID FORM**

The undersigned hereby submits its sealed BID for items to be purchased by Williamson County, Texas for the 1997 fiscal year. The bidder understands and agrees that it is bound by all of the bid conditions set out on page 3 of this bid packet.

NAME OF BIDDER: TERRA INDUSTRIESMailing Address: P.O. Box 330City: TAYLORState: TXZip: 76574Telephone: (512) 352-5545Fax: (512) 352-5616**BID**

(Add additional sheets if necessary)

ITEM	UNIT PRICE
<u>BOWUP ULTRA 30 gal</u>	<u>41.80/gal</u>
<u>HYDRA XL 1 gal bag</u>	<u>46.25/gal</u>
<u>TORONK 20 gal bag</u>	<u>72.09/gal</u>

LIMITATIONS

(Add additional sheets if necessary)

(Unless this space is filled out to the contrary, the undersigned understands and agrees that this Bid is to be considered on a low item basis for any or all county departments and geographic areas with no limitation on quantities available, and that the prices quoted are firm from the date of the BID opening until September 30, 1997.)

Signature: Douglas HolbarchDate of BID: 6/17/97Name and Title of Signer: Douglas HolbarchSALSMAN

THIS IS REQUIRED. The signer represents that he/she has the authority to bind the bidder by this signature.

**DO NOT SIGN OR SUBMIT THIS FORM
WITHOUT READING PAGE 3**

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06/16/1997 07:40 5123521536
06/09/97 15:35

MEHEVEC

PAGE 02
P. 005**WILLIAMSON COUNTY BID FORM**

The undersigned hereby submits its sealed BID for items to be purchased by Williamson County, Texas for the 1997 fiscal year. The bidder understands and agrees that it is bound by all of the bid conditions set out on page 3 of this bid packet.

NAME OF BIDDER: TEARRA INDUSTRIESMailing Address: P.O. BOX 330City: TAYLORState: TXZip: 76574Telephone: (512) 352-5545Fax: (512) 352-5616**BID**

(Add additional sheets if necessary)

ITEM	UNIT PRICE
<u>PATHFINDER 2.5 gal</u>	<u>29.95/gal</u>
<u>DUST</u>	<u>163.20/lb</u>
<u>BODEO 2.5 gal</u>	<u>94.46/gal</u>

LIMITATIONS

(Add additional sheets if necessary)

[Unless this space is filled out to the contrary, the undersigned understands and agrees that this Bid is to be considered on a low item basis for any or all county departments and geographic areas with no limitation on quantities available, and that the prices quoted are firm from the date of the BID opening until September 30, 1997.]

Signature: Douglas WolbrueckDate of BID: 6-17-97Name and Title of Signer: DOUGLAS WOLBRUECKSALESMAN

THIS IS REQUIRED. The signer represents that he/she has the authority to bind the bidder by this signature.

DO NOT SIGN OR SUBMIT THIS FORM
WITHOUT READING PAGE 3

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WILLIAMSON COUNTY BID FORM

The undersigned hereby submits its sealed BID for items to be purchased by Williamson County, Texas for the 1997 fiscal year. The bidder understands and agrees that it is bound by all of the bid conditions set out on page 3 of this bid packet.

NAME OF BIDDER: TERRA INDUSTRIES

Mailing Address: P.O. BOX 230

City: TAYLOR

State: TX

Zip: 76574

Telephone: (512) 352-5545

Fax: (512) 352-5616

BID

(Add additional sheets if necessary)

ITEM	UNIT PRICE
<u>ARSENAL 2/2 1/2</u>	<u>217.60/sal</u>
<u>AD 100 (CIDE KICKS) 2/2 1/2</u>	<u>12.50/sal</u>
<u>ACTIVATE PLUS 1 sal</u>	<u>9.50/sal</u>
<u>90-10 NON IONIC</u>	

LIMITATIONS

(Add additional sheets if necessary)

[Unless this space is filled out to the contrary, the undersigned understands and agrees that this Bid is to be considered on a low item basis for any or all county departments and geographic areas with no limitation on quantities available, and that the prices quoted are firm from the date of the BID opening until September 30, 1997.]

Signature: Douglas Holbrook

Date of BID: 6-17-97

Name and Title of Signer: Douglas Holbrook

SALESMAN

THIS IS REQUIRED. The signer represents that he/she has the authority to bind the bidder by this signature.

**DO NOT SIGN OR SUBMIT THIS FORM
WITHOUT READING PAGE 3**

WILLIAMSON COUNTY BID FORM

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The undersigned hereby submits its sealed BID for items to be purchased by Williamson County, Texas for the 1997 fiscal year. The bidder understands and agrees that it is bound by all of the bid conditions set out on page 3 of this bid packet.

NAME OF BIDDER: TIMBERLAND ENTERPRISES, INC.
Mailing Address: 13622 EAST HARDY RD
City: HOUSTON State: TEXAS Zip: 77039
Telephone: (281) 987-9400 Fax: (281) 982-8969

BID

(Add additional sheets if necessary)

ITEM	UNIT PRICE
<u>GARLON-4 2x2.5 or 309L Drum.</u>	<u>71.89/gal.</u>
<u>GARLON-3A 2x2.5 or 309L Drum.</u>	<u>57.29/gal.</u>
<u>Roundup-Pro 2x2.5 gal.</u>	<u>46.80/gal. - 309L Drum 43.35/gal.</u>

LIMITATIONS

(Add additional sheets if necessary)

[Unless this space is filled out to the contrary, the undersigned understands and agrees that this Bid is to be considered on a low item basis for any or all county departments and geographic areas with no limitation on quantities available, and that the prices quoted are firm from the date of the BID opening until September 30, 1997.]

Signature: A.J. Thibodeaux Date of BID: 6-17-97
Name and Title of Signer: A.J. Thibodeaux MARKET SPECIALIST
THIS IS REQUIRED. The signer represents that he/she has the authority to bind the bidder by this signature.

DO NOT SIGN OR SUBMIT THIS FORM
WITHOUT READING PAGE 3

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TIMBERLAND ENTERPRISES, INC.

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WILLIAMSON COUNTY BID FORM

The undersigned hereby submits its sealed BID for items to be purchased by Williamson County, Texas for the 1997 fiscal year. The bidder understands and agrees that it is bound by all of the bid conditions set out on page 3 of this bid packet.

NAME OF BIDDER: Timberland Enterprises, Inc.Mailing Address: 13622 EAST HARDY RDCity: HoustonState: TEXAS Zip: 77039Telephone: (281) 987-9400Fax: (281) 987-8969

BID

(Add additional sheets if necessary)

ITEM	UNIT PRICE
<u>HIVAR-XL 4x19L 2x2.59L</u>	<u>46.25/9L</u>
<u>TOLDON-K 2x2.5 or 309L Diam</u>	<u>25.69/9L</u>
<u>PATHFINDER 2x2.5 9L</u>	<u>27.79/9L</u>

LIMITATIONS

(Add additional sheets if necessary)

[Unless this space is filled out to the contrary, the undersigned understands and agrees that the Bid is to be considered on a firm basis for any or all county departments and geographic areas with no limitation on quantities available, and that the prices quoted are firm from the date of the BID opening until September 30, 1997.]

Signature: A.J. Thibodeaux Date of BID: 6-17-97Name and Title of Signer: A.J. Thibodeaux MARKET SPECIALIST
THIS IS REQUIRED. The signer represents that he/she has the authority to bind the bidder by this signature.

**DO NOT SIGN OR SUBMIT THIS FORM
WITHOUT READING PAGE 3**

Timberland Enterprises, Inc.

WILLIAMSON COUNTY BID FORM

The undersigned hereby submits its sealed BID for items to be purchased by Williamson County, Texas for the 1997 fiscal year. The bidder understands and agrees that it is bound by all of the bid conditions set out on page 3 of this bid packet.

NAME OF BIDDER: Timberland Enterprises, Inc.
Mailing Address: 13622 EAST HARDY Rd.
City: Houston State: TEXAS Zip: 77039
Telephone: (281) 982-9400 Fax: (281) 982-8969

BID

(Add additional sheets if necessary)

ITEM	UNIT PRICE
<u>ONUST 8x3 LB.</u>	<u>163.20/LB.</u>
<u>ROORO 309L. Drum</u>	<u>88.23/gal.</u>
<u>ALSENAL 2x2.5 gal.</u>	<u>212.60/gal. 309L. Drum 212.48/gal.</u>

LIMITATIONS

(Add additional sheets if necessary)

(Unless this space is filled out to the contrary, the undersigned understands and agrees that this Bid is to be considered on a low firm basis for any or all county departments and geographic areas with no limitation on quantities available, and that the prices quoted are firm from the date of the BID opening until September 30, 1997.)

Signature: A.J. Thibodeaux Date of BID: 6-12-97
Name and Title of Signer: A.J. Thibodeaux MARKET SPECIALIST
THIS IS REQUIRED. The signer represents that he/she has the authority to bind the bidder by this signature.

DO NOT SIGN OR SUBMIT THIS FORM
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Timberland Enterprises, Inc

VOL 0089 PAGE 096

WILLIAMSON COUNTY BID FORM

The undersigned hereby submits its sealed BID for items to be purchased by Williamson County, Texas for the 1997 fiscal year. The bidder understands and agrees that it is bound by all of the bid conditions set out on page 3 of this bid packet.

NAME OF BIDDER: Timberland Enterprises, Inc.
 Mailing Address: 13622 EAST HARDY RD.
 City: Houston State: TEXAS Zip: 77039
 Telephone: (281) 987-9400 Fax: (281) 987-8989

BID
(Add additional sheets if necessary)

ITEM	UNIT PRICE
CIDE-Kick 11 2*2.59L.	10.89/9L
CIDE Kick 2*2.59L.	13.24/9L

LIMITATIONS
(Add additional sheets if necessary)

(Unless this space is filled out to the contrary, the undersigned understands and agrees that this Bid is to be considered on a low firm basis for any or all county departments and geographic areas with no limitation on quantity available, and that the prices quoted are firm from the date of the Bid opening until September 30, 1997.)

Signature: A.J. Thibodeaux Date of BID: 6-17-97
 Name and Title of Signer: A.J. Thibodeaux MARKET SPECIALIST
THIS IS REQUIRED. The signer represents that he/she has the authority to bind the bidder by this signature.

**DO NOT SIGN OR SUBMIT THIS FORM
WITHOUT READING PAGE 3**

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Timberland Enterprises, Inc

AGENDA ITEM # 18

June 17, 1997

*

Discuss and take appropriate action on granting permission to the Williamson county Amateur Radio Club to use portable county generator on June 28-29, 1997.

Moved: Judge Doerfler

Seconded: Commissioner Boatright

Motion: To approve Williamson County Amateur Radio Club using portable county generator on June 28-29, 1997.

Vote: Motion carried 4 - 0

AGENDA ITEM # 19

June 17, 1997

*

Consider adoption of resolutions authorizing submission of applications for housing and infrastructure replacement as a result of the Jarrell Tornado.

Moved: Judge Doerfler

Seconded: Commissioner Boatright

Motion: To adopt resolutions authorizing submission of applications for housing and infrastructure replacement as a result of the Jarrell Tornado.

Vote: Motion carried 4 - 0

< Clerk copy here >

RESOLUTION

A RESOLUTION OF THE COMMISSIONER'S COURT OF WILLIAMSON COUNTY, TEXAS, AUTHORIZING THE SUBMISSION OF A TEXAS COMMUNITY DEVELOPMENT PROGRAM APPLICATION TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS FOR THE DISASTER RELIEF FUND; AND AUTHORIZING THE COUNTY JUDGE TO ACT AS THE COUNTY'S CHIEF EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE COUNTY'S PARTICIPATION IN THE COMMUNITY DEVELOPMENT PROGRAM.

WHEREAS, the Commissioner's Court of Williamson County recognizes the severe and total destruction of an area near Jarrell, and

WHEREAS, The Governor of Texas has declared the area a disaster area, and

WHEREAS, certain conditions exist which represent a threat to the public health and safety; and

WHEREAS, it is necessary and in the best interest of Williamson County to apply for funding under the 1997 Texas Community Development Disaster Relief Program:

NOW, THEREFORE BE IT RESOLVED BY THE COMMISSIONER'S COURT OF WILLIAMSON COUNTY, TEXAS:

1. That a Texas Community Development Program application for Disaster Relief Funds is hereby authorized to be filed on behalf of the County with the Texas Department of Housing and Community Affairs.
2. That the application be for \$ 1,806,062.00 of grant funds to carry out Water Improvements Wastewater Collection Improvements, Road Improvements, and Drainage Improvements
4. That the Commissioner's Court directs and designates the County Judge as the County's Chief Executive Officer and authorized representative to act in all matters in connection with this application and the County's participation in the Texas Community Development Program.
5. If awarded a Texas Community Development Program Contract, the Commissioner's Court directs and designates the County Judge as Chief Executive Official and Authorized Representative to designate as needed; any Commissioner's Court Member, County personnel, or County representative to act in all Texas Community Development Program matters pertaining to the County's implementation, County's administration, or the County's participation in fulfilling the requirements of the Texas Community Development Program contractual documents.

PASSED AND APPROVED THIS 17th DAY OF JUNE, 1997.

John C. Doerfler 6-17-97
John C. Doerfler
County Judge

ATTEST:

Clarence B. Bizzell

RESOLUTION

A RESOLUTION OF THE COMMISSIONER'S COURT OF WILLIAMSON COUNTY, TEXAS, AUTHORIZING THE SUBMISSION OF A TEXAS HOME INVESTMENT PARTNERSHIP PROGRAM APPLICATION TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS; AND AUTHORIZING THE COUNTY JUDGE TO ACT AS THE COUNTY'S CHIEF EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE COUNTY'S PARTICIPATION IN THE TEXAS HOME INVESTMENT PARTNERSHIP PROGRAM.

WHEREAS, the Commissioner's Court of Williamson County recognizes the severe destruction of ~~40~~ homes in an area near Jarrell, and

WHEREAS, The Governor of Texas has declared the area a disaster area, and

WHEREAS, it is necessary and in the best interest of Williamson County to apply for funding under the 1997 Texas HOME Investment Partnership Program:

NOW, THEREFORE BE IT RESOLVED BY THE COMMISSIONER'S COURT OF WILLIAMSON COUNTY, TEXAS:

1. That a Texas HOME Investment Partnership application is hereby authorized to be filed on behalf of the County with the Texas Department of Housing and Community Affairs.
2. That the application be for \$936,000.00 of grant funds to carry out rehabilitation and reconstruction activities.
4. That the Commissioner's Court directs and designates the County Judge as the County's Chief Executive Officer and authorized representative to act in all matters in connection with this application and the County's participation in the Texas HOME Investment Partnership Program.
5. If awarded a Texas HOME Investment Partnership Program Contract, the Commissioner's Court directs and designates the County Judge as Chief Executive Official and Authorized Representative to designate as needed; any Commissioner's Court Member, County personnel, or County representative to act in all Texas HOME Investment Partnership Program matters pertaining to the County's implementation, County's administration, or the County's participation in fulfilling the requirements of the Texas HOME Investment Partnership Program contractual documents.

PASSED AND APPROVED THIS 17th DAY OF JUNE, 1997.

John C. Doerfler 6-17-97
John C. Doerfler
County Judge

ATTEST

Clara Bragg

AGENDA ITEM # 20

June 17, 1997

*

Open and consider awarding, rejecting or extending bids for construction of bridge on County Road 101.

No action was taken on this item which is scheduled for the agenda of July 1, 1997.

AGENDA ITEM # 21

June 17, 1997

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Discuss and take appropriate action on citizens use of landfill concerning landfill awareness.

Hartley Sappington of Longhorn Disposal System addressed the court concerning a proposal for increased awareness of the landfill by offering Citizens Day on certain contracts for individuals to haul directly to the landfill for no charge. The yardage would be included in the 7 1/2% due the county. Compost would also be offered to the public.

Moved: Commissioner Hays

Seconded: Commissioner Boatright

Motion: To approve citizens use of landfill and promotion of landfill awareness to the public.

Vote: Motion carried 4 - 0

AGENDA ITEM # 22

June 17, 1997

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Consider approving authorizing County Judge to enter into contract to purchase property for County Parking Lot.

No action was taken on this item which will be added to the agenda for July 1, 1997.

AGENDA ITEM # 23

June 17, 1997

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Consider approving the closing of the following roads on July 4, 1997, from 10:00 a.m. until noon for Brushy Creek July 4th Bike and Trike Parade:

Northbound O'Connor from Liberty Walk to East Dorman and 2-way traffic on Southbound side

East Dorman from O'Connor to Margay

Sabertooth from East Dorman to Margay

Margay

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Moved: Commissioner Hays

Seconded: Commissioner Boatright

Motion: To approve the closing of the following roads on July 4, 1997, from

10:00 a.m. until noon for Brushy Creek July 4th Bike and Trike Parade:

Northbound O'Connor from Liberty Walk to East Dorman and 2-way traffic on Southbound side

East Dorman from O'Connor to Margay

Sabertooth from East Dorman to Margay

Margay

Vote: Motion carried 4 - 0

AGENDA ITEM # 24

June 17, 1997

*

Consider approving blocking off entire Vista Hills Boulevard (In Vista Oaks Subdivision) from intersection of Honey Bear Loop & Grayling Lane to the recreation center (at end of Vista Hills) from 10:00 a.m. to 11:00 a.m. on July 4, 1997, for parade.

Moved: Commissioner Hays

Seconded: Commissioner Boatright

Motion: To approve blocking off entire Vista Hills Boulevard (In Vista Oaks Subdivision) from intersection of Honey Bear Loop & Grayling Lane to the recreation center (at end of Vista Hills) from 10:00 a.m. to 11:00 a.m. on July 4, 1997, for parade.

Vote: Motion carried 4 - 0

AGENDA ITEM # 25

June 17, 1997

*

Consider approving posting of barricades and signs on above listed roads for traffic control.

Moved: Commissioner Hays

Seconded: Commissioner Boatright

Motion: To approve posting of barricades and signs for traffic control on roads listed in Agenda Item # 24.

Vote: Motion carried 4 - 0

AGENDA ITEM # 26

June 17, 1997

*

Consider approving an interlocal agreement for security services with North Austin Municipal Utility District No. 1.

Moved: Commissioner Boatright

Seconded: Commissioner Heiligenstein

Motion: To approve interlocal agreement for security services with North Austin Municipal Utility District No. 1.

Vote: Motion carried 4 - 0

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INTERLOCAL AGREEMENT FOR SECURITY PATROLS

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

This Interlocal Agreement for Security Patrols ("Agreement") is made and entered into by and between Williamson County, Texas (the "County") and North Austin Municipal Utility District No. 1 (the "District"), to set forth the terms and conditions under which the County will provide additional security patrols by the Williamson County Sheriff's Department (the "Department") of the property within the District.

RECITALS:

WHEREAS, the District is a political subdivision of the State of Texas with a majority of its area located within the County; and

WHEREAS, the County is a political subdivision of the State which provides, through the Department, law enforcement services within the geographic area encompassed by the County, including the District; and

WHEREAS, the District desires to obtain increased security patrols within the District for purposes of preventing or abating offenses against the rules of the District and the laws of the State, as permitted by Section 49.216 of the Texas Water Code; and

WHEREAS, the District and the County are empowered, under Chapter 791 of the Government Code, the Texas Interlocal Cooperation Act (the "Cooperation Act"), to contract with each other for the performance of governmental functions, including police protection; and

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WHEREAS, increased patrols by the Department would mutually benefit the parties, and serve to protect the public interest and the public health, safety, and welfare;

NOW, THEREFORE, know all men by these presents, that good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the District and the County agree as follows:

Section 1. Patrol Services. The County agrees to provide additional patrol services during high-risk periods, up to 30 hours per month. The time blocks and the number of patrols shall be determined by the Department and the Department shall notify the general manager o the District of the schedule. The Department and the District may amend the number of hours by the mutual written consent of the Department and the District. The deputy providing the services must, at a minimum, drive through the parking lot for Rattan Creek Park and walk through the Park during each patrol. During the walk-through, the deputy will monitor the facilities located in the Park for vandalism. A written report stating

the date and time of each patrol and any incidents or other activities observed will be submitted monthly, by the last day of the month. This agreement will in no way relieve the County of its obligation to provide routine patrol services to property within the District on the same basis as these services are provided to other property within the County. These services are in addition to, and not in lieu of, these routine services.

Section 2. Compensation. For the additional patrol services provided by the County, the District agrees to pay, from current revenues, the lesser of (i) \$18 per hour; or (ii) one and one-half times the normal rate for patrol service per hour. The County authorizes and directs the District to pay all sums due and payable hereunder directly to the deputy providing additional patrol services to the District. The County will prepare and issue to each deputy a time sheet indicating: (a) the total hours of additional patrol services rendered by the deputy, and (b) the County's approval of the services, and forward these time sheets to the District for payment. The total amount payable by the District must not exceed \$600 per month unless the number of approved hours is modified by the District and the Department. The District, in paying for the governmental services rendered by the County through the Department, will make payments out of current revenues available to the District, as required by the Cooperation Act. The District agrees to issue IRS forms 1099 to each deputy providing services, setting forth the total sum paid to the deputy for each calendar year in which services are performed.

Section 3. Performance of Patrol Services. Additional patrol services provided to the District under this Agreement will be provided by deputies employed by the Department, and the deputies will remain under the control and supervision of the County at all times. The deputies providing services under this Agreement will perform duties in the same manner as if providing patrol services within the District in the absence of this Agreement, and will remain County employees, entitled to the same benefits, and subject to the same restrictions as any other deputy; however, the direct hourly compensation to be paid to the deputy will be paid as provided in Section 2. The deputies must wear their Sheriff's Department uniforms and equipment and utilize marked Sheriff's Department patrol cars while providing services under this Agreement. All equipment, uniforms, and insurance will be the sole responsibility of the County. All deputies providing services will be acting in the course and scope of their employment by the County at all times while engaged in the performance of the additional patrol services contemplated hereunder.

Section 4. Indemnity. The District will have no liability relating to any action taken by any deputy providing services under this Agreement. To the extent permitted by applicable law, the County will indemnify the District from any liability, claim or demand, including attorney's fees for the defense thereof, arising as the result of any act or failure to act by any deputy providing services under this Agreement.

Section 5. Notice. Any notice given hereunder must be in writing, and may be effected by personal delivery, or by certified mail, return receipt requested, at the address of the respective parties indicated below:

District: North Austin Municipal Utility District No. 1
c/o ECO Resources, Inc.
9511 Ranch Road 620 N.
Austin, Texas 78726
Attn: Gary Spoons, General Manager

County: Williamson County Sheriff's Department
508 South Rock
Georgetown, Texas 78626

These addresses for notice may be changed by either party by delivering written notice of the change, in accordance with the requirements of this Section, to the other party.

Section 6. Term. The term of this agreement shall expire on September 30, 1997, unless sooner terminated by either party by giving written notice to the other party. Provided, however, this agreement may be extended by the mutual agreement of the parties.

Section 7. General Provisions.

a. **Interlocal Cooperation.** The District and the County agree to cooperate with each other, in good faith, at all times during the term hereof in order to effectuate the purposes and intent of this Agreement. Each party acknowledges and represents that this Agreement has been duly authorized by their respective governing body.

b. **Entire Agreement; Amendments.** This Agreement contains the entire agreement between the parties respecting the subject matter, and supersedes all prior understandings and agreements between the parties. This Agreement may not be modified or amended except by written agreement duly executed by both parties.

c. **Interpretation.** This Agreement has been entered into under the authority granted under the Cooperation Act. All terms and provisions are to be construed and interpreted consistently with that Act.

d. **Invalid Provisions.** Any provision of this agreement that is determined by a court of competent jurisdiction to be invalid, illegal, or unenforceable will not be deemed to impair, invalidate, or nullify the remainder of this Agreement.

e. **Applicable Laws.** This Agreement will be construed in accordance with the laws and constitution of the State of Texas. All obligations are performable in Williamson County, Texas, and venue for any action hereunder will be in Williamson County, Texas.

Executed on the date or dates indicated below, to be effective _____, 1997.

Date: _____

NORTH AUSTIN MUNICIPAL UTILITY
DISTRICT NO. 1

By: _____

Steve D. Peña, President
Board of Directors

ATTEST:

Robert K. Schultz, Secretary
Board of Directors

Date: 6-17-97

WILLIAMSON COUNTY, TEXAS

By: John C. Doerfler
John C. Doerfler, County Judge

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AGENDA ITEM # 27

June 17, 1997

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Consideration and action with respect to "Order Authorizing the issuance of Williamson County, Texas Combination Tax and Revenue Certificates of Obligation, series 1997; Levying an Ad Valorem Tax and Pledging Certain Revenues in Support of the Certificates; Approving an Official Statement and a Paying Agent/Registrar Agreement; Making Certain Continuing Disclosure Undertakings; and Authorizing Other Matters Related to the Certificates."

Moved: Commissioner Hays

Seconded: Judge Doerfler

Motion: To approve "Order Authorizing the issuance of Williamson County, Texas Combination Tax and Revenue Certificates of Obligation, series 1997; Levying an Ad Valorem Tax and Pledging Certain Revenues in Support of the Certificates; Approving an Official Statement and a Paying Agent/Registrar Agreement; Making Certain Continuing Disclosure Undertakings; and Authorizing Other Matters Related to the Certificates.

Vote: Motion carried 4 - 0

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**ORDER AUTHORIZING THE ISSUANCE OF WILLIAMSON COUNTY, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES
1997; LEVYING AN AD VALOREM TAX AND PLEDGING CERTAIN REVENUES IN
SUPPORT OF THE CERTIFICATES; APPROVING AN OFFICIAL STATEMENT AND
A PAYING AGENT/REGISTRAR AGREEMENT; MAKING CERTAIN CONTINUING
DISCLOSURE UNDERTAKINGS; AND AUTHORIZING OTHER MATTERS
RELATED TO THE CERTIFICATES**

THE STATE OF TEXAS
COUNTY OF WILLIAMSON

§
§

WHEREAS, the Commissioners Court of Williamson County, Texas (the "County") deems it advisable to issue Certificates of Obligation in the amount of \$9,100,000 for the purpose of paying contractual obligations to be incurred by the County for the purpose of providing funds for paying contractual obligations incurred or to be incurred for public permanent improvements and other public purposes within the County including: (1) construction, acquisition, improvement and equipment of a County annex building to be located in Cedar Park, Texas in the vicinity of Discovery Boulevard and U.S. 183 (Bell Avenue), (2) construction, acquisition, improvement and equipment of a County annex building to be located in Taylor, Texas between 4th and 5th on Vance Street, (3) flood control and drainage projects within the County including along Lake Creek and Lake Creek tributaries, (4) construction of improvements, upgrades, extensions and acquisition of any necessary right-of-way for the bridge and road system of the County including County Road 272, County Road 101 and completion of the Georgetown Inner Loop, (5) land acquisition for a county multi-purpose facility near the Georgetown Candle Factory, (6) the acquisition and installation of new phone systems for the County Jail, Sheriff's Department and Justice Center, (7) acquisition of land and construction relating to a new downtown Georgetown parking lot, (8) construction, acquisition, improvement and equipment of an addition to the County Jail, (9) acquisition of land sites and improvements thereon including the building known as the Rodney Montgomery Building and related land and the houses on Academy Block and related land and (10) the payment of professional services for legal, fiscal and engineering fees in connection herewith including the payment of the costs of issuance in accordance with Section 271.041 et. seq., Local Government Code, Vernon's Texas Codes Annotated.

WHEREAS, the Certificates hereinafter authorized and designated are to be issued and delivered for cash pursuant to Subchapter C of Chapter 271, Texas Local Government Code, as amended and Section 364.051 Texas Health and Safety Code; and

WHEREAS, on May 27, 1997 the Commissioners Court passed a resolution authorizing and directing the giving of notice of intention to issue the Certificates; and

WHEREAS, the notice was published on June 1, 1997 and June 8, 1997 in the *Williamson County Sun*, a newspaper of general circulation in the County and a "newspaper" as defined in Section 2051.044, Government Code; and

WHEREAS, the County received no petition from the qualified electors of the County protesting the issuance of the Certificates; and

WHEREAS, it is considered to be in the best interest of the County that the interest bearing Certificates be issued.

BE IT ORDERED BY THE COMMISSIONERS COURT OF WILLIAMSON COUNTY, TEXAS:

Section 1. RECITALS, AMOUNT AND PURPOSE OF THE CERTIFICATES. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this section. The Certificates are hereby authorized to be issued and delivered in the aggregate principal amount of \$9,100,000 for the purpose of paying contractual obligations to be incurred by the County for the purpose of providing funds for paying contractual obligations incurred or to be incurred for public permanent improvements and other public purposes within the County including: (1) construction, acquisition, improvement and equipment of a County annex building to be located in Cedar Park, Texas in the vicinity of Discovery Boulevard and U.S. 183 (Bell Avenue), (2) construction, acquisition, improvement and equipment of a County annex building to be located in Taylor, Texas between 4th and 5th on Vance Street, (3) flood control and drainage projects within the County including along Lake Creek and Lake Creek tributaries, (4) construction of improvements, upgrades, extensions and acquisition of any necessary right-of-way for the bridge and road system of the County including County Road 272, County Road 101 and completion of the Georgetown Inner Loop, (5) land acquisition for a county multi-purpose facility near the Georgetown Candle Factory, (6) the acquisition and installation of new phone systems for the County Jail, Sheriff's Department and Justice Center, (7) acquisition of land and construction relating to a new downtown Georgetown parking lot, (8) construction, acquisition, improvement and equipment of an addition to the County Jail, (9) acquisition of land sites and improvements thereon including the building known as the Rodney Montgomery Building and related land and the houses on Academy Block and related land and (10) the payment of professional services for legal, fiscal and engineering fees in connection herewith including the payment of the costs of issuance in accordance with Section 271.041 et. seq., Local Government Code, Vernon's Texas Codes Annotated.

Section 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS AND MATURITIES OF CERTIFICATES. Each certificate issued pursuant to this Order shall be designated: "WILLIAMSON COUNTY, TEXAS COMBINATION TAX AND REVENUE CERTIFICATE OF OBLIGATION, SERIES 1997," and initially there shall be issued, sold and delivered hereunder fully registered certificates, without interest coupons, dated June 15, 1997, in the respective denominations and principal amounts hereinafter stated, numbered consecutively from R-1 upward (except the initial Certificates delivered to the Attorney General of the State of Texas which shall be numbered T-1 upward), payable to the respective initial Registered Owners thereof (as designated in Section 15 hereof), or to the registered assignee or assignees of said Certificates or any portion or portions thereof (in each case, the "Registered Owner"), and said Certificates shall mature and be payable on August 15 in each of the years and in the principal amounts, respectively, as set forth in the following schedules:

<u>YEAR</u>	<u>AMOUNT</u>
1999	\$600,000
2000	700,000
2001	800,000
2002	1,000,000
2003	1,000,000
2004	1,000,000
2005	1,100,000
2006	1,200,000
2007	1,700,000

The term "Certificates" as used in this Order shall mean and include collectively the certificates initially issued and delivered pursuant to this Order and all substitute certificates exchanged therefor, as well as all other substitute certificates and replacement certificates issued pursuant hereto, and the term "Certificate" shall mean any of the Certificates.

Section 3. INTEREST. The Certificates scheduled to mature during the years, respectively, set forth below shall bear interest from the dates specified in the Form of Certificate set forth in this Order to their respective dates of maturity or redemption prior to maturity at the following rates per annum:

<u>YEAR</u>	<u>RATE</u>
1999	%
2000	
2001	
2002	
2003	
2004	
2005	
2006	
2007	

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Interest shall be payable in the manner provided and on the dates stated in the Form of Certificate set forth in this Order.

Section 4. CHARACTERISTICS OF THE CERTIFICATES. Registration, Transfer, Conversion and Exchange; Authentication. (a) The County shall keep or cause to be kept at Texas Commerce Bank National Association, Dallas, Texas (the "Paying Agent/Registrar") books or records for the registration of the transfer, conversion and exchange of the Certificates (the "Registration Books"), and the County hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the County and Paying

Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the Registered Owner of each Certificate to which payments with respect to the Certificates shall be mailed, as herein provided; but it shall be the duty of each Registered Owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The County shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The County shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Certificate or Certificates. Registration of assignments, transfers, conversions and exchanges of Certificates shall be made in the manner provided and with the effect stated in the Form of Certificate set forth in this Order. Each substitute Certificate shall bear a letter and/or number to distinguish it from each other Certificate.

Except as provided in Section 4(c) of this Order, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Certificate, date and manually sign said Certificate, and no such Certificate shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid Certificates and Certificates surrendered for conversion and exchange. No additional Orders, orders or resolutions need be passed or adopted by the Commissioners Court of the County or any other body or person so as to accomplish the foregoing conversion and exchange of any Certificate or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution and delivery of the substitute Certificates in the manner prescribed herein, and said Certificates shall be printed or typed on paper of customary weight and strength. Pursuant to Article 717k-6, Vernon's Annotated Texas Civil Statutes, as amended, and particularly Section 6 thereof, the duty of conversion and exchange of Certificates as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the converted and exchanged Certificate shall be valid, incontestable and enforceable in the same manner and with the same effect as the Certificates which initially were issued and delivered pursuant to this Order, approved by the Attorney General and registered by the Comptroller of Public Accounts.

(b) Payment of Certificates and Interest. The County hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Certificates, all as provided in this Order. The Paying Agent/Registrar shall keep proper records of all payments made by the County and the Paying Agent/Registrar with respect to the Certificates, and of all conversions and exchanges of Certificates, and all replacements of Certificates, as provided in this Order. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the County. Notice of the past due interest shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Registered Owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

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

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

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

With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the County and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of

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

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

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

(h) Initial Certificate(s). The Certificates herein authorized shall be initially issued as fully registered Certificates, being one Certificate for each maturity in the denomination of the applicable principal amount and the initial Certificate(s) shall be registered in the names of the purchaser or the designees thereof as set forth in Section 15 hereof. The initial Certificate(s) shall be the Certificates submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the purchaser as set forth in Section 15. Immediately after the delivery of the initial Certificate(s), the Paying Agent/Registrar shall cancel the initial Certificate(s) delivered hereunder and exchange therefor Certificates in the form of a separate single fully registered Certificate for each of the maturities thereof registered in the name of Cede & Co., as nominee of DTC and except as provided in Section 4(f), all of the outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

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

FORM OF CERTIFICATE

NO. R-

UNITED STATES OF AMERICA
STATE OF TEXAS
WILLIAMSON COUNTY, TEXAS
COMBINATION TAX AND REVENUE
CERTIFICATE OF OBLIGATION
SERIES 1997

PRINCIPAL
AMOUNT
\$ _____

INTEREST
RATE

DATE OF
CERTIFICATES

MATURITY
DATE

CUSIP NO.

June 15, 1997

REGISTERED OWNER:

PRINCIPAL AMOUNT:

ON THE MATURITY DATE specified above, Williamson County, Texas (the "County"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "Registered Owner") the principal amount set forth above, and to pay interest thereon from the Date of Certificates set forth above, on February

15, 1998 and semiannually on each August 15 and February 15 thereafter to the maturity date specified above, at the interest rate per annum specified above; except that if this Certificate is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate or Certificates, if any, for which this Certificate is being exchanged or converted from is due but has not been paid, then this Certificate shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Certificate are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Certificate shall be paid to the Registered Owner hereof upon presentation and surrender of this Certificate at maturity, or upon the date fixed for its redemption prior to maturity, at Texas Commerce Bank National Association, which is the "Paying Agent/Registrar" for this Certificate at their office in Dallas, Texas (the "Designated Payment/Transfer Office"). The payment of interest on this Certificate shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the County required by the order authorizing the issuance of this Certificate (the "Certificate Order") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the last day of the month preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the County. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Certificate appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

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

IF THE DATE for the payment of the principal of or interest on this Certificate shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the County where the principal corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS CERTIFICATE is one of a Series of Certificates dated June 15, 1997, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$9,100,000 for the purpose of paying contractual obligations to be incurred by the County for the purpose of providing funds for paying contractual obligations incurred or to be incurred for public permanent improvements and other public purposes within the County including: (1) construction, acquisition, improvement and equipment of a County annex building to be located in Cedar Park, Texas in the vicinity of Discovery Boulevard and U.S. 183 (Bell Avenue), (2) construction, acquisition, improvement and equipment of a County annex building to be located in Taylor, Texas between 4th and 5th on Vance Street, (3) flood control and drainage projects within the County including along Lake Creek and Lake Creek tributaries, (4) construction of improvements, upgrades, extensions and acquisition of any necessary right-of-way for the bridge and road system of the County including County Road 272, County Road 101 and completion of the Georgetown Inner Loop, (5) land acquisition for a county multi-purpose facility near the Georgetown Candle Factory, (6) the acquisition and installation of new phone systems for the County Jail, Sheriff's Department and Justice Center, (7) acquisition of land and construction relating to a new downtown Georgetown parking lot, (8) construction, acquisition, improvement and equipment of an addition to the County Jail, (9) acquisition of land sites and improvements thereon including the building known as the Rodney Montgomery Building and related land and the houses on Academy Block and related land and (10) the payment of professional services for legal, fiscal and engineering fees in connection herewith including the payment of the costs of issuance in accordance with Section 271.041 et. seq., Local Government Code, Vernon's Texas Codes Annotated.

THE CERTIFICATES are not subject to redemption prior to maturity.

ALL CERTIFICATES OF THIS SERIES are issuable solely as fully registered certificates, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Certificate Order, this Certificate may, at the request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered certificates, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surrender of this Certificate to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Certificate Order. Among other requirements for such assignment and transfer, this Certificate must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Certificate or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Certificate or any such portion or

portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Certificate may be executed by the Registered Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Certificate or any portion or portions hereof from time to time by the Registered Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Certificate or portion thereof will be paid by the County. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date or (ii) with respect to any Certificate or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date; provided, however, such limitation of transfer shall not be applicable to an exchange by the Registered Owner of the unredeemed balance of the Certificate.

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

IT IS HEREBY certified, recited and covenanted that this Certificate has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Certificate have been performed, existed and been done in accordance with law; that this Certificate is a general obligation of said County, issued on the full faith and credit thereof; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in said County, and have been pledged for such payment, within the limit prescribed by law, and that this Certificate is additionally secured by and payable from a limited pledge of not to exceed \$1,000 in amount of surplus revenues derived from the operation of the County's owned and operated landfill.

BY BECOMING the Registered Owner of this Certificate, the Registered Owner thereby acknowledges all of the terms and provisions of the Certificate Order, agrees to be bound by such terms and provisions, acknowledges that the Certificate Order is duly recorded and available for inspection in the official minutes and records of the governing body of the County, and agrees that the terms and provisions of this Certificate and the Certificate Order constitute a contract between each Registered Owner hereof and the County.

IN WITNESS WHEREOF, the County has caused this Certificate to be signed with the manual or facsimile signature of the County Judge of the County and countersigned with the manual or facsimile signature of the County Clerk and the County Treasurer of said County, and has caused the official seal of the County to be duly impressed, or placed in facsimile, on this Certificate.

County Clerk

County Judge

County Treasurer

(SEAL)

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

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

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

Dated:

**TEXAS COMMERCE BANK NATIONAL
ASSOCIATION, Paying Agent/Registrar**

By: _____
Authorized Representative

FORM OF ASSIGNMENT

ASSIGNMENT

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

Please insert Social Security or Taxpayer
Identification Number of Transferee

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

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

Dated: _____

Signature Guaranteed:

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

NOTICE: The signature above must
correspond with the name of the Registered
Owner as it appears upon the front of this
Certificate in every particular, without
alteration or enlargement or any change
whatsoever.

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

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

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

Witness my signature and seal this _____.

Comptroller of Public Accounts
of the State of Texas

(COMPTROLLER'S SEAL)

Section 7. INTEREST AND SINKING FUND, PROJECT FUND, INVESTMENTS AND SECURITY FOR FUNDS. (a) Interest and Sinking Fund. A special "Interest and Sinking Fund" is hereby created and shall be established and maintained by the County at an official depository bank of said County. Said Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of said County and shall be used only for paying the interest on and principal of said Certificates. All ad valorem taxes levied and collected for and on account of said Certificates shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any of said Certificates are outstanding and unpaid, the governing body of said County shall compute and ascertain a rate and amount of ad valorem tax which will be sufficient to raise and produce the money required to pay the interest on said Certificates as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of said Certificates as such principal matures (but never less than 2% of the original amount of said Certificates as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of said County, with full allowances being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in said County, for each year while any of said Certificates are outstanding and unpaid, and said tax shall be assessed and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of said Certificates, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law. Accrued interest on the Certificates shall be deposited in the Interest and Sinking Fund.

(b) Project Fund. The Series 1997 Project Fund is hereby created and shall be established and maintained by the County at an official depository bank of the County. Proceeds from the sale of the Certificates, other than accrued interest, shall be deposited in the Project Fund.

(c) Investment of Funds. The County hereby covenants that the proceeds of the sale of the Certificates will be used as soon as practicable for the purposes for which the Certificates are issued. Obligations purchased as an investment of money in any fund shall be deemed to be a part of such fund. Any money in any fund created by this Order may be invested as permitted by the Public Funds Investment Act, as amended.

(d) Security for Funds. All funds created by this Order shall be secured in the manner and to the fullest extent required by law for the security of funds of the County.

Section 8. PLEDGE OF SURPLUS REVENUES. The Certificates are additionally secured by and shall be payable from and secured by the revenues of the County's owned and operated landfill remaining after payment of all maintenance and operation expenses thereof, and all debt service, reserve and other requirements in connection with all of the County's revenue obligations (now or hereafter outstanding) which are payable from all or part of the net revenues of the County's owned and operated landfill, in an amount not to exceed \$1,000, constituting "Surplus Revenues."

Section 9. DEFEASANCE OF CERTIFICATES. (a) Any Certificate and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Certificate") within the meaning of this Order, except to the extent provided in subsection (d) of this Section 9 when payment of the principal of such Certificate, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar for such payment (1) lawful money of the United States of America sufficient to make such payment, (2) Government Obligations which mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the County with the Paying Agent/Registrar for the payment of its services until all Defeased Certificates shall have become due and payable or (3) any combination of (1) and (2). At such time as a Certificate shall be deemed to be a Defeased Certificate hereunder, as aforesaid, such Certificate and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes or revenues herein levied and pledged as provided in this Order, and such principal and interest shall be payable solely from such money or Government Obligations.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the County also be invested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from such Government Obligations received by the Paying Agent/Registrar which is not required for the payment of the Certificates and interest thereon, with respect to which such money has been so deposited, shall be turned over to the County, or deposited as directed in writing by the County.

(c) The term "Government Obligations" as used in this section, shall mean direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, which may be United States Treasury obligations such as its State and Local Government Series, which may be in book-entry form.

(d) Until all Defeased Certificates shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Certificates the same as if they had not been defeased, and the County shall make proper arrangements to provide and pay for such services as required by this Order.

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

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

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

(d) Charge for Issuing Replacement Certificates. Prior to the issuance of any replacement certificate, the Paying Agent/Registrar shall charge the Registered Owner of such Certificate with all legal, printing and other expenses in connection therewith. Every replacement certificate issued pursuant to the provisions of this section by virtue of the fact that any Certificate is lost, stolen or destroyed shall constitute a contractual obligation of the County whether or not the lost, stolen or destroyed Certificate shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Order equally and proportionately with any and all other Certificates duly issued under this Order.

(e) Authority for Issuing Replacement Certificates. In accordance with Section 6 of Vernon's Ann. Tex. Civ. St. Art. 717k-6, this Section 10 of this Order shall constitute authority for the issuance of any such replacement certificate without necessity of further action by the governing body of the County or any other body or person, and the duty of the replacement of such certificates is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Certificates in the form and manner and with the effect, as provided in Section 5(a) of this Order for Certificates issued in conversion and exchange for other Certificates.

Section 11. CUSTODY, APPROVAL AND REGISTRATION OF CERTIFICATES; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED.

The Mayor of the County is hereby authorized to have control of the Certificates initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Certificates pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Certificates said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Certificates, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the County's Bond Counsel and the assigned CUSIP numbers may, at the option of the County, be printed on the Certificates issued and delivered under this Order, but neither shall have any legal effect, and shall be solely for the convenience and information of the Registered Owners of the Certificates. In addition, if bond insurance is obtained, the Certificates may bear an appropriate legend as provided by the insurer.

Section 12. COVENANTS REGARDING TAX EXEMPTION. The County covenants to refrain from any action which would adversely affect, or to take such action as to ensure, the treatment of the Certificates as obligations described in Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the County covenants as follows:

(a) to take any action to assure that no more than 10 percent of the proceeds of the Certificates or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in Section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects finance therewith are so used, such amounts, whether or not received by the County, with respect to such private business use, do not, under the terms of this Order, or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Certificates, in contravention of Section 141(b)(2) of the Code;

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

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

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

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

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

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

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

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

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

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

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

It is the understanding of the County that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Certificates, the County will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Certificates under Section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Certificates, the County agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption

from federal income taxation of interest on the Certificates under Section 103 of the Code. In furtherance of the foregoing, the County Judge may execute any certificates or other reports required by the Code and make such elections, on behalf of the County, which may be permitted by the Code as are consistent with the purpose for the issuance of the Certificates.

Section 13. ALLOCATION OF, AND LIMITATION ON, EXPENDITURES FOR THE PROJECT. The County covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Order (the "Project") on its books and records by allocating proceeds to expenditures within 18 months of the later of the date that (1) the expenditure is made or (2) the Project is completed. The foregoing notwithstanding, the County shall not expend sale proceeds or investment earnings thereon more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Certificates or (2) the date the Certificates are retired, unless the County obtains an opinion of nationally-recognized bond counsel that such expenditure will not adversely affect the tax-exempt status of the Certificates. For purposes hereof, the County shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 14. DISPOSITION OF PROJECT. The County covenants that the property constituting the Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the County of cash or other compensation, unless the County obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Certificates. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the County shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 15. SALE OF CERTIFICATES. The Certificates are hereby initially sold and shall be delivered to _____ at a price of par plus a premium of \$ _____. It is hereby officially found, determined and disclosed that the terms of the sale are the most advantageous reasonably obtainable. The Certificates shall initially be registered in the name of _____. It is further officially found, determined and declared that the Certificates have been sold pursuant to an Official Statement dated _____, 1997, prepared and distributed in connection with the sale of the Certificates. Said Official Statement, and any addenda, supplement or amendment thereto have been and are hereby approved by the governing body of the County, and its use in the offer and sale of the Certificates is hereby approved. It is further officially found, determined and declared that the statements and representations contained in said Official Statement are true and correct in all material respects, to the best knowledge and belief of the governing body of the County.

Section 16. REMEDIES IN EVENT OF DEFAULT. In addition to all of the rights and remedies provided by the laws of the State of Texas, the County covenants and agrees that in the event of default in payment of principal or interest on any of the Certificates when due, or defaults in the observance or performance of any other of the contracts, covenants, conditions or obligations set forth in this Order or in the Certificates, the following remedies shall be available:

- (a) the Registered Owners shall be entitled to a writ of mandamus issued by a court of competent jurisdiction compelling and requiring the County and the officials thereof to observe and perform the contracts, covenants, obligations or conditions prescribed in this Order; and
- (b) any delay or omission to exercise any right or power accruing upon any default shall not impair any such right or power nor be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 17. INTEREST EARNINGS ON CERTIFICATE PROCEEDS. Interest earnings derived from the investment of proceeds from the sale of the Certificates shall be used along with other certificate proceeds for the purpose for which the Certificates are issued set forth in Section 1 hereof, provided that after completion of such purpose, if any of such interest earnings remain on hand, such interest earnings shall be deposited in the Interest and Sinking Fund. It is further provided, however, that any interest earnings on certificate proceeds which are required to be rebated to the United States of America pursuant to Section 12 hereof in order to prevent the Certificates from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this section.

Section 18. APPROVAL OF PAYING AGENT/REGISTRAR AGREEMENT. Attached hereto as Exhibit A is a substantially final form of Paying Agent/Registrar Agreement with an attached Letter of Representations. The County Judge is hereby authorized to amend, complete or modify such agreement and the Letter of Representations as necessary and are further authorized to execute such agreement and the County Clerk is hereby authorized to attest such agreement.

Section 19. CONTINUING DISCLOSURE UNDERTAKING. (a) Annual Reports. The County shall provide annually to any SID, within nine months after the end of each fiscal year ending in or after 1997, financial information and operating data with respect to the County of the general type described in Exhibit B hereto. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in Exhibit B hereto, or such other accounting principles as the County may be required to employ from time to time pursuant to state law or regulation and (2) audited, if the County commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the Issuer shall provide unaudited financial statements by the required time, and will provide audited financial statements for the applicable fiscal year to any SID, when and if the audit report on such statements become available.

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

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

(b) Material Event Notices. The County shall notify any SID and the MSRB, in a timely manner, of any of the following events with respect to the Certificates, if such event is material within the meaning of the federal securities laws:

- A. Principal and interest payment delinquencies;
- B. Non-payment related defaults;
- C. Unscheduled draws on debt service reserves reflecting financial difficulties;
- D. Unscheduled draws on credit enhancements reflecting financial difficulties;
- E. Substitution of credit or liquidity providers, or their failure to perform;
- F. Adverse tax opinions or events affecting the tax-exempt status of the Certificates;
- G. Modifications to rights of holders of the Certificates;
- H. Certificate calls;
- I. Defeasances;
- J. Release, substitution or sale of property securing repayment of the Certificates; and
- K. Rating changes.

The County shall notify any SID and the MSRB, in a timely manner, of any failure by the County to provide financial information or operating data in accordance with paragraph (a) of this Section 19 by the time required by such paragraph.

(c) Limitations, Disclaimers and Amendments. The County shall be obligated to observe and perform the covenants specified in this section for so long as, but only for so long as, the County remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the County in any event will give notice of any deposit made in accordance with Section 9 of this Order that causes Certificates no longer to be outstanding.

The provisions of this section are for the sole benefit of the Holders and beneficial owners of the Certificates, and nothing in this section, express or implied, shall give any benefit or any legal or equitable right, remedy or claim hereunder to any other person. The County undertakes to provide only the financial information, operating data, financial statements and notices which it has expressly agreed to provide pursuant to this section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the County's financial results, condition or prospects or hereby undertake to update any information provided in accordance with this section or otherwise, except as expressly provided herein. The County does not make any

representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

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

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

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

The provisions of this section may be amended by the County from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law or a change in the identity, nature, status or type of operations of the County, but only if (1) the provisions of this section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Order that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (b) a person that is unaffiliated with the County (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the Holders and beneficial owners of the Certificates. If the County so amends the provisions of this section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (a) of this section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The County may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates.

(d) Definitions. As used in this section, the following terms have the meanings ascribed to such terms below:

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

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

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

Section 18. **SEVERABILITY.** The provisions of this Order are severable; and in case any one or more of the provisions of this Order or the application thereof to any person or circumstance should be held to be invalid, unconstitutional or ineffective as to any person or circumstance, the remainder of this Order nevertheless shall be valid, and the application of any such invalid provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

2723.903/W/MSON/COFF. ORDER.DRI

A-1

EXHIBIT B

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

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

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the County to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

- (1) Appendix B - Excerpts from Annual Financial Report;
- (2) Table 1 - Valuation, Exemptions and General Obligation Debt;
- (3) Table 2 - Taxable Assessed Valuations by Category;
- (4) Table 3 - Valuation and General Obligation Debt History;
- (5) Table 4 - Tax Rate, Levy and Collection History;
- (6) Table 5 - Ten Largest Taxpayers;
- (7) Table 8 -
- (8) Table 10 - General Fund Revenues and Expenditure History; and
- (9) Table 12 -

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in paragraph 1 above.

PAYING AGENT/REGISTRAR AGREEMENT

THIS AGREEMENT dated as of June 15, 1997 ("Agreement"), by and between Williamson County, Texas ("County"), and Texas Commerce Bank National Association, a banking association duly organized and existing under the laws of the State of Texas ("Bank").

RECITALS

WHEREAS, the County has duly authorized and provided for the issuance of its Williamson County, Texas Combination Tax and Revenue Certificates of Obligation, Series 1997 ("Securities") in the aggregate principal amount of \$9,100,000, such Securities to be issued in fully registered form only as to the payment of principal and interest thereon; and

WHEREAS, the Securities are scheduled to be delivered to the initial purchasers thereof on or about July 15, 1997; and

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

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

NOW, THEREFORE, it is mutually agreed as follows:

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

Section 1.01. APPOINTMENT. The County hereby appoints the Bank to serve as Paying Agent with respect to the Securities. As Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the County the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof, all in accordance with this Agreement and the "Order" (hereinafter defined).

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

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

Section 1.02. COMPENSATION. As compensation for the Bank's services as Paying Agent/Registrar, the County hereby agrees to pay the Bank the fees and amounts set forth in Schedule A attached hereto.

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

ARTICLE TWO DEFINITIONS

Section 2.01. DEFINITIONS. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

"Acceleration Date" on any Security means the date on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

"Bank Office" means the office for payment of the Bank at Texas Commerce Bank National Association, 1201 Main Street, Dallas, Texas 75202. The Bank will notify the County in writing of any change in location of the Bank Office.

"Fiscal Year" means the fiscal year of the County.

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

"County Request" and "County Order" means a written request or order signed in the name of the County by the County Judge, County Clerk or County Auditor of the Commissioners Court of the County, any one or more of the officials, delivered to the Bank.

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

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

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

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

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

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

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

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

Section 2.02. OTHER DEFINITIONS. The terms "Bank," "County" and "Securities" and "Security" have the meanings assigned to them in the recital paragraphs of this Agreement.

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

ARTICLE THREE PAYING AGENT

Section 3.01. DUTIES OF PAYING AGENT. As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the County, pay on behalf of the County the principal of each Security at its Stated Maturity, Redemption Date or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the Bank Office.

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

Section 3.02. PAYMENT DATES. The County hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Order.

ARTICLE FOUR REGISTRAR

Section 4.01. SECURITY REGISTER - TRANSFERS AND EXCHANGES. The Bank agrees to keep and maintain for and on behalf of the County at the Bank Office books and records (herein sometimes referred to as the "Security Register") for recording the names and addresses of

the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the County and subject to such reasonable regulations as the County and the Bank may prescribe. All transfers, exchanges and replacement of Securities shall be noted in the Security Register.

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

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

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

Section 4.02. CERTIFICATES. The County shall provide an adequate inventory of printed Securities to facilitate transfers or exchanges thereof. The Bank covenants that the inventory of printed Securities will be kept in safekeeping pending their use, and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other political subdivisions or corporations for which it serves as registrar, or that is maintained for its own securities.

Section 4.03. FORM OF SECURITY REGISTER. The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

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

Section 4.04. LIST OF SECURITY HOLDERS. The Bank will provide the County at any time requested by the County, upon payment of the required fee, a copy of the information contained in the Security Register. The County may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the County, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to

the release or disclosure of the contents of the Security Register, the Bank will notify the County so that the County may contest the court order or such release or disclosure of the contents of the Security Register.

Section 4.05. RETURN OF CANCELLED CERTIFICATES. The Bank will, at such reasonable intervals as it determines, surrender to the County, Securities in lieu of which or in exchange for which other Securities have been issued or which have been paid.

Section 4.06. MUTILATED, DESTROYED, LOST OR STOLEN SECURITIES. The County hereby instructs the Bank, subject to the applicable provisions of the Order, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated or destroyed, lost or stolen, the Bank, in its discretion, may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such destroyed lost or stolen Security, only after (1) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the County and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated or destroyed, lost or stolen.

Section 4.07. TRANSACTION INFORMATION TO COUNTY. The Bank will, within a reasonable time after receipt of written request from the County, furnish the County information as to the Securities it has paid pursuant to Section 3.01, Securities it has delivered upon the transfer or exchange of any Securities pursuant to Section 4.01, and Securities it has delivered in exchange for or in lieu of mutilated, destroyed, lost or stolen Securities pursuant to Section 4.06.

ARTICLE FIVE THE BANK

Section 5.01. DUTIES OF BANK. The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

Section 5.02. RELIANCE ON DOCUMENTS, ETC. (a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

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

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the

exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

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

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

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

Section 5.03. RECITALS OF COUNTY. The recitals contained herein with respect to the County and in the Securities shall be taken as the statements of the County, and the Bank assumes no responsibility for their correctness.

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

Section 5.04. MAY HOLD SECURITIES. The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the County with the same rights it would have if it were not the Paying Agent/Registrar or any other agent.

Section 5.05. MONIES HELD BY BANK. The Bank shall deposit any monies received from the County into a trust account to be held in a fiduciary capacity for the payment of the Securities, with such monies in the account that exceed the deposit insurance available to the County by the Federal Deposit Insurance Corporation to be fully collateralized with securities or obligations that are eligible under the laws of the State of Texas to secure and be pledged as collateral for trust accounts, until the principal and interest on such securities have been presented for payment and paid to the owner thereof. Payments made from such trust account shall be made by check drawn on such trust account unless the owner of such Securities shall, at its own expense and risk, request such other medium of payment.

Subject to the Unclaimed Property Laws of the State of Texas, any money deposited with the Bank for the payment of the principal, premium (if any), or interest on any Security and remaining unclaimed for three years after the final maturity of the Security has become due and payable will be

paid by the Bank to the County if the County so elects, and the Holder of such Security shall hereafter look only to the County for payment thereof, and all liability of the Bank with respect to such monies shall thereupon cease. If the County does not elect, the Bank is directed to report and dispose of the funds in compliance with Title Six of the Texas Property Code, as amended.

Section 5.06. INDEMNIFICATION. To the extent permitted by law, the County agrees to indemnify the Bank for, and hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on the Bank's part, arising out of or in connection with the Bank's acceptance or administration of its duties hereunder, including the cost and expense incurred by the Bank in defending against any claim or from liability imposed on the Bank in connection with the Bank's exercise or performance of any of its powers or duties under this Agreement.

Section 5.07. INTERPLEADER. The County and the Bank agree that the Bank may seek adjudication of any adverse claim, demand or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the State and County where either the Bank Office or the administrative offices of the County is located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The County and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction to determine the rights of any Person claiming any interest herein.

Section 5.08. DEPOSITORY TRUST COMPANY SERVICES. It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements," effective August 1, 1987, which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time and notification of redemptions and calls.

Attached hereto is a copy of the Letter of Representations with The Depository Trust Company.

ARTICLE SIX MISCELLANEOUS PROVISIONS

Section 6.01. AMENDMENT. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02. ASSIGNMENT. This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03. NOTICES. Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the County or the Bank shall be mailed or delivered to the County or the Bank, respectively, at the addresses shown on the signature page of this Agreement.

Section 6.04. EFFECT OF HEADINGS. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 6.05. SUCCESSORS AND ASSIGNS. All covenants and agreements herein by the County shall bind its successors and assigns, whether so expressed or not.

Section 6.06. SEVERABILITY. In case any provision herein shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.07. BENEFITS OF AGREEMENT. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim hereunder.

Section 6.08. ENTIRE AGREEMENT. This Agreement and the Order constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Order, the Order shall govern.

Section 6.09. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.10. TERMINATION. This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon 60 days' written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the County and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. Furthermore, the Bank and County mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

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

The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.11. GOVERNING LAW. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

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

TEXAS COMMERCE BANK
NATIONAL ASSOCIATION

By: _____

Title: _____

700 Lavaca, 5th Floor
Austin, Texas 78701

ATTEST:

By: _____

Title: _____

[BANK SEAL]

WILLIAMSON COUNTY, TEXAS

By: _____
County Judge

710 Main Street
Georgetown, Texas 78626

[COUNTY SEAL]

ATTEST:

By: _____
County Clerk

SCHEDULE A

Paying Agent/Registrar Fee Schedule

Acceptance Fee	\$
Annual Administration Fee	\$

AGENDA ITEM # 28

June 17, 1997

*

Consideration and approval of an order authorizing the issuance of "Williamson County, Texas Limited Tax General Obligation bonds, Series 1997", providing for payment of said bonds by the annual levy of an ad valorem tax, within the limitations prescribed by law, upon all taxable property in the county; providing the terms and conditions of said bonds and resolving other matters incident and relating to the issuance, payment and security of said bonds, including the approval and distribution of an official statement, authorizing the execution of a paying agent/registrar agreement; complying with the rules and regulations promulgated by the depository trust company; and providing an effective date.

Moved: Commissioner Hays

Seconded: Judge Doerfler

Motion: To approve an order authorizing the issuance of "Williamson County, Texas Limited Tax General Obligation bonds, Series 1997", providing for payment of said bonds by the annual levy of an ad valorem tax, within the limitations prescribed by law, upon all taxable property in the county; providing the terms and conditions of said bonds and resolving other matters incident and relating to the issuance, payment and security of said bonds, including the approval and distribution of an official statement; authorizing the execution of a paying agent/registrar agreement; complying with the rules and regulations promulgated by the depository trust company; and providing an effective date.

Vote: Motion carried 4 - 0

< Clerk copy here >

**FULBRIGHT & JAWORSKI
L.L.P.**

A REGISTERED LIMITED LIABILITY PARTNERSHIP
300 CONVENT STREET, SUITE 2200
SAN ANTONIO, TEXAS 78205

TELEPHONE: 210/224-5575
FACSIMILE: 210/270-7205

WRITER'S DIRECT DIAL NUMBER:
210/270-7131

HOUSTON
WASHINGTON, D.C.
AUSTIN
SAN ANTONIO
DALLAS
NEW YORK
LOS ANGELES
LONDON
HONG KONG

May 30, 1997

Re: Williamson County, Texas Limited Tax General Obligation Bonds, Series
1997

Honorable John C. Doerfler
County Judge
Williamson County, Texas
County Courthouse
710 Main Street
Georgetown, Texas 78627

BY FEDERAL EXPRESS

Dear Judge Doerfler:

I enclose as Exhibit A to this letter the agenda item to be utilized in preparing the agenda for the June 17, 1997 regular meeting of the Commissioners Court. Thank you for ensuring that this agenda item is posted in accordance with the provisions of the Texas Open Meetings Act. I also enclose a copy of the Bond Order for inclusion in the Commissioners Court's agenda packets.

If you have any questions or comments concerning this matter, please do not hesitate to contact me.

Very truly yours,


W. Jeffrey Kuhn

WJK/tmg

Enclosure

cc: Ms. Jane Tableriou
Administrative Assistant
Office of the County Judge
Williamson County Courthouse
710 Main Street, Second Floor
Georgetown, Texas 78627

BY FEDERAL EXPRESS

0277367

Honorable John C. Doerfler
May 30, 1997
Page 2

Mr. Eugene Taylor
Williamson County Attorney
Courthouse Annex, Second Floor
405 Martin Luther King Box 7
Georgetown, Texas 78626

BY FEDERAL EXPRESS

Mr. Dan Wegmiller
First Southwest Company
98 San Jacinto Boulevard, Suite 370
Austin, Texas 78701

BY FEDERAL EXPRESS

Mr. Juan F. Aguilera (Firm)

EXHIBIT A

CONSIDERATION AND APPROVAL OF AN ORDER AUTHORIZING THE ISSUANCE OF "WILLIAMSON COUNTY, TEXAS LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 1997"; PROVIDING FOR THE PAYMENT OF SAID BONDS BY THE ANNUAL LEVY OF AN AD VALOREM TAX, WITHIN THE LIMITATIONS PRESCRIBED BY LAW, UPON ALL TAXABLE PROPERTY IN THE COUNTY; PROVIDING THE TERMS AND CONDITIONS OF SAID BONDS AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, AND SECURITY OF SAID BONDS, INCLUDING THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT; COMPLYING WITH THE RULES AND REGULATIONS PROMULGATED BY THE DEPOSITORY TRUST COMPANY; AND PROVIDING AN EFFECTIVE DATE

0877007

DRAFT 05-29-97

AN ORDER AUTHORIZING THE ISSUANCE OF "WILLIAMSON COUNTY, TEXAS LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 1997"; PROVIDING FOR THE PAYMENT OF SAID BONDS BY THE ANNUAL LEVY OF AN AD VALOREM TAX, WITHIN THE LIMITATIONS PRESCRIBED BY LAW, UPON ALL TAXABLE PROPERTY IN THE COUNTY; PROVIDING THE TERMS AND CONDITIONS OF SAID BONDS AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, AND SECURITY OF SAID BONDS, INCLUDING THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT; COMPLYING WITH THE RULES AND REGULATIONS PROMULGATED BY THE DEPOSITORY TRUST COMPANY; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the Commissioners Court of Williamson County, Texas (the *County*) hereby finds and determines that limited tax general obligation bonds of the County in the total principal amount of \$3,000,000 should be issued and sold at this time, being all of the limited tax general obligation bonds approved and authorized to be issued at an election held on November 5, 1996 in the County, the respective authorized purposes and amounts authorized to be issued therefor, amounts previously issued, amounts being issued pursuant to this order, and amounts remaining to be issued from such voted authorization subsequent to the date hereof being as follows:

<u>Purpose</u>	<u>Amounts Authorized</u>	<u>Amounts Previously Issued</u>	<u>Amounts Sold this Sale</u>	<u>Unissued Bonds</u>
County Parks	\$3,000,000	\$0	\$3,000,000	\$0

WHEREAS, in accordance with the provisions of Section 81.006, as amended, Local Government Code, the Commissioners Court hereby finds and determines that this Order was adopted at a regularly scheduled meeting of the Commissioners Court; and

WHEREAS, the Commissioners Court hereby finds and determines that the issuance of the limited tax general obligation bonds is in the best interests of the citizens of the County, now, therefore,

BE IT ORDERED BY THE COMMISSIONERS COURT OF WILLIAMSON COUNTY, TEXAS THAT:

SECTION 1: Authorization - Designation - Principal Amount - Purpose. Limited Tax General obligation bonds of the County shall be and are hereby authorized to be issued in the aggregate principal amount of \$3,000,000 (THREE MILLION AND

NO/100 DOLLARS), to be designated and bear the title "Williamson County, Texas Limited Tax General Obligation Bonds, Series 1997" (the *Bonds*), for the purpose of acquiring or improving land and buildings for park purposes, in conformity with the laws of the State of Texas, particularly Section 331.001 and 331.004, as amended, Local Government Code, an election held in the County on November 5, 1996, and pursuant to the provisions of a bond order (the *Order*) adopted on the date hereof by the Commissioners Court.

SECTION 2: Fully Registered Obligations - Authorized Denominations - Stated Maturities - Interest Rates - Date. The Bonds shall be issued as fully registered obligations, without coupons, in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, shall be dated June 15, 1997 (the *Bond Date*), shall be lettered "R" and numbered consecutively from One (1) upward and principal shall become due and payable on August 15 in each of the years and in amounts (the *Stated Maturities*) and bear interest at the rates per annum in accordance with the following schedule:

<u>Years of Stated Maturity</u>	<u>Principal Amounts (\$)</u>	<u>Interest Rates (%)</u>
1999	100,000	
2000	100,000	
2001	100,000	
2002	200,000	
2003	200,000	
2004	200,000	
2005	200,000	
2006	200,000	
2007	700,000	
2008	1,000,000	

The Bonds shall bear interest on the unpaid principal amounts from the Bond Date, or from the most recent Interest Payment Date to which interest has been paid or duly provided for to Stated Maturity or prior redemption, while Outstanding, at the rates per annum shown in the above schedule (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Bonds shall be payable on February 15 and August 15 in each year, commencing August 15, 1998 (the *Interest Payment Date*).

SECTION 3: Payment of Bonds - Paying Agent/Registrar. The principal of, premium, if any, and interest on the Bonds, due and payable by reason of Stated Maturity, or otherwise, shall be payable, without exchange or collection charges to the Holder (as hereinafter defined), appearing on the registration and transfer books maintained by the Paying Agent/Registrar (hereinafter defined), in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

The selection and appointment of Texas Commerce Bank National Association, Austin, Texas to serve as the initial Paying Agent/Registrar (the *Paying Agent/Registrar*) for the Bonds is hereby approved and confirmed, and the County agrees and covenants to cause to be kept and maintained at the corporate trust office of the Paying Agent/Registrar books and records (the *Security Register*) for the registration, payment, and transfer of the Bonds, all as provided herein, in accordance with the terms and provisions of a Paying Agent/Registrar Agreement, attached hereto in substantially final form as Exhibit A, and such reasonable rules and regulations as the Paying Agent/Registrar and the County may prescribe. The County covenants to maintain and provide a Paying Agent/Registrar at all times while the Bonds are Outstanding, and any successor Paying Agent/Registrar shall be (i) a national or state banking institution, or (ii) an association or corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers. Such Paying Agent/Registrar shall be subject to supervision or examination by federal or state authority and shall be authorized by law to serve as a Paying Agent/Registrar.

The County reserves the right to appoint a successor Paying Agent/Registrar upon providing the previous Paying Agent/Registrar with a certified copy of a resolution or order terminating such agency. Additionally, the County agrees to promptly cause a written notice of this substitution to be sent to each Holder by United States Mail, first-class postage prepaid, which notice shall also give the address of the corporate office of the successor Paying Agent/Registrar.

Both principal of, premium, if any, and interest on the Bonds, due and payable by reason of Stated Maturity, or otherwise, shall be payable only to the registered owner of the Bonds (the *Holder* or *Holders*) appearing on the Security Register (i) on the Record Date (hereinafter defined) for purposes of paying interest thereon, and (ii) on the date of surrender of the Bonds for purposes of receiving payment of principal thereof at the Bonds' Stated Maturity. The County and the Paying Agent/Registrar, and any agent of either, shall treat the Holder as the owner of a Bond for purposes of receiving payment and all other purposes whatsoever, and neither the County nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary.

Principal of and premium, if any, on the Bonds, shall be payable only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its corporate trust office. Interest on the Bonds shall be paid to the Holder whose name appears in the Security Register at the close of business on the last business day of the month next preceding the Interest Payment Date for the Bonds (the *Record Date*) and shall be paid (i) by check sent on or prior to the appropriate date of payment by United States Mail, first-class postage prepaid, by the Paying Agent/Registrar, to the address of the Holder appearing in the Security Register, or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested in writing by the Holder at the Holder's risk and expense.

If the date for the payment of the principal of, premium, if any, or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a day. The payment on such date shall have the same force and effect as if made on the original date any such payment on the Bonds was due.

In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a *Special Record Date*) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the County. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the *Special Payment Date*--which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first-class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 4: Redemption. The Bonds are not subject to redemption prior to Stated Maturity.

SECTION 5: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. A Security Register relating to the registration, payment, transfer, or exchange of the Bonds shall at all times be kept and maintained by the County at the corporate trust office of the Paying Agent/Registrar, and the Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each Holder of the Bonds issued under and pursuant to the provisions of this Order. Any Bond may, in accordance with its terms and the terms hereof, be transferred or exchanged for Bonds of other authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for transfer of any Bond at the corporate trust office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Bonds executed on behalf of, and furnished by, the County of authorized denominations and having the same Stated Maturity and of a like interest rate and aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest, and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the corporate trust office of

the Paying Agent/ Registrar. Whenever any Bonds are so surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds executed on behalf of, and furnished by, the County to the Holder requesting the exchange.

All Bonds issued upon any transfer or exchange of Bonds shall be delivered at the corporate trust office of the Paying Agent/Registrar, or sent by United States registered mail to the Holder at his request, risk, and expense, and upon the delivery thereof, the same shall be valid obligations of the County, evidencing the same debt, and entitled to the same benefits under this Order, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be Predecessor Bonds, evidencing all or a portion, as the case may be, of the same debt evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term Predecessor Bonds shall include any Bond registered and delivered pursuant to Section 15 in lieu of a mutilated, lost, destroyed, or stolen Bond which shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

SECTION 6: Execution - Registration. The Bonds shall be executed on behalf of the County by the County Judge under the seal of the Commissioners Court reproduced or impressed thereon, registered by the County Treasurer, and countersigned by the County Clerk. The signature of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officers of the County on the Bond Date shall be deemed to be duly executed on behalf of the County, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in the Bond Procedures Act of 1981, Texas Revised Civil Statutes Annotated Article 717k-6, as amended.

No Bond shall be entitled to any right or benefit under this Order, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 8C, executed by the Comptroller of Public Accounts of the State of Texas or his duly authorized agent by manual signature, or a certificate of registration substantially in the form provided in Section 8D, executed by the Paying Agent/Registrar by manual signature, and either such certificate upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified or registered and delivered.

SECTION 7: Initial Bond(s). The Bonds herein authorized shall be issued initially either (i) as a fully registered bond in the total principal amount of \$3,000,000 with principal installments to become due and payable as provided in Section 2 and numbered T-1, or (ii) as one (1) fully registered Bond for each year of Stated Maturity in the applicable principal amount, interest rate, and denomination and to be numbered consecutively from T-1 and upward (the *Initial Bond(s)*) and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval and certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas. At any time after the delivery of the Initial Bond(s) to the initial purchaser(s), the Paying Agent/Registrar, upon written instructions from the purchaser(s), or his or their designee, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts, and bearing applicable interest rates for transfer and delivery to the Holders named and at the addresses identified therefor; all in accordance with and pursuant to such written instructions from the initial purchaser(s), or his or their designee, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 8: Forms.

A. Forms Generally. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of Registration, and the form of Assignment to be printed on each of the Bonds shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Order and may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends and any reproduction of an opinion of counsel) thereon as may, consistent herewith, be established by the County or determined by the officers executing the Bonds as evidenced by their execution thereof. Any portion of the text of any Bond may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds shall be printed, lithographed, or engraved or produced in any other similar manner, all as determined by the officers executing the Bonds as evidenced by their execution thereof, but the Initial Bond(s) submitted to the Attorney General of Texas may be typewritten or photocopied or otherwise reproduced.

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B. Form of Bond.

REGISTERED
NO. _____

REGISTERED
\$ _____

United States of America
State of Texas
WILLIAMSON COUNTY, TEXAS
LIMITED TAX GENERAL OBLIGATION BONDS,
SERIES 1997

Interest Rate: _____ Bond Date: June 15, 1997 Stated Maturity: _____ CUSIP NO: _____

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

Williamson County, Texas (the *County*), a body corporate and a political subdivision of the State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner named above (the *Holder*), or the registered assigns thereof, on the Stated Maturity date specified above, the Principal Amount stated above and to pay interest on the unpaid Principal Amount hereof (computed on the basis of a 360-day year of twelve 30-day months) from the Bond Date specified above, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, at the per annum rate specified above; such interest being payable on February 15 and August 15 of each year (the *Interest Payment Date*) commencing August 15, 1998.

Principal and premium, if any, of this Bond shall be payable to the Holder hereof, upon presentation and surrender, at the corporate trust office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor. Interest shall be payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Order hereinafter referenced) whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the last business day of the month next preceding the Interest Payment Date. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States Mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by the Holder hereof at the Holder's risk and expense.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$3,000,000 (the *Bonds*) pursuant to the authority conferred at an election held within the County on November 5, 1996 and by an order adopted by the governing body of the County (the *Order*), for the purpose of acquiring or improving land and buildings for park purposes in conformity with the laws of the State of Texas, particularly Section 331.001 and 331.004, as amended, Local Government Code, an election held in the County on November 5, 1996.

As set forth in the Order, the Bonds are not subject to redemption prior to Stated Maturity.

If this Bond (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption has been duly given, then upon such redemption date this Bond (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and, if money for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption is held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable hereon from and after the redemption date on the principal amount hereof to be redeemed. If this Bond is called for redemption, in whole or in part, the County or the Paying Agent/Registrar shall not be required to issue, transfer, or exchange this Bond within forty-five (45) days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance hereof in the event of its redemption in part.

The Bonds are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property within the County.

Reference is hereby made to the Order, copies of which are on file in the corporate trust office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Order may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the County and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at or prior to its Stated Maturity or redemption and deemed to be no longer Outstanding thereunder; and for the other terms and provisions thereof. Capitalized terms used herein have the same meanings assigned in the Order.

As provided in the Order and subject to certain limitations contained therein, this Bond is transferable on the Security Register of the County, upon surrender of this Bond for transfer at the corporate trust office of the Paying Agent/Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by the Holder hereof, or his duly authorized agent, and thereupon one or more new fully registered Bonds of the same

Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued to the designated transferee or transferees.

The County and the Paying Agent/Registrar, and any agent of either, shall treat the Holder hereof whose name appears on the Security Register (i) on the Record Date as the owner hereof for purposes of receiving payment of interest hereon, (ii) on the date of surrender of this Bond as the owner hereof for purposes of receiving payment of principal hereof at its Stated Maturity, and (iii) on any date as the owner hereof for all other purposes, and neither the County nor the Paying Agent/Registrar, or any such agent of either, shall be affected by notice to the contrary. In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a *Special Record Date*) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the County. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the *Special Payment Date*--which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first-class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, covenanted, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to or in the issuance of this Bond in order to render the same a legal, valid, and binding obligation of the County have been performed, exist, and have been done, in regular and due time, form, and manner, as required by law, and that the issuance of this Bond does not exceed any constitutional or statutory limitation. In case any provision in this Bond or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Order shall be construed in accordance with and shall be governed by the laws of the State of Texas.

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

WILLIAMSON COUNTY, TEXAS

John C. Daefler 6-17-97
County Judge

COUNTERSIGNED:

Clara Brzelle
County Clerk and Ex-Officio Clerk
of the Commissioners Court of
Williamson County, Texas

REGISTERED:

County Treasurer

(SEAL OF THE COMMISSIONERS COURT)

C. * Form of Registration Certificate of Comptroller of Public Accounts to Appear on Initial Bond only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER	§	
OF PUBLIC ACCOUNTS	§	REGISTER NO.
	§	
THE STATE OF TEXAS	§	

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

WITNESS my signature and seal of office this

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

(SEAL)

* NOTE TO PRINTER. Do not print on definitive bonds.

D. * Form of Certificate of Paying Agent/Registrar to Appear on Definitive Bonds only.

This Bond has been duly issued under the provisions of the within-mentioned Order; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

TEXAS COMMERCE BANK NATIONAL
ASSOCIATION
Austin, Texas,
as Paying Agent/Registrar

Registered this date:

_____ By _____
Authorized Officer

* NOTE TO PRINTER: Do not print on the Initial Bond.

E. Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee):
.....
.....
(Social Security or other identifying number:
.....) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints
..... attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: NOTICE:
Signature guaranteed: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular.
.....

- F. The Initial Bond(s) shall be in the form set forth in paragraph B of this Section, except that the form of the single fully registered Initial Bond shall be modified as follows:
- (i) immediately under the name of the bond the headings "Interest Rate _____" and "Stated Maturity ____" shall both be completed "as shown below";
 - (ii) the first two paragraphs shall read as follows:

Williamson County, Texas (the *County*), a body corporate and a political subdivision of the State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner named above (the *Holder*), or the registered assigns thereof, on the fifteenth day of August in each of the years and in principal amounts and bearing interest at per annum rates in accordance with the following schedule:

<u>YEARS OF STATED MATURITY</u>	<u>PRINCIPAL AMOUNTS (\$)</u>	<u>INTEREST RATES (%)</u>
-------------------------------------	-----------------------------------	-------------------------------

(Information to be inserted from schedule in Section 2 hereof.)

and to pay interest on the unpaid Principal Amounts hereof from the Bond Date at the per annum rates of interest specified above computed on the basis of a 360-day year of

twelve 30-day months; such interest being payable on February 15 and August 15 of each year (the *Interest Payment Date*) commencing August 15, 1998.

Principal of this Bond shall be payable to the Holder hereof, upon presentation and surrender, at the corporate trust office of Texas Commerce Bank National Association, Austin, Texas (the *Paying Agent/Registrar*). Interest shall be payable to the Holder of this Bond whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the last business day of the month next preceding the Interest Payment Date. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States Mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by the Holder hereof at the Holder's risk and expense.

G. Insurance Legend. If bond insurance is obtained by the County or the Purchaser (hereinafter defined), the Definitive Bonds and the Initial Bond(s) shall bear an appropriate legend as provided by the insurer.

SECTION 9: Definitions. For all purposes of this Order (as defined below), except as otherwise expressly provided or unless the context otherwise requires: (i) the terms defined in this Section have the meanings assigned to them in this Section, certain terms used in Section 16 of this Order have the meanings assigned to them such Section, and all such terms, include the plural as well as the singular; (ii) all references in this Order to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of this Order as originally adopted; and (iii) the words "herein", "hereof", and "hereunder" and other words of similar import refer to this Order as a whole and not to any particular Section or other subdivision.

- (a) *Bonds* shall mean the "Williamson County, Texas Limited Tax General Obligation Bonds, Series 1997", dated June 15, 1997, authorized by this Order.
- (b) *County* shall mean Williamson County, Texas and where applicable, the Commissioners Court of the County.
- (c) *Closing Date* shall mean the date of physical delivery of the Initial Bonds in exchange for the payment in full by the Purchaser thereof.
- (d) *Depository* shall mean an official depository bank of the County.
- (e) *Government Securities* shall mean direct obligations of the United States of America, including obligations the payment of principal of and interest on which is unconditionally guaranteed by the United States of America,

and United States Treasury obligations such as its State and Local Government Series in book-entry form.

- (f) *Holder or Holders* shall mean the registered owner, whose name appears in the Security Register, for any Bond.
- (g) *Interest Payment Date* shall mean the date semi-annual interest is payable on the Bonds, being February 15 and August 15 of each year, commencing August 15, 1998 while any of the Bonds remain outstanding.
- (h) *Order* shall mean the order adopted by the Commissioners Court on June 17, 1997 authorizing the issuance of the Bonds.
- (i) *Outstanding* shall mean, as of the date of determination, all Bonds issued and delivered under this Order, except:
 - (1) those Bonds canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;
 - (2) those Bonds for which payment has been duly provided by the County in accordance with the provisions of Section 17 of this Order by the irrevocable deposit with the Paying Agent/ Registrar, or an authorized escrow agent, of money or Government Securities, or both, in the amount necessary to fully pay the principal of, premium, if any, and interest thereon to Stated Maturity or redemption, as the case may be, provided that, if such Bonds are to be redeemed, notice of redemption thereof shall have been duly given pursuant to this Order or irrevocably provided to be given to the satisfaction of the Paying Agent/Registrar, or waived; and
 - (3) those Bonds that have been mutilated, destroyed, lost, or stolen and replacement Bonds have been registered and delivered in lieu thereof as provided in Section 15 of this Order.
- (j) *Purchaser* shall mean the initial purchaser of the Bonds referred to in Section 19 of this Order.
- (k) *Stated Maturity* shall mean the annual principal payments of the Bonds payable on August 15 of each year the Bonds are Outstanding as set forth in Section 2 of this Order.

SECTION 10: Bond Fund: Investments. For the purpose of paying the interest on and to provide a sinking fund for the payment, redemption, and retirement of the Bonds, there shall be and is hereby created a special Fund to be designated "LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 1997, INTEREST AND SINKING FUND" (the *Bond Fund*), which Fund shall be kept and maintained at the County's Depository, and money deposited in such Fund shall be used for no other

purpose and shall be maintained as provided in Section 16. Authorized officials of the County are hereby authorized and directed to make withdrawals from the Bond Fund sufficient to pay the principal of and interest on the Bonds as the same become due and payable and shall cause to be transferred to the Paying Agent/Registrar from money on deposit in the Bond Fund an amount sufficient to pay the amount of principal and/or interest stated to mature on the Bonds, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the last business day next preceding each interest and principal payment date for the Bonds.

Pending the transfer of funds to the Paying Agent/Registrar, money in any Fund established by this Order may, at the option of the County, be placed in time deposits or certificates of deposit, as permitted by the provisions of the Public Funds Investment Act, as amended, Chapter 2256, Texas Government Code, secured (to the extent not insured by the Federal Deposit Insurance Corporation) by obligations of the type hereinafter described, or be invested, as authorized by any law, including investments held in book-entry form, in securities including, but not limited to, direct obligations of the United States of America, obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligations, or invested in indirect obligations of the United States of America, including, but not limited to, evidences of indebtedness issued, insured or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, Farmers Home Administration, Federal Home Loan Mortgage Association, Small Business Administration, or Federal Housing Association; provided that all such deposits and investments shall be made in such a manner that the money required to be expended from the any Fund will be available at the proper time or times. All interest and income derived from deposits and investments in any Fund shall be credited to, and any losses debited to, such Fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds.

SECTION 11: Levy of Taxes; Excess Bond Proceeds. To provide for the payment of the debt service requirements on the Bonds being (i) the interest on the Bonds, and (ii) a sinking fund for their redemption at Stated Maturity or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied for the current year and each succeeding year thereafter while the Bonds or any interest thereon shall remain Outstanding, a sufficient tax on each one hundred dollars' valuation of taxable property in the County, adequate to pay such debt service requirements, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected each year and applied to the payment of the debt service requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Bond Fund. The Commissioners Court hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay the said debt service requirements, it having been determined that the

existing and available taxing authority of the County for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness.

Accrued interest and premium, if any, received from the Purchaser of the Bonds shall be deposited to the Bond Fund and ad valorem taxes levied and collected shall be deposited to the Bond Fund. In addition, any surplus proceeds from the sale of the Bonds, including investment income thereon, not expended for authorized purposes shall be deposited in the Bond Fund, and such amounts so deposited shall reduce the sum otherwise required to be deposited in the Bond Fund from ad valorem taxes.

SECTION 12: Security for Funds. All money on deposit in the Funds for which this Order makes provision (except any portion thereof as may be at any time properly invested as provided herein) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and money on deposit in such Funds shall be used only for the purposes permitted by this Order.

SECTION 13: Notices to Holders-Waiver. Wherever this Order provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first-class postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds or Holders. Where this Order provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 14: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the County, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The County may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the County may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Bonds held by the Paying Agent/Registrar shall be destroyed as directed by the County.

SECTION 15: Mutilated - Destroyed - Lost and Stolen Bonds. If (i) any mutilated Bond is surrendered to the Paying Agent/Registrar, or the County and the

Paying Agent/Registrar receive evidence to their satisfaction of the destruction, loss, or theft of any Bond, and (ii) there is delivered to the County and the Paying Agent/Registrar such security or indemnity as may be required to save each of them harmless, then, in the absence of notice to the County or the Paying Agent/Registrar that such Bond has been acquired by a bona fide purchaser, the County shall execute and, upon the County's request, the Paying Agent/Registrar shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Bond, a new Bond of the same Stated Maturity and interest rate and of like tenor and principal amount, bearing a number not contemporaneously Outstanding.

In case any such mutilated, destroyed, lost, or stolen Bond has become or is about to become due and payable, the County in its discretion may, instead of issuing a new Bond, pay such Bond.

Upon the issuance of any new Bond, or payment in lieu thereof, under this Section, the County may require payment by the Holder of a sum sufficient to cover any tax or other governmental charge imposed in relation thereto and any other expenses and charges (including attorney's fees and the fees and expenses of the Paying Agent/Registrar) connected therewith.

Every new Bond issued pursuant to this Section in lieu of any mutilated, destroyed, lost, or stolen Bond shall constitute a replacement of the prior obligation of the County, whether or not the mutilated, destroyed, lost, or stolen Bond shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Order equally and ratably with all other Outstanding Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Bonds.

SECTION 16: Covenants to Maintain Tax-Exempt Status.

A. Definitions. When used in this Section, the following terms have the following meanings:

"Code" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"Computation Date" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Gross Proceeds" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

"Investment" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Nonpurpose Investment" means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"Rebate Amount" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Regulations" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"Yield" of

(1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and

(2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

B. Not to Cause Interest to Become Taxable. The County shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the County receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the County shall comply with each of the specific covenants in this Section.

C. No Private Use or Private Payments. Except to the extent that it will cause the Bonds to become "private activity bonds" within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the County shall at all times prior to the last Stated Maturity of Bonds:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different

than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the County or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

D. No Private Loan. Except to the extent that it will cause the Bonds to become "private activity bonds" within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the County shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

E. Not to Invest at Higher Yield. Except to the extent that it will cause the Bonds to become "arbitrage bonds" within the meaning of section 148 of the Code and the Regulations and rulings thereunder, the County shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment, if as a result of such investment the Yield of any Investment acquired with Gross Proceeds, whether then held or previously disposed of, materially exceeds the Yield of the Bonds.

F. Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the County shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

G. Information Report. The County shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

H. Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The County shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last Outstanding Bond is discharged. However, to the extent permitted by law, the County may commingle Gross Proceeds of the Bonds with other money of the County, provided that the County separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the County shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The County shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the County shall pay to the United States out of the Bond Fund or its general fund, as permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The County shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

I. Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the County shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection H of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

J. Bonds Not Hedge Bonds.

(1) The County reasonably expects to spend at least 85% of the spendable proceeds of the Bonds within three years after such Bonds are issued.

(2) Not more than 50% of the proceeds of the Bonds will be invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

K. Elections. The County hereby directs and authorizes the County Judge, County Clerk, County Treasurer, and County Auditor, either or any combination of them, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

SECTION 17: Satisfaction of Obligation of County. If the County shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Order, then the pledge of taxes levied and all covenants, agreements, and other obligations of the County to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Bonds, or any principal amount(s) thereof, shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof at Stated Maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any money deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. The County covenants that no deposit

of money or Government Securities will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as arbitrage bonds within the meaning of section 148 of the Code (as defined in Section 16).

Any money so deposited with the Paying Agent/Registrar, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such money has been so deposited shall be remitted to the County or deposited as directed by the County. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of four (4) years after the Stated Maturity, or applicable redemption date, of the Bonds such money was deposited and is held in trust to pay shall upon the request of the County be remitted to the County against a written receipt therefor, subject to the unclaimed property laws of the State of Texas.

SECTION 18: Order a Contract - Amendments - Outstanding Bonds. The County acknowledges that the covenants and obligations of the County herein contained are a material inducement to the purchase of the Bonds. This Order shall constitute a contract with the Holders from time to time, shall be binding on the County, and shall not be amended or repealed by the County so long as any Bond remains Outstanding except as permitted in this Section. The County may, without the consent of or notice to any Holders, from time to time and at any time, amend this Order in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the County may, with the written consent of Holders holding a majority in aggregate principal amount of the Bonds then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Order; provided that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (ii) give any preference to any Bond over any other Bond, or (iii) reduce the aggregate principal amount of Bonds required for consent to any such amendment, addition, or rescission.

SECTION 19: Sale of the Bonds; Use of Bond Proceeds. The Bonds authorized by this Order are hereby sold by the County to _____ (the *Purchasers*, having all the rights, benefits, and obligations of a Holder), at the price of par, plus accrued interest to the date of initial delivery of the Bonds to the Purchasers, is hereby approved and confirmed. The Initial Bonds shall be registered in the name of _____. It is hereby officially found, determined, and declared that the Purchasers bid on the Bonds produces the lowest net interest cost to the County as a result of invitations for competitive bids in compliance with applicable law. Delivery of the Bonds to the Purchasers shall occur as soon as practicable after the adoption of the Order, upon payment therefor in accordance with the terms of sale.

Proceeds from the sale of the Bonds shall be applied as follows:

(1) Accrued interest and premium, if any, received from the Purchaser shall be deposited into the Bond Fund.

(2) The balance of the proceeds derived from the sale of the Bonds (after paying costs of issuance) shall be deposited into the special construction account or accounts created for the projects to be constructed with the bond proceeds. This special construction account shall be established and maintained at the County's Depository and shall be invested in accordance with the provisions of Section 10 of this Order. Interest earned on the proceeds of the Bonds pending completion of the projects financed with such proceeds shall be accounted for, maintained, deposited, and expended as permitted by the provisions of Texas Revised Civil Statutes Annotated Article 717k-9, as amended, or as required by any other applicable law. Thereafter, such amounts shall be expended in accordance with Section 11.

SECTION 20: Control and Custody of Bonds. The County Judge of the County shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas including the printing and supply of definitive Bonds and shall take and have charge and control of the Initial Bond(s) pending its approval by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchaser.

Furthermore, the County Judge, County Clerk, County Treasurer, or County Auditor, either or all, are hereby authorized and directed to furnish and execute such documents relating to the County and its financial affairs as may be necessary for the issuance of the Bonds, the approval of the Attorney General, and their registration by the Comptroller of Public Accounts and, together with the County's financial advisor, bond counsel, and the Paying Agent/Registrar, to make the necessary arrangements for the delivery of the Initial Bond to the Purchaser and the initial exchange thereof for definitive Bonds.

SECTION 21: Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the County covenants and agrees particularly that in the event the County (a) defaults in the payments to be made to the Bond Fund, or (b) defaults in the observance or performance of any other of the covenants, conditions, or obligations set forth in this Order, the Holders of any of the Bonds shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the Commissioners Court of the County and other officers of the County to observe and perform any covenant, condition, or obligation prescribed in this Order.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from

time to time and as often as may be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive.

SECTION 22: Official Statement. The Commissioners Court ratifies and confirms its prior approval of the form and content of the Official Statement prepared in the initial offering and sale of the Bonds and hereby approves the form and content of any addenda, supplement, or amendment thereto. The use of such Official Statement in the reoffering of the Bonds by the Purchaser is hereby approved and authorized. The proper officials of the County are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

SECTION 23: Printed Opinion. The Purchaser's obligation to accept delivery of the Bonds is subject to its being furnished a final opinion of Fulbright & Jaworski L.L.P., Attorneys at Law, approving certain legal matters as to the Bonds, said opinion to be dated and delivered as of the date of initial delivery and payment for the Bonds. Printing of a true and correct copy of said opinion on the reverse side of each of the Bonds with appropriate certificate pertaining thereto executed by facsimile signature of the County Clerk of the County is hereby approved and authorized.

SECTION 24: CUSIP Numbers. CUSIP numbers may be printed or typed on the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof, and neither the County nor attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the Bonds.

SECTION 25: Benefits of a Order. Nothing in this Order, expressed or implied, is intended or shall be construed to confer upon any person other than the County, the Paying Agent/Registrar, bond counsel, and the Holders any right, remedy, or claim, legal or equitable, under or by reason of this Order or any provision hereof, this Order and all its provisions being intended to be and being for the sole and exclusive benefit of the County, the Paying Agent/Registrar, bond counsel, and the Holders.

SECTION 26: Inconsistent Provisions. All orders, orders, or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Order are hereby repealed to the extent of such conflict and the provisions of this Order shall be and remain controlling as to the matters contained herein.

SECTION 27: Governing Law. This Order shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 28: Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 29: Severability. If any provision of this Order or the application thereof to any circumstance shall be held to be invalid, the remainder of this Order and the application thereof to other circumstances shall nevertheless be valid, and this Commissioners Court hereby declares that this Order would have been enacted without such invalid provision.

SECTION 30: Public Meeting. It is officially found, determined, and declared that the meeting at which this Order is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Order, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 31: Authorization of Paying Agent/Registrar Agreement. The Commissioners Court of the County hereby finds and determines that it is in the best interest of the County to authorize the execution of a Paying Agent/Registrar Agreement concerning the payment, exchange, and transferability of the Bonds. A copy of the Paying Agent/Registrar Agreement is attached hereto as Exhibit A and is incorporated herein by reference as fully as if recopied in its entirety in this Order.

SECTION 32: Incorporation of Preamble Recitals. The recitals contained in the preamble to this Order are hereby found to be true, and such recitals are hereby made a part of this Order for all purposes and are adopted as a part of the judgment and findings of the Commissioners Court.

SECTION 33: Construction of Terms. If appropriate in the context of this Order, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 34: Unavailability of Authorized Publication. If, because of the temporary or permanent suspension of any newspaper, journal, or other publication, or, for any reason, publication of notice cannot be made meeting any requirements herein established, any notice required to be published by the provisions of this Order shall be given in such other manner and at such time or times as in the judgment of the County or of the Paying Agent/Registrar shall most effectively approximate such required publication and the giving of such notice in such manner shall for all purposes of this Order be deemed to be in compliance with the requirements for publication thereof.

SECTION 35: No Recourse Against County. No recourse shall be had for the payment of principal of, premium, if any, or interest on any Bond or for any claim based thereon or on this Order against any official of the County or any person executing any Bond.

SECTION 36: Book-Entry Only System.

It is intended that the Bonds initially be registered so as to participate in a securities depository system (the *DTC System*) with the Depository Trust Company, New York, New York, or any successor entity thereto (*DTC*), as set forth herein. Each Stated Maturity of the Bonds shall be issued (following cancellation of the Initial Bonds described in Section 7) in the form of a separate single definitive Bond. Upon issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as the nominee of DTC, and all of the Outstanding Bonds shall be registered in the name of Cede & Co., as the nominee of DTC. The County and the Paying Agent/Registrar are authorized to execute, deliver, and take the actions set forth in such letters to or agreements with DTC as shall be necessary to effectuate the DTC System, including the Letter of Representation attached hereto as Exhibit C (the *Representation Letter*).

With respect to the Bonds registered in the name of Cede & Co., as nominee of DTC, the County and the Paying Agent/Registrar shall have no responsibility or obligation to any broker-dealer, bank, or other financial institution for which DTC holds the Bonds from time to time as securities depository (a *Depository Participant*) or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds (an *Indirect Participant*). Without limiting the immediately preceding sentence, the County and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any Depository Participant with respect to any ownership interest in the Bonds, or (ii) the delivery to any Depository Participant or any other person, other than a registered owner of the Bonds, as shown on the Security Registrar, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the delivery to any Depository Participant or any Indirect Participant or any other Person, other than a Holder of a Bond, of any amount with respect to principal of, premium, if any, or interest on the Bonds. While in the DTC System, no person other than Cede & Co., or any successor thereto, as nominee for DTC, shall receive a Bond evidencing the obligation of the County to make payments of principal, premium, if any, and interest pursuant to this Order. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Order with respect to interest checks or drafts being mailed to the Holder, the word "Cede & Co." in this Order shall refer to such new nominee of DTC.

In the event that (a) the County determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (b) the Representation Letter shall be terminated for any reason, or (c) DTC or the County determines that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the County shall notify the Paying Agent/Registrar, DTC, and the Depository Participants of the availability within a reasonable period of time through DTC of the Bonds, and the Bonds shall no longer be restricted to being registered in the name of Cede & Co., as nominee of DTC. At that time, the County may determine that the Bonds shall be registered in the name of and deposited with

a successor depository operating a securities depository system, as may be acceptable to the County, or such depository's agent or designee, and if the County and the Paying Agent/Registrar do not select such alternate securities depository system then the Bonds may be registered in whatever name or names the Holders of Bonds transferring or exchanging the Bonds shall designate, in accordance with the provisions hereof.

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

SECTION 37: Continuing Disclosure Undertaking.

(a) *Definitions.*

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

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

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

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

(b) *Annual Reports.*

The County shall provide annually to each NRMSIR and any SID, within six months after the end of each fiscal year ending in or after 1997, financial information and operating data with respect to the County of the general type included in the final Official Statement authorized by Section 18 of this Order, being the information described in Exhibit E hereto. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in Exhibit E hereto, or such other accounting principles as the County may be required to employ from time to time pursuant to state law or regulation and (2) audited, if the County commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the County shall provide audited financial

statements for the applicable fiscal year to each NRMSIR and any SID, when and if the audit report on such statements becomes available.

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

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

(c) *Material Event Notices.*

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

- a. Principal and interest payment delinquencies;
- b. Non-payment related defaults;
- c. Unscheduled draws on debt service reserves reflecting financial difficulties;
- d. Unscheduled draws on credit enhancements reflecting financial difficulties;
- e. Substitution of credit or liquidity providers, or their failure to perform;
- f. Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- g. Modifications to rights of holders of the Bonds;
- h. Bond calls;
- i. Defeasances;
- j. Release, substitution, or sale of property securing repayment of the Bonds; and

k. Rating changes.

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

(d) *Limitations, Disclaimers, and Amendments.*

The County shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the County remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the County in any event will give notice of any deposit made in accordance with Section 23 of this Order that causes the Bonds to be no longer Outstanding.

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The County undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the County's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The County does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

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

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

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

The provisions of this Section may be amended by the County from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the County, but only if (1) the provisions of this Section, as so amended,

would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Order that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a Person that is unaffiliated with the County (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. If the County so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

The County may also repeal or amend the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the County also may amend the provisions of this Section in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling the Bonds in the primary offering of the Bonds, giving effect to (a) such provisions as so amended and (b) any amendments or interpretations of the Rule.

SECTION 38: Effective Date. This Order shall be in force and effect from and after its final passage and it is so ordered.

[The remainder of this page intentionally left blank.]

PASSED AND ADOPTED on the 17th day of June, 1997.

WILLIAMSON COUNTY, TEXAS

John C. Daehler 6-17-97
County Judge

ATTEST:

Clairie Byrd
County Clerk and Ex-Officio Clerk
of the Commissioners Court of
Williamson County, Texas

(SEAL OF THE COMMISSIONERS COURT)

Exhibit A - Paying Agent/Registrar Agreement
Exhibit B - DTC Letter of Representations
Exhibit C - Description of Financial Information and Operating Data

EXHIBIT A

Paying Agent/Registrar Agreement

See Tab No. ____

EXHIBIT B

DTC Letter of Representations

See Tab No. ____

EXHIBIT C**DESCRIPTION OF FINANCIAL INFORMATION AND OPERATING DATA****Information and Data with Respect to the County**

The information and data with respect to the County referred to in Section 37 of this Order are the quantitative financial information and operating data specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

1. The County's audited financial statements for the most recently concluded fiscal year or to the extent these audited financial statements are not available, the portions of the unaudited financial statements of the County appended to the Official Statement as Appendix B, but for the most recently concluded fiscal year.
2. Tables 1 through 13 as disclosed in the Official Statement.

Accounting Principles

The accounting principles referred to in such Section are generally accepted accounting principles for governmental units as prescribed by the Government Accounting Standards Board from time to time.

AGENDA ITEM # 29

June 17, 1997

*

Consideration and approval of an order authorizing the issuance of "Williamson County, Texas unlimited tax road bonds, Series 1997", providing for the payment of said bonds by the annual levy of an ad valorem tax, without limit as to rate or amount, upon all taxable property in the county; providing the terms and conditions of said bonds and resolving other matters incident and relating to the issuance, payment, and security of said bonds, including the approval and distribution of an official statement; authorizing the execution of a paying agent/registrar agreement; complying with the rules and regulations promulgated by the depository trust company; and providing an effective date.

Moved: Commissioner Hays

Seconded: Judge Doerfler

Motion: To approve an order authorizing the issuance of "Williamson County, Texas unlimited tax road bonds, Series 1997", providing for the payment of said bonds by the annual levy of an ad valorem tax, without limit as to rate or amount, upon all taxable property in the county; providing the terms and conditions of said bonds and resolving other matters incident and relating to the issuance, payment, and security of said bonds, including the approval and distribution of an official statement; authorizing the execution of a paying agent/registrar agreement; complying with the rules and regulations promulgated by the depository trust company; and providing an effective date.

Vote: Motion carried 4 - 0

< Clerk copy here >

**FULBRIGHT & JAWORSKI
L.L.P.**

A REGISTERED LIMITED LIABILITY PARTNERSHIP
300 CONVENT STREET, SUITE 2200
SAN ANTONIO, TEXAS 78205

TELEPHONE: 210/224-5575
FACSIMILE: 210/270-7205

WRITER'S DIRECT DIAL NUMBER:
210/270-7131

HOUSTON
WASHINGTON, D.C.
AUSTIN
SAN ANTONIO
DALLAS
NEW YORK
LOS ANGELES
LONDON
HONG KONG

May 30, 1997

Re: Williamson County, Texas Unlimited Tax Road Bonds, Series 1997

Honorable John C. Doerfler
County Judge
Williamson County, Texas
County Courthouse
710 Main Street
Georgetown, Texas 78627

BY FEDERAL EXPRESS

Dear Judge Doerfler:

I enclose as Exhibit A to this letter the agenda item to be utilized in preparing the agenda for the June 17, 1997 regular meeting of the Commissioners Court. Thank you for ensuring that this agenda item is posted in accordance with the provisions of the Texas Open Meetings Act. I also enclose a copy of the Bond Order for inclusion in the Commissioners Court's agenda packets.

If you have any questions or comments concerning this matter, please do not hesitate to contact me.

Very truly yours,


W. Jeffrey Kuhn

WJK/tmg

Enclosure

cc: Ms. Jane Tableriou
Administrative Assistant
Office of the County Judge
Williamson County Courthouse
710 Main Street, Second Floor
Georgetown, Texas 78627

BY FEDERAL EXPRESS

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Honorable John C. Doerfler
May 30, 1997
Page 2

Mr. Eugene Taylor
Williamson County Attorney
Courthouse Annex, Second Floor
405 Martin Luther King Box 7
Georgetown, Texas 78626

BY FEDERAL EXPRESS

Mr. Dan Wegmiller
First Southwest Company
98 San Jacinto Boulevard, Suite 370
Austin, Texas 78701

BY FEDERAL EXPRESS

Mr. Juan F. Aguilera (Firm)

EXHIBIT A

CONSIDERATION AND APPROVAL OF AN ORDER AUTHORIZING THE ISSUANCE OF "WILLIAMSON COUNTY, TEXAS UNLIMITED TAX ROAD BONDS, SERIES 1997"; PROVIDING FOR THE PAYMENT OF SAID BONDS BY THE ANNUAL LEVY OF AN AD VALOREM TAX, WITHOUT LIMIT AS TO RATE OR AMOUNT, UPON ALL TAXABLE PROPERTY IN THE COUNTY; PROVIDING THE TERMS AND CONDITIONS OF SAID BONDS AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, AND SECURITY OF SAID BONDS, INCLUDING THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT; COMPLYING WITH THE RULES AND REGULATIONS PROMULGATED BY THE DEPOSITORY TRUST COMPANY; AND PROVIDING AN EFFECTIVE DATE

DRAFT 05-29-97

AN ORDER AUTHORIZING THE ISSUANCE OF "WILLIAMSON COUNTY, TEXAS UNLIMITED TAX ROAD BONDS, SERIES 1997"; PROVIDING FOR THE PAYMENT OF SAID BONDS BY THE ANNUAL LEVY OF AN AD VALOREM TAX, WITHOUT LIMIT AS TO RATE OR AMOUNT, UPON ALL TAXABLE PROPERTY IN THE COUNTY; PROVIDING THE TERMS AND CONDITIONS OF SAID BONDS AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, AND SECURITY OF SAID BONDS, INCLUDING THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT; COMPLYING WITH THE RULES AND REGULATIONS PROMULGATED BY THE DEPOSITORY TRUST COMPANY; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the Commissioners Court of Williamson County, Texas (the County) hereby finds and determines that unlimited tax general obligation bonds of the County in the total principal amount of \$15,000,000 should be issued and sold at this time, being all of the unlimited tax general obligation bonds approved and authorized to be issued at an election held on November 5, 1996 in the County, the respective authorized purposes and amounts authorized to be issued therefor, amounts previously issued, amounts being issued pursuant to this order, and amounts remaining to be issued from such voted authorization subsequent to the date hereof being as follows:

<u>Purpose</u>	<u>Amounts Authorized</u>	<u>Amounts Previously Issued</u>	<u>Amounts Sold this Sale</u>	<u>Unissued Bonds</u>
County Roads	\$15,000,000	\$0	\$15,000,000	\$0

WHEREAS, in accordance with the provisions of Section 81.006, as amended, Local Government Code, the Commissioners Court hereby finds and determines that this Order was adopted at a regularly scheduled meeting of the Commissioners Court; and

WHEREAS, the Commissioners Court hereby finds and determines that the issuance of the unlimited tax general obligation bonds is in the best interests of the citizens of the County, now, therefore,

BE IT ORDERED BY THE COMMISSIONERS COURT OF WILLIAMSON COUNTY, TEXAS THAT:

SECTION 1: Authorization - Designation - Principal Amount - Purpose. Unlimited tax general obligation bonds of the County shall be and are hereby authorized to be issued in the aggregate principal amount of \$15,000,000 (FIFTEEN

MILLION AND NO/100 DOLLARS), to be designated and bear the title "Williamson County, Texas Unlimited Tax Road Bonds, Series 1997" (the *Bonds*), for the purpose of the construction, acquisition by purchase, maintenance, and operation of macadamized, graveled, or paved roads, in conformity with the laws of the State of Texas, particularly Chapter 256, as amended, Texas Transportation Code, Article III, Section 52(c) of the Texas Constitution, an election held in the County on November 5, 1996, and pursuant to the provisions of a bond order (the *Order*) adopted on the date hereof by the Commissioners Court.

SECTION 2: Fully Registered Obligations - Authorized Denominations - Stated Maturities - Interest Rates - Date. The Bonds shall be issued as fully registered obligations, without coupons, in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, shall be dated June 15, 1997 (the *Bond Date*), shall be lettered "R" and numbered consecutively from One (1) upward and principal shall become due and payable on August 15 in each of the years and in amounts (the *Stated Maturities*) and bear interest at the rates per annum in accordance with the following schedule:

<u>Years of Stated Maturity</u>	<u>Principal Amounts (\$)</u>	<u>Interest Rates (%)</u>
1999	200,000	
2000	200,000	
2001	200,000	
2002	300,000	
2003	300,000	
2004	300,000	
2005	300,000	
2006	300,000	
2007	400,000	
2008	300,000	
2009	1,400,000	
2010	1,400,000	
2011	1,500,000	
2012	1,600,000	
2013	1,700,000	
2014	1,800,000	
2015	1,800,000	
2016	1,000,000	

The Bonds shall bear interest on the unpaid principal amounts from the Bond Date, or from the most recent Interest Payment Date to which interest has been paid or duly provided for to Stated Maturity or prior redemption, while Outstanding, at the rates per annum shown in the above schedule (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Bonds shall be payable on February 15 and August 15 in each year, commencing August 15, 1998 (the *Interest Payment Date*).

SECTION 3: Payment of Bonds - Paying Agent/Registrar. The principal of, premium, if any, and interest on the Bonds, due and payable by reason of Stated Maturity, redemption, or otherwise, shall be payable, without exchange or collection charges to the Holder (as hereinafter defined), appearing on the registration and transfer books maintained by the Paying Agent/Registrar (hereinafter defined), in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

The selection and appointment of Texas Commerce Bank National Association, Austin, Texas to serve as the initial Paying Agent/Registrar (the *Paying Agent/Registrar*) for the Bonds is hereby approved and confirmed, and the County agrees and covenants to cause to be kept and maintained at the corporate trust office of the Paying Agent/Registrar books and records (the *Security Register*) for the registration, payment, and transfer of the Bonds, all as provided herein, in accordance with the terms and provisions of a Paying Agent/Registrar Agreement, attached hereto in substantially final form as Exhibit A, and such reasonable rules and regulations as the Paying Agent/Registrar and the County may prescribe. The County covenants to maintain and provide a Paying Agent/Registrar at all times while the Bonds are Outstanding, and any successor Paying Agent/Registrar shall be (i) a national or state banking institution, or (ii) an association or corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers. Such Paying Agent/Registrar shall be subject to supervision or examination by federal or state authority and shall be authorized by law to serve as a Paying Agent/Registrar.

The County reserves the right to appoint a successor Paying Agent/Registrar upon providing the previous Paying Agent/Registrar with a certified copy of a resolution or order terminating such agency. Additionally, the County agrees to promptly cause a written notice of this substitution to be sent to each Holder by United States Mail, first-class postage prepaid, which notice shall also give the address of the corporate office of the successor Paying Agent/Registrar.

Both principal of, premium, if any, and interest on the Bonds, due and payable by reason of Stated Maturity, redemption, or otherwise, shall be payable only to the registered owner of the Bonds (the *Holder* or *Holders*) appearing on the Security Register (i) on the Record Date (hereinafter defined) for purposes of paying interest thereon, and (ii) on the date of surrender of the Bonds for purposes of receiving payment of principal thereof upon redemption of the Bonds or at the Bonds' Stated Maturity. The County and the Paying Agent/Registrar, and any agent of either, shall treat the Holder as the owner of a Bond for purposes of receiving payment and all other purposes whatsoever, and neither the County nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary.

Principal of and premium, if any, on the Bonds, shall be payable only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its corporate trust office. Interest on the Bonds shall be paid to the Holder whose name appears in

the Security Register at the close of business on the last business day of the month next preceding the Interest Payment Date for the Bonds (the *Record Date*) and shall be paid (i) by check sent on or prior to the appropriate date of payment by United States Mail, first-class postage prepaid, by the Paying Agent/Registrar, to the address of the Holder appearing in the Security Register, or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested in writing by the Holder at the Holder's risk and expense.

If the date for the payment of the principal of, premium, if any, or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a day. The payment on such date shall have the same force and effect as if made on the original date any such payment on the Bonds was due.

In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a *Special Record Date*) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the County. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the *Special Payment Date*--which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first-class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 4: Redemption.

A. Optional Redemption. The Bonds having Stated Maturities on and after August 15, 2008 shall be subject to redemption prior to Stated Maturity, at the option of the County, on August 15, 2007, or on any date thereafter, as a whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity at random and by lot by the Paying Agent/Registrar), at the redemption price of par plus accrued interest to the date of redemption.

B. Exercise of Redemption Option. At least forty-five (45) days prior to a date set for the redemption of Bonds (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the County shall notify the Paying Agent/Registrar of its decision to exercise the right to redeem Bonds, the principal amount of each Stated Maturity to be redeemed, and the date set for the redemption thereof. The decision of the County to exercise the right to redeem Bonds shall be entered in the minutes of the governing body of the County.

C. Selection of Bonds for Redemption. If less than all Outstanding Bonds of the same Stated Maturity are to be redeemed on a redemption date, the Paying

Agent/Registrar shall select at random and by lot the Bonds to be redeemed, provided that if less than the entire principal amount of a Bond is to be redeemed, the Paying Agent/Registrar shall treat such Bond then subject to redemption as representing the number of Bonds Outstanding which is obtained by dividing the principal amount of such Bond by \$5,000.

D. Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Bonds, a notice of redemption shall be sent by United States Mail, first-class postage prepaid, in the name of the County and at the County's expense, to each Holder of a Bond to be redeemed in whole or in part at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder.

All notices of redemption shall (i) specify the date of redemption for the Bonds, (ii) identify the Bonds to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Bonds, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified, and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, and (v) specify that payment of the redemption price for the Bonds, or the principal amount thereof to be redeemed, shall be made at the corporate trust office of the Paying Agent/Registrar only upon presentation and surrender thereof by the Holder. This notice may also be published once in a financial publication, journal, or reporter of general circulation among securities dealers in the City of New York, New York (including, but not limited to, *The Bond Buyer* and *The Wall Street Journal*), or in the State of Texas (including, but not limited to, *The Texas Bond Reporter*).

If a Bond is subject by its terms to redemption and has been called for redemption and notice of redemption thereof has been duly given or waived as herein provided, such Bond (or the principal amount thereof to be redeemed) so called for redemption shall become due and payable, and if money sufficient for the payment of such Bonds (or of the principal amount thereof to be redeemed) at the then applicable redemption price is held for the purpose of such payment by the Paying Agent/Registrar, then on the redemption date designated in such notice, interest on the Bonds (or the principal amount thereof to be redeemed) called for redemption shall cease to accrue and such Bonds shall not be deemed to be Outstanding in accordance with the provisions of this Order.

E. Transfer/Exchange of Bonds. Neither the County nor the Paying Agent/Registrar shall be required (1) to transfer or exchange any Bond during a period beginning forty-five (45) days prior to the date fixed for redemption of the Bonds or (2) to transfer or exchange any Bond selected for redemption, provided, however, such

limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond which is subject to redemption in part.

SECTION 5: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. A Security Register relating to the registration, payment, transfer, or exchange of the Bonds shall at all times be kept and maintained by the County at the corporate trust office of the Paying Agent/Registrar, and the Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each Holder of the Bonds issued under and pursuant to the provisions of this Order. Any Bond may, in accordance with its terms and the terms hereof, be transferred or exchanged for Bonds of other authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for transfer of any Bond at the corporate trust office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Bonds executed on behalf of, and furnished by, the County of authorized denominations and having the same Stated Maturity and of a like interest rate and aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest, and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the corporate trust office of the Paying Agent/Registrar. Whenever any Bonds are so surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds executed on behalf of, and furnished by, the County to the Holder requesting the exchange.

All Bonds issued upon any transfer or exchange of Bonds shall be delivered at the corporate trust office of the Paying Agent/Registrar, or sent by United States registered mail to the Holder at his request, risk, and expense, and upon the delivery thereof, the same shall be valid obligations of the County, evidencing the same debt, and entitled to the same benefits under this Order, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be Predecessor Bonds, evidencing all or a portion, as the

case may be, of the same debt evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term Predecessor Bonds shall include any Bond registered and delivered pursuant to Section 15 in lieu of a mutilated, lost, destroyed, or stolen Bond which shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

SECTION 6: Execution - Registration. The Bonds shall be executed on behalf of the County by the County Judge under the seal of the Commissioners Court reproduced or impressed thereon, registered by the County Treasurer, and countersigned by the County Clerk. The signature of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officers of the County on the Bond Date shall be deemed to be duly executed on behalf of the County, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in the Bond Procedures Act of 1981, Texas Revised Civil Statutes Annotated Article 717k-6, as amended.

No Bond shall be entitled to any right or benefit under this Order, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 8C, executed by the Comptroller of Public Accounts of the State of Texas or his duly authorized agent by manual signature, or a certificate of registration substantially in the form provided in Section 8D, executed by the Paying Agent/Registrar by manual signature, and either such certificate upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified or registered and delivered.

SECTION 7: Initial Bond(s). The Bonds herein authorized shall be issued initially either (i) as a fully registered bond in the total principal amount of \$15,000,000 with principal installments to become due and payable as provided in Section 2 and numbered T-1, or (ii) as one (1) fully registered Bond for each year of Stated Maturity in the applicable principal amount, interest rate, and denomination and to be numbered consecutively from T-1 and upward (the *Initial Bond(s)*) and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval and certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas. At any time after the delivery of the Initial Bond(s) to the initial purchaser(s), the Paying Agent/Registrar, upon written instructions from the purchaser(s), or his or their designee, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts, and bearing applicable interest rates for transfer and delivery to the Holders named and at the addresses identified therefor; all in accordance with and pursuant to such written instructions from the initial purchaser(s), or his or their designee, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 8: Forms.

A. Forms Generally. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of Registration, and the form of Assignment to be printed on each of the Bonds shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Order and may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends and any reproduction of an opinion of counsel) thereon as may, consistent herewith, be established by the County or determined by the officers executing the Bonds as evidenced by their execution thereof. Any portion of the text of any Bond may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds shall be printed, lithographed, or engraved or produced in any other similar manner, all as determined by the officers executing the Bonds as evidenced by their execution thereof, but the Initial Bond(s) submitted to the Attorney General of Texas may be typewritten or photocopied or otherwise reproduced.

[The remainder of this page intentionally left blank.]

B. Form of Bond.

REGISTERED
NO. _____

REGISTERED
\$ _____

United States of America
State of Texas
WILLIAMSON COUNTY, TEXAS
UNLIMITED TAX ROAD BONDS,
SERIES 1997

Interest Rate: _____ Bond Date: June 15, 1997 Stated Maturity: _____ CUSIP NO: _____

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

Williamson County, Texas (the *County*), a body corporate and a political subdivision of the State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner named above (the *Holder*), or the registered assigns thereof, on the Stated Maturity date specified above, the Principal Amount stated above (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount hereof (computed on the basis of a 360-day year of twelve 30-day months) from the Bond Date specified above, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, at the per annum rate specified above; such interest being payable on February 15 and August 15 of each year (the *Interest Payment Date*) commencing August 15, 1998.

Principal and premium, if any, of this Bond shall be payable to the Holder hereof, upon presentation and surrender, at the corporate trust office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor. Interest shall be payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Order hereinafter referenced) whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the last business day of the month next preceding the Interest Payment Date. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States Mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to

the Paying Agent/Registrar, requested by the Holder hereof at the Holder's risk and expense.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$15,000,000 (the *Bonds*) pursuant to the authority conferred at an election held within the County on November 5, 1996 and by an order adopted by the governing body of the County (the *Order*), for the purpose of the construction, acquisition by purchase, maintenance, and operation of macadamized, graveled, or paved roads, in conformity with the laws of the State of Texas, particularly Chapter 256, as amended, Texas Transportation Code, Article III, Section 52(c) of the Texas Constitution, an election held in the County on November 5, 1996.

The Bonds stated to mature on and after August 15, 2008 may be redeemed prior to their Stated Maturities, at the option of the County, on August 15, 2007 or on any date thereafter, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity at random and by lot by the Paying Agent/Registrar) at the redemption price of par, together with accrued interest to the date of redemption, and upon thirty (30) days prior written notice being given by United States Mail, first-class postage prepaid, to Holders of the Bonds to be redeemed, and subject to the terms and provisions relating thereto contained in the Order. If this Bond is subject to redemption prior to stated maturity and is of a denomination in excess of \$5,000, portions of the principal sum hereof in installments of \$5,000 or any integral multiple thereof may be redeemed, and if less than all of the principal sum hereof is to be redeemed, there shall be issued, without charge therefor, to the Holder hereof, upon the surrender of this Bond to the Paying Agent/Registrar at its corporate trust office, a new Bond or Bonds of like Stated Maturity and interest rate in any authorized denominations provided in the Order for the then unredeemed balance of the principal sum hereof.

If this Bond (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption has been duly given, then upon such redemption date this Bond (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and, if money for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption is held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable hereon from and after the redemption date on the principal amount hereof to be redeemed. If this Bond is called for redemption, in whole or in part, the County or the Paying Agent/Registrar shall not be required to issue, transfer, or exchange this Bond within forty-five (45) days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance hereof in the event of its redemption in part.

The Bonds are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property within the County.

Reference is hereby made to the Order, copies of which are on file in the corporate trust office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Order may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the County and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at or prior to its Stated Maturity or redemption and deemed to be no longer Outstanding thereunder; and for the other terms and provisions thereof. Capitalized terms used herein have the same meanings assigned in the Order.

As provided in the Order and subject to certain limitations contained therein, this Bond is transferable on the Security Register of the County, upon surrender of this Bond for transfer at the corporate trust office of the Paying Agent/Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by the Holder hereof, or his duly authorized agent, and thereupon one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued to the designated transferee or transferees.

The County and the Paying Agent/Registrar, and any agent of either, shall treat the Holder hereof whose name appears on the Security Register (i) on the Record Date as the owner hereof for purposes of receiving payment of interest hereon, (ii) on the date of surrender of this Bond as the owner hereof for purposes of receiving payment of principal hereof at its Stated Maturity or its redemption, in whole or in part, and (iii) on any date as the owner hereof for all other purposes, and neither the County nor the Paying Agent/Registrar, or any such agent of either, shall be affected by notice to the contrary. In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a *Special Record Date*) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the County. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the *Special Payment Date*--which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first-class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, covenanted, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to or in the issuance of this Bond in order to render the same a legal, valid, and binding obligation of the County have been performed, exist, and have been done, in regular and due time, form, and manner, as required by law, and that the issuance of this Bond does not exceed any constitutional or statutory limitation. In case any provision in this Bond or any

application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Order shall be construed in accordance with and shall be governed by the laws of the State of Texas.

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

WILLIAMSON COUNTY, TEXAS

John C. Doerflinger 6-17-97
County Judge

COUNTERSIGNED:

REGISTERED:

County Clerk and Ex-Officio Clerk
of the Commissioners Court of
Williamson County, Texas

County Treasurer

(SEAL OF THE COMMISSIONERS COURT)

C. * Form of Registration Certificate of Comptroller of Public Accounts to Appear on Initial Bond only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER	§	
OF PUBLIC ACCOUNTS	§	REGISTER NO.
	§	
THE STATE OF TEXAS	§	

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

WITNESS my signature and seal of office this

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

(SEAL)

* NOTE TO PRINTER. Do not print on definitive bonds.

D. * Form of Certificate of Paying Agent/Registrar to Appear on Definitive Bonds only.

This Bond has been duly issued under the provisions of the within-mentioned Order; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

TEXAS COMMERCE BANK NATIONAL
ASSOCIATION
Austin, Texas,
as Paying Agent/Registrar

Registered this date:

_____ By _____
Authorized Officer

* NOTE TO PRINTER: Do not print on the Initial Bond.

E. Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee):
.....
.....
(Social Security or other identifying number:
.....) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints
..... attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: NOTICE:
Signature guaranteed: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular.
.....

- F. The Initial Bond(s) shall be in the form set forth in paragraph B of this Section, except that the form of the single fully registered Initial Bond shall be modified as follows:
- (i) immediately under the name of the bond the headings "Interest Rate _____" and "Stated Maturity ____" shall both be completed "as shown below";
 - (ii) the first two paragraphs shall read as follows:

Williamson County, Texas (the *County*), a body corporate and a political subdivision of the State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner named above (the *Holder*), or the registered assigns thereof, on the fifteenth day of August in each of the years and in principal amounts and bearing interest at per annum rates in accordance with the following schedule:

<u>YEARS OF</u> <u>STATED MATURITY</u>	<u>PRINCIPAL</u> <u>AMOUNTS (\$)</u>	<u>INTEREST</u> <u>RATES (%)</u>
---	---	-------------------------------------

(Information to be inserted from schedule in Section 2 hereof.)

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amounts hereof from the Bond Date at the per annum

rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 of each year (the *Interest Payment Date*) commencing August 15, 1998.

Principal of this Bond shall be payable to the Holder hereof, upon presentation and surrender, at the corporate trust office of Texas Commerce Bank National Association, Austin, Texas (the *Paying Agent/Registrar*). Interest shall be payable to the Holder of this Bond whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the last business day of the month next preceding the Interest Payment Date. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States Mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by the Holder hereof at the Holder's risk and expense.

G. Insurance Legend. If bond insurance is obtained by the County or the Purchaser (hereinafter defined), the Definitive Bonds and the Initial Bond(s) shall bear an appropriate legend as provided by the insurer.

SECTION 9: Definitions. For all purposes of this Order (as defined below), except as otherwise expressly provided or unless the context otherwise requires: (i) the terms defined in this Section have the meanings assigned to them in this Section, certain terms used in Section 16 of this Order have the meanings assigned to them such Section, and all such terms, include the plural as well as the singular; (ii) all references in this Order to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of this Order as originally adopted; and (iii) the words "herein", "hereof", and "hereunder" and other words of similar import refer to this Order as a whole and not to any particular Section or other subdivision.

- (a) *Bonds* shall mean the "Williamson County, Texas Unlimited Tax Road Bonds, Series 1997", dated June 15, 1997, authorized by this Order.
- (b) *County* shall mean Williamson County, Texas and where applicable, the Commissioners Court of the County.
- (c) *Closing Date* shall mean the date of physical delivery of the Initial Bonds in exchange for the payment in full by the Purchaser thereof.
- (d) *Depository* shall mean an official depository bank of the County.
- (e) *Government Securities* shall mean direct obligations of the United States of America, including obligations the payment of principal of and interest on which is unconditionally guaranteed by the United States of America,

and United States Treasury obligations such as its State and Local Government Series in book-entry form.

- (f) *Holder* or *Holder*s shall mean the registered owner, whose name appears in the Security Register, for any Bond.
- (g) *Interest Payment Date* shall mean the date semi-annual interest is payable on the Bonds, being February 15 and August 15 of each year, commencing August 15, 1998 while any of the Bonds remain outstanding.
- (h) *Order* shall mean the order adopted by the Commissioners Court on June 17, 1997 authorizing the issuance of the Bonds.
- (i) *Outstanding* shall mean, as of the date of determination, all Bonds issued and delivered under this Order, except:
 - (1) those Bonds canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;
 - (2) those Bonds for which payment has been duly provided by the County in accordance with the provisions of Section 17 of this Order by the irrevocable deposit with the Paying Agent/ Registrar, or an authorized escrow agent, of money or Government Securities, or both, in the amount necessary to fully pay the principal of, premium, if any, and interest thereon to Stated Maturity or redemption, as the case may be, provided that, if such Bonds are to be redeemed, notice of redemption thereof shall have been duly given pursuant to this Order or irrevocably provided to be given to the satisfaction of the Paying Agent/Registrar, or waived; and
 - (3) those Bonds that have been mutilated, destroyed, lost, or stolen and replacement Bonds have been registered and delivered in lieu thereof as provided in Section 15 of this Order.
- (j) *Purchaser* shall mean the initial purchaser of the Bonds referred to in Section 19 of this Order.
- (k) *Stated Maturity* shall mean the annual principal payments of the Bonds payable on August 15 of each year the Bonds are Outstanding as set forth in Section 2 of this Order.

SECTION 10: Bond Fund; Investments. For the purpose of paying the interest on and to provide a sinking fund for the payment, redemption, and retirement of the Bonds, there shall be and is hereby created a special Fund to be designated "UNLIMITED TAX ROAD BONDS, SERIES 1997, INTEREST AND SINKING FUND" (the *Bond Fund*), which Fund shall be kept and maintained at the County's Depository, and money deposited in such Fund shall be used for no other purpose and shall be

maintained as provided in Section 16. Authorized officials of the County are hereby authorized and directed to make withdrawals from the Bond Fund sufficient to pay the principal of and interest on the Bonds as the same become due and payable and shall cause to be transferred to the Paying Agent/Registrar from money on deposit in the Bond Fund an amount sufficient to pay the amount of principal and/or interest stated to mature on the Bonds, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the last business day next preceding each interest and principal payment date for the Bonds.

Pending the transfer of funds to the Paying Agent/Registrar, money in any Fund established by this Order may, at the option of the County, be placed in time deposits or certificates of deposit, as permitted by the provisions of the Public Funds Investment Act, as amended, Chapter 2256, Texas Government Code, secured (to the extent not insured by the Federal Deposit Insurance Corporation) by obligations of the type hereinafter described, or be invested, as authorized by any law, including investments held in book-entry form, in securities including, but not limited to, direct obligations of the United States of America, obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligations, or invested in indirect obligations of the United States of America, including, but not limited to, evidences of indebtedness issued, insured or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, Farmers Home Administration, Federal Home Loan Mortgage Association, Small Business Administration, or Federal Housing Association; provided that all such deposits and investments shall be made in such a manner that the money required to be expended from the any Fund will be available at the proper time or times. All interest and income derived from deposits and investments in any Fund shall be credited to, and any losses debited to, such Fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds.

SECTION 11: Levy of Taxes; Excess Bond Proceeds. To provide for the payment of the debt service requirements on the Bonds being (i) the interest on the Bonds, and (ii) a sinking fund for their redemption at Stated Maturity or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied for the current year and each succeeding year thereafter while the Bonds or any interest thereon shall remain Outstanding, a sufficient tax on each one hundred dollars' valuation of taxable property in the County, adequate to pay such debt service requirements, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected each year and applied to the payment of the debt service requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Bond Fund. The Commissioners Court hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay the said debt service requirements, it having been determined that the

existing and available taxing authority of the County for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness.

Accrued interest and premium, if any, received from the Purchaser of the Bonds shall be deposited to the Bond Fund and ad valorem taxes levied and collected shall be deposited to the Bond Fund. In addition, any surplus proceeds from the sale of the Bonds, including investment income thereon, not expended for authorized purposes shall be deposited in the Bond Fund, and such amounts so deposited shall reduce the sum otherwise required to be deposited in the Bond Fund from ad valorem taxes.

SECTION 12: Security for Funds. All money on deposit in the Funds for which this Order makes provision (except any portion thereof as may be at any time properly invested as provided herein) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and money on deposit in such Funds shall be used only for the purposes permitted by this Order.

SECTION 13: Notices to Holders-Waiver. Wherever this Order provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first-class postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds or Holders. Where this Order provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 14: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the County, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The County may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the County may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Bonds held by the Paying Agent/Registrar shall be destroyed as directed by the County.

SECTION 15: Mutilated - Destroyed - Lost and Stolen Bonds. If (i) any mutilated Bond is surrendered to the Paying Agent/Registrar, or the County and the

Paying Agent/Registrar receive evidence to their satisfaction of the destruction, loss, or theft of any Bond, and (ii) there is delivered to the County and the Paying Agent/Registrar such security or indemnity as may be required to save each of them harmless, then, in the absence of notice to the County or the Paying Agent/Registrar that such Bond has been acquired by a bona fide purchaser, the County shall execute and, upon the County's request, the Paying Agent/Registrar shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Bond, a new Bond of the same Stated Maturity and interest rate and of like tenor and principal amount, bearing a number not contemporaneously Outstanding.

In case any such mutilated, destroyed, lost, or stolen Bond has become or is about to become due and payable, the County in its discretion may, instead of issuing a new Bond, pay such Bond.

Upon the issuance of any new Bond, or payment in lieu thereof, under this Section, the County may require payment by the Holder of a sum sufficient to cover any tax or other governmental charge imposed in relation thereto and any other expenses and charges (including attorney's fees and the fees and expenses of the Paying Agent/Registrar) connected therewith.

Every new Bond issued pursuant to this Section in lieu of any mutilated, destroyed, lost, or stolen Bond shall constitute a replacement of the prior obligation of the County, whether or not the mutilated, destroyed, lost, or stolen Bond shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Order equally and ratably with all other Outstanding Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Bonds.

SECTION 16: Covenants to Maintain Tax-Exempt Status.

A. Definitions. When used in this Section, the following terms have the following meanings:

"Code" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"Computation Date" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Gross Proceeds" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

"*Investment*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Nonpurpose Investment*" means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"*Rebate Amount*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Regulations*" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"*Yield*" of

(1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and

(2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

B. Not to Cause Interest to Become Taxable. The County shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the County receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the County shall comply with each of the specific covenants in this Section.

C. No Private Use or Private Payments. Except to the extent that it will cause the Bonds to become "private activity bonds" within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the County shall at all times prior to the last Stated Maturity of Bonds:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different

than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the County or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

D. No Private Loan. Except to the extent that it will cause the Bonds to become "private activity bonds" within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the County shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

E. Not to Invest at Higher Yield. Except to the extent that it will cause the Bonds to become "arbitrage bonds" within the meaning of section 148 of the Code and the Regulations and rulings thereunder, the County shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment, if as a result of such investment the Yield of any Investment acquired with Gross Proceeds, whether then held or previously disposed of, materially exceeds the Yield of the Bonds.

F. Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the County shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

G. Information Report. The County shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

H. Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The County shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last Outstanding Bond is discharged. However, to the extent permitted by law, the County may commingle Gross Proceeds of the Bonds with other money of the County, provided that the County separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the County shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The County shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the County shall pay to the United States out of the Bond Fund or its general fund, as permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The County shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

I. Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the County shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection H of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

J. Bonds Not Hedge Bonds.

(1) The County reasonably expects to spend at least 85% of the spendable proceeds of the Bonds within three years after such Bonds are issued.

(2) Not more than 50% of the proceeds of the Bonds will be invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

K. Elections. The County hereby directs and authorizes the County Judge, County Clerk, County Treasurer, and County Auditor, either or any combination of them, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

SECTION 17: Satisfaction of Obligation of County. If the County shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Order, then the pledge of taxes levied and all covenants, agreements, and other obligations of the County to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Bonds, or any principal amount(s) thereof, shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof at Stated Maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any money deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. The County covenants that no deposit

of money or Government Securities will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as arbitrage bonds within the meaning of section 148 of the Code (as defined in Section 16).

Any money so deposited with the Paying Agent/Registrar, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such money has been so deposited shall be remitted to the County or deposited as directed by the County. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of four (4) years after the Stated Maturity, or applicable redemption date, of the Bonds such money was deposited and is held in trust to pay shall upon the request of the County be remitted to the County against a written receipt therefor, subject to the unclaimed property laws of the State of Texas.

SECTION 18: Order a Contract - Amendments - Outstanding Bonds. The County acknowledges that the covenants and obligations of the County herein contained are a material inducement to the purchase of the Bonds. This Order shall constitute a contract with the Holders from time to time, shall be binding on the County, and shall not be amended or repealed by the County so long as any Bond remains Outstanding except as permitted in this Section. The County may, without the consent of or notice to any Holders, from time to time and at any time, amend this Order in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the County may, with the written consent of Holders holding a majority in aggregate principal amount of the Bonds then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Order; provided that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (ii) give any preference to any Bond over any other Bond, or (iii) reduce the aggregate principal amount of Bonds required for consent to any such amendment, addition, or rescission.

SECTION 19: Sale of the Bonds; Use of Bond Proceeds. The Bonds authorized by this Order are hereby sold by the County to _____ (the *Purchasers*, having all the rights, benefits, and obligations of a Holder), at the price of par, plus accrued interest to the date of initial delivery of the Bonds to the Purchasers, is hereby approved and confirmed. The Initial Bonds shall be registered in the name of _____. It is hereby officially found, determined, and declared that the Purchasers bid on the Bonds produces the lowest net interest cost to the County as a result of invitations for competitive bids in compliance with applicable law. Delivery of the Bonds to the Purchasers shall occur as soon as practicable after the adoption of the Order, upon payment therefor in accordance with the terms of sale.

Proceeds from the sale of the Bonds shall be applied as follows:

(1) Accrued interest and premium, if any, received from the Purchaser shall be deposited into the Bond Fund.

(2) The balance of the proceeds derived from the sale of the Bonds (after paying costs of issuance) shall be deposited into the special construction account or accounts created for the projects to be constructed with the bond proceeds. This special construction account shall be established and maintained at the County's Depository and shall be invested in accordance with the provisions of Section 10 of this Order. Interest earned on the proceeds of the Bonds pending completion of the projects financed with such proceeds shall be accounted for, maintained, deposited, and expended as permitted by the provisions of Texas Revised Civil Statutes Annotated Article 717k-9, as amended, or as required by any other applicable law. Thereafter, such amounts shall be expended in accordance with Section 11.

SECTION 20: Control and Custody of Bonds. The County Judge of the County shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas including the printing and supply of definitive Bonds and shall take and have charge and control of the Initial Bond(s) pending its approval by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchaser.

Furthermore, the County Judge, County Clerk, County Treasurer, or County Auditor, either or all, are hereby authorized and directed to furnish and execute such documents relating to the County and its financial affairs as may be necessary for the issuance of the Bonds, the approval of the Attorney General, and their registration by the Comptroller of Public Accounts and, together with the County's financial advisor, bond counsel, and the Paying Agent/Registrar, to make the necessary arrangements for the delivery of the Initial Bond to the Purchaser and the initial exchange thereof for definitive Bonds.

SECTION 21: Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the County covenants and agrees particularly that in the event the County (a) defaults in the payments to be made to the Bond Fund, or (b) defaults in the observance or performance of any other of the covenants, conditions, or obligations set forth in this Order, the Holders of any of the Bonds shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the Commissioners Court of the County and other officers of the County to observe and perform any covenant, condition, or obligation prescribed in this Order.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from

time to time and as often as may be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive.

SECTION 22: Official Statement. The Commissioners Court ratifies and confirms its prior approval of the form and content of the Official Statement prepared in the initial offering and sale of the Bonds and hereby approves the form and content of any addenda, supplement, or amendment thereto. The use of such Official Statement in the reoffering of the Bonds by the Purchaser is hereby approved and authorized. The proper officials of the County are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

SECTION 23: Printed Opinion. The Purchaser's obligation to accept delivery of the Bonds is subject to its being furnished a final opinion of Fulbright & Jaworski L.L.P., Attorneys at Law, approving certain legal matters as to the Bonds, said opinion to be dated and delivered as of the date of initial delivery and payment for the Bonds. Printing of a true and correct copy of said opinion on the reverse side of each of the Bonds with appropriate certificate pertaining thereto executed by facsimile signature of the County Clerk of the County is hereby approved and authorized.

SECTION 24: CUSIP Numbers. CUSIP numbers may be printed or typed on the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof, and neither the County nor attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the Bonds.

SECTION 25: Benefits of the Order. Nothing in this Order, expressed or implied, is intended or shall be construed to confer upon any person other than the County, the Paying Agent/Registrar, bond counsel, and the Holders any right, remedy, or claim, legal or equitable, under or by reason of this Order or any provision hereof, this Order and all its provisions being intended to be and being for the sole and exclusive benefit of the County, the Paying Agent/Registrar, bond counsel, and the Holders.

SECTION 26: Inconsistent Provisions. All orders, orders, or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Order are hereby repealed to the extent of such conflict and the provisions of this Order shall be and remain controlling as to the matters contained herein.

SECTION 27: Governing Law. This Order shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 28: Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 29: Severability. If any provision of this Order or the application thereof to any circumstance shall be held to be invalid, the remainder of this Order and the application thereof to other circumstances shall nevertheless be valid, and this Commissioners Court hereby declares that this Order would have been enacted without such invalid provision.

SECTION 30: Public Meeting. It is officially found, determined, and declared that the meeting at which this Order is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Order, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 31: Authorization of Paying Agent/Registrar Agreement. The Commissioners Court of the County hereby finds and determines that it is in the best interest of the County to authorize the execution of a Paying Agent/Registrar Agreement concerning the payment, exchange, and transferability of the Bonds. A copy of the Paying Agent/Registrar Agreement is attached hereto as Exhibit A and is incorporated herein by reference as fully as if recopied in its entirety in this Order.

SECTION 32: Incorporation of Preamble Recitals. The recitals contained in the preamble to this Order are hereby found to be true, and such recitals are hereby made a part of this Order for all purposes and are adopted as a part of the judgment and findings of the Commissioners Court.

SECTION 33: Construction of Terms. If appropriate in the context of this Order, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 34: Unavailability of Authorized Publication. If, because of the temporary or permanent suspension of any newspaper, journal, or other publication, or, for any reason, publication of notice cannot be made meeting any requirements herein established, any notice required to be published by the provisions of this Order shall be given in such other manner and at such time or times as in the judgment of the County or of the Paying Agent/Registrar shall most effectively approximate such required publication and the giving of such notice in such manner shall for all purposes of this Order be deemed to be in compliance with the requirements for publication thereof.

SECTION 35: No Recourse Against County. No recourse shall be had for the payment of principal of, premium, if any, or interest on any Bond or for any claim based thereon or on this Order against any official of the County or any person executing any Bond.

SECTION 36: Book-Entry Only System.

It is intended that the Bonds initially be registered so as to participate in a securities depository system (the *DTC System*) with the Depository Trust Company, New York, New York, or any successor entity thereto (*DTC*), as set forth herein. Each Stated Maturity of the Bonds shall be issued (following cancellation of the Initial Bonds described in Section 7) in the form of a separate single definitive Bond. Upon issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as the nominee of DTC, and all of the Outstanding Bonds shall be registered in the name of Cede & Co., as the nominee of DTC. The County and the Paying Agent/Registrar are authorized to execute, deliver, and take the actions set forth in such letters to or agreements with DTC as shall be necessary to effectuate the DTC System, including the Letter of Representation attached hereto as Exhibit C (the *Representation Letter*).

With respect to the Bonds registered in the name of Cede & Co., as nominee of DTC, the County and the Paying Agent/Registrar shall have no responsibility or obligation to any broker-dealer, bank, or other financial institution for which DTC holds the Bonds from time to time as securities depository (a *Depository Participant*) or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds (an *Indirect Participant*). Without limiting the immediately preceding sentence, the County and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any Depository Participant with respect to any ownership interest in the Bonds, or (ii) the delivery to any Depository Participant or any other person, other than a registered owner of the Bonds, as shown on the Security Registrar, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the delivery to any Depository Participant or any Indirect Participant or any other Person, other than a Holder of a Bond, of any amount with respect to principal of, premium, if any, or interest on the Bonds. While in the DTC System, no person other than Cede & Co., or any successor thereto, as nominee for DTC, shall receive a Bond evidencing the obligation of the County to make payments of principal, premium, if any, and interest pursuant to this Order. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Order with respect to interest checks or drafts being mailed to the Holder, the word "Cede & Co." in this Order shall refer to such new nominee of DTC.

In the event that (a) the County determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (b) the Representation Letter shall be terminated for any reason, or (c) DTC or the County determines that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the County shall notify the Paying Agent/Registrar, DTC, and the Depository Participants of the availability within a reasonable period of time through DTC of the Bonds, and the Bonds shall no longer be restricted to being registered in the name of Cede & Co., as nominee of DTC. At that time, the County may determine that the Bonds shall be registered in the name of and deposited with

a successor depository operating a securities depository system, as may be acceptable to the County, or such depository's agent or designee, and if the County and the Paying Agent/Registrar do not select such alternate securities depository system then the Bonds may be registered in whatever name or names the Holders of Bonds transferring or exchanging the Bonds shall designate, in accordance with the provisions hereof.

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

SECTION 37: Continuing Disclosure Undertaking.

(a) *Definitions.*

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

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

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

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

(b) *Annual Reports.*

The County shall provide annually to each NRMSIR and any SID, within six months after the end of each fiscal year ending in or after 1997, financial information and operating data with respect to the County of the general type included in the final Official Statement authorized by Section 18 of this Order, being the information described in Exhibit E hereto. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in Exhibit E hereto, or such other accounting principles as the County may be required to employ from time to time pursuant to state law or regulation and (2) audited, if the County commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the County shall provide audited financial

statements for the applicable fiscal year to each NRMSIR and any SID, when and if the audit report on such statements becomes available.

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

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

(c) *Material Event Notices.*

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

- a. Principal and interest payment delinquencies;
- b. Non-payment related defaults;
- c. Unscheduled draws on debt service reserves reflecting financial difficulties;
- d. Unscheduled draws on credit enhancements reflecting financial difficulties;
- e. Substitution of credit or liquidity providers, or their failure to perform;
- f. Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- g. Modifications to rights of holders of the Bonds;
- h. Bond calls;
- i. Defeasances;
- j. Release, substitution, or sale of property securing repayment of the Bonds; and

k. Rating changes.

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

(d) *Limitations, Disclaimers, and Amendments.*

The County shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the County remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the County in any event will give notice of any deposit made in accordance with Section 23 of this Order that causes the Bonds to be no longer Outstanding.

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The County undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the County's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The County does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

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

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

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

The provisions of this Section may be amended by the County from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the County, but only if (1) the provisions of this Section, as so amended,

would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Order that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a Person that is unaffiliated with the County (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. If the County so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

The County may also repeal or amend the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the County also may amend the provisions of this Section in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling the Bonds in the primary offering of the Bonds, giving effect to (a) such provisions as so amended and (b) any amendments or interpretations of the Rule.

SECTION 38: Effective Date. This Order shall be in force and effect from and after its final passage and it is so ordered.

[The remainder of this page intentionally left blank.]

PASSED AND ADOPTED on the 17th day of June, 1997.

WILLIAMSON COUNTY, TEXAS

John C. Doeffler 6-17-97
County Judge

ATTEST:

Clair Bryice
County Clerk and Ex-Officio Clerk
of the Commissioners Court of
Williamson County, Texas

(SEAL OF THE COMMISSIONERS COURT)

Exhibit A - Paying Agent/Registrar Agreement
Exhibit B - DTC Letter of Representations
Exhibit C - Description of Financial Information and Operating Data

EXHIBIT A

Paying Agent/Registrar Agreement

See Tab No. ____

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A-1

EXHIBIT B

DTC Letter of Representations

See Tab No. ____

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B-1

EXHIBIT C

DESCRIPTION OF FINANCIAL INFORMATION AND OPERATING DATA

Information and Data with Respect to the County

The information and data with respect to the County referred to in Section 37 of this Order are the quantitative financial information and operating data specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

1. The County's audited financial statements for the most recently concluded fiscal year or to the extent these audited financial statements are not available, the portions of the unaudited financial statements of the County appended to the Official Statement as Appendix B, but for the most recently concluded fiscal year.

2. Tables 1 through 13 as disclosed in the Official Statement.

Accounting Principles

The accounting principles referred to in such Section are generally accepted accounting principles for governmental units as prescribed by the Government Accounting Standards Board from time to time.

AGENDA ITEM # 30June 17, 1997

*

Consider approving line item transfer for Elections:

From:	100-409-4998	Contingencies	\$12,000.00
To:	100-492-4251	Election Supplies	12,000.00

Moved: Commissioner Hays

Seconded: Commissioner Boatright

Motion: To approve line item transfer for Elections:

From:	100-409-4998	Contingencies	\$12,000.00
To:	100-492-4251	Election Supplies	12,000.00

Vote: Motion carried 4 - 0

< Clerk copy here >

ORDER APPROVING A LINE ITEM TRANSFER FOR

GENERAL FUND
FUNDELECTIONS
DEPARTMENTJohn C. Doerfler
SIGNATURE

WHEREAS, The Williamson County Commissioners Court has carefully studied the public necessity of transferring funds from one line item to another within the above mentioned department's budget; and

WHEREAS, The Williamson County Commissioners Court, due to unforeseeable circumstances, did not appropriate sufficient funds in the proper line items when adopting the current county budget; and

WHEREAS, On the 17th day of June, 1997, a motion made by Commissioner Hays and duly seconded by Commissioner Boatright the motion carried by a vote of 4 votes for, 0 votes against.

THEREFORE, BE IT ORDERED THAT THE 1996 FISCAL YEAR WILLIAMSON COUNTY BUDGET BE AMENDED AND THE FOLLOWING AMOUNT(S) BE TRANSFERRED FROM THE FOLLOWING LINE ITEMS INTO THE NEEDED LINE ITEMS:

FUNDS TO BE REMOVED FROM THE FOLLOWING LINE ITEMS:

LINE ITEM #	DESCRIPTION	AMOUNT
<u>GENERAL FUND</u>	<u>Contingencies</u>	
<u>100-909-4998</u>		

FUNDS TO BE INCREASED IN THE FOLLOWING LINE ITEMS:

LINE ITEM #	DESCRIPTION	AMOUNT
<u>100 492 4251</u>	<u>ELECTION SUPPLIES</u>	<u>12,000</u>

WHEREUPON, A motion made and seconded, the Williamson County Commissioners Court did authorize the County Judge to sign this Order, the County Clerk was instructed to file a copy of this Order with the existing budget, and to forward a copy of this Order to the County Auditor.

ATTEST: Elaine Bizzell
Elaine Bizzell, County Clerk

John C. Doerfler 6-17-97
John C. Doerfler, County Judge

Consider approving line item transfer for County Treasurer:

From:	100-497-5750	Office Furniture & Equip.	\$300.00
To:	100-497-3100	Office Supplies	300.00

Moved: Commissioner Hays

Seconded: Commissioner Boatright

Motion: To approve line item transfer for County Treasurer:

From:	100-497-5750	Office Furniture & Equip.	\$300.00
To:	100-497-3100	Office Supplies	300.00

Vote: Motion carried 4 - 0

< Clerk copy here - Utility Proposals >

ORDER APPROVING A LINE ITEM TRANSFER FOR

497	COUNTY TREASURER	<i>William L. Hood</i>
FUND	DEPARTMENT	SIGNATURE

WHEREAS, The Williamson County Commissioners Court has carefully studied the public necessity of transferring funds from one line item to another within the above mentioned department's budget; and

WHEREAS, The Williamson County Commissioners Court, due to unforeseeable circumstances, did not appropriate sufficient funds in the proper line items when adopting the current county budget; and

WHEREAS, On the 17th day of June, 1997, a motion made by Commissioner Hays and duly seconded by Commissioner Boatright the motion carried by a vote of 4 votes for, 0 votes against.

THEREFORE, BE IT ORDERED THAT THE 1995 FISCAL YEAR WILLIAMSON COUNTY BUDGET BE AMENDED AND THE FOLLOWING AMOUNT(S) BE TRANSFERRED FROM THE FOLLOWING LINE ITEMS INTO THE NEEDED LINE ITEMS:

FUNDS TO BE REMOVED FROM THE FOLLOWING LINE ITEMS:

LINE ITEM #	DESCRIPTION	AMOUNT
5750	OFFICE FURNITURE & EQUIPMENT	300.00

FUNDS TO BE INCREASED IN THE FOLLOWING LINE ITEMS:

LINE ITEM #	DESCRIPTION	AMOUNT
3100	OFFICE SUPPLIES	300.00

WHEREUPON, A motion made and seconded, the Williamson County Commissioners Court did authorize the County Judge to sign this Order, the County Clerk was instructed to file a copy of this Order with the existing budget, and to forward a copy of this Order to the County Auditor.

ATTEST:

Elaine Bizzell
Elaine Bizzell, County Clerk

John C. Doerfler 6-17-97
John C. Doerfler, County Judge

AGENDA ITEM # 32June 17, 1997*Consider approving line item transfer for County Jail:

From: 100-570-5700 Vehicles \$2,000.00
To: 100-570-3100 Office Supply 2,000.00

Moved: Commissioner Hays

Seconded: Commissioner Boatright

Motion: To approve line item transfer for County Jail:

From: 100-570-5700 Vehicles \$2,000.00
To: 100-570-3100 Office Supply 2,000.00

Vote: Motion carried 4 - 0

< Clerk copy here >

ORDER APPROVING A LINE ITEM TRANSFER FOR

kw
570
FUND

wc/
Jail
DEPARTMENT

X W.C. Boatright
SIGNATURE

WHEREAS, The Williamson County Commissioners Court has carefully studied the public necessity of transferring funds from one line item to another within the above mentioned department's budget; and WHEREAS, The Williamson County Commissioners Court, due to unforeseeable circumstances, did not appropriate sufficient funds in the proper line items when adopting the current county budget; and

WHEREAS, On the 17th day of June, 1997, a motion made by Commissioner Hays and duly seconded by Commissioner Boatright the motion carried by a vote of 4 votes for, 0 votes against.

THEREFORE, BE IT ORDERED THAT THE 1996 FISCAL YEAR WILLIAMSON COUNTY BUDGET BE AMENDED AND THE FOLLOWING AMOUNT(S) BE TRANSFERRED FROM THE FOLLOWING LINE ITEMS INTO THE NEEDED LINE ITEMS:

FUNDS TO BE REMOVED FROM THE FOLLOWING LINE ITEMS:

LINE ITEM #	DESCRIPTION	AMOUNT
100-570-5700	Vehicle	\$2,000.00

FUNDS TO BE INCREASED IN THE FOLLOWING LINE ITEMS:

LINE ITEM #	DESCRIPTION	AMOUNT
100-570-3100	Office Supply	\$2,000.00

WHEREUPON, A motion made and seconded, the Williamson County Commissioners Court did authorize the County Judge to sign this Order, the County Clerk was instructed to file a copy of this Order with the existing budget, and to forward a copy of this Order to the County Auditor.

ATTEST:

Elaine Bizzell
Elaine Bizzell, County Clerk

John C. Doerfler 6-17-97
John C. Doerfler, County Judge

AGENDA ITEM # 33June 17, 1997*Consider approving line item transfer for Justice of the Peace #3:

From:	100-453-4544	Repairs to Equipment	\$400.00
To:	100-453-4212	Postage	400.00

Moved: Commissioner Hays

Seconded: Commissioner Boatright

Motion: To approve line item transfer for Justice of the Peace #3:

From:	100-453-4544	Repairs to Equipment	\$400.00
To:	100-453-4212	Postage	400.00

Vote: Motion carried 4 - 0

< Clerk copy here >

ORDER APPROVING A LINE ITEM TRANSFER FOR

453 Justice of The Peace, Pct. #3
FUND DEPARTMENT SIGNATURE

WHEREAS, The Williamson County Commissioners Court has carefully studied the public necessity of transferring funds from one line item to another within the above mentioned department's budget; and WHEREAS, The Williamson County Commissioners Court, due to unforeseeable circumstances, did not appropriate sufficient funds in the proper line items when adopting the current county budget; and

WHEREAS, On the 17th day of June, 1997, a motion made by Commissioner Hays and duly seconded by Commissioner Boatright the motion carried by a vote of 4 votes for, 0 votes against.

THEREFORE, BE IT ORDERED THAT THE 1997 FISCAL YEAR WILLIAMSON COUNTY BUDGET BE AMENDED AND THE FOLLOWING AMOUNT(S) BE TRANSFERRED FROM THE FOLLOWING LINE ITEMS INTO THE NEEDED LINE ITEMS:

FUNDS TO BE REMOVED FROM THE FOLLOWING LINE ITEMS:

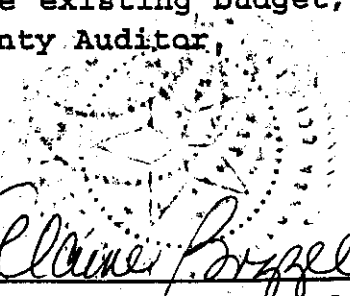
LINE ITEM #	DESCRIPTION	AMOUNT
100-453-4544	Repairs To Equipment	\$400.00

FUNDS TO BE INCREASED IN THE FOLLOWING LINE ITEMS:

LINE ITEM #	DESCRIPTION	AMOUNT
100-453-4212	Postage	\$400.00

WHEREUPON, A motion made and seconded, the Williamson County Commissioners Court did authorize the County Judge to sign this Order, the County Clerk was instructed to file a copy of this Order with the existing budget, and to forward a copy of this Order to the County Auditor.

ATTEST:


Elaine Bizzell
Elaine Bizzell, County Clerk

John C. Doerfler 6-17-97
John C. Doerfler, County Judge

228

Consider approving line item transfer for Justice of the Peace #3:

From: 100-409-4998 Contingencies \$21,000.00
To: 100-453-4190 Autopsies 21,000.00
Moved: Commissioner Hays
Seconded: Commissioner Boatright
Motion: From: 100-409-4998 Contingencies \$21,000.00
To: 100-453-4190 Autopsies 21,000.00
Vote: Motion carried 4 - 0

< Clerk copy here >

ORDER APPROVING A LINE ITEM TRANSFER FOR

100 Justice Court # 3
 FUND DEPARTMENT SIGNATURE

WHEREAS, The Williamson County Commissioners Court has carefully studied the public necessity of transferring funds from one line item to another within the above mentioned department's budget; and

WHEREAS, The Williamson County Commissioners Court, due to unforeseeable circumstances, did not appropriate sufficient funds in the proper line items when adopting the current county budget; and

WHEREAS, On the 17 day of June, 1997, a motion made by Commissioner Hays and duly seconded by Commissioner Boatright the motion carried by a vote of 4 votes for, 0 votes against.

THEREFORE, BE IT ORDERED THAT THE 1997 FISCAL YEAR WILLIAMSON COUNTY BUDGET BE AMENDED AND THE FOLLOWING AMOUNT(S) BE TRANSFERRED FROM THE FOLLOWING LINE ITEMS INTO THE NEEDED LINE ITEMS:

FUNDS TO BE REMOVED FROM THE FOLLOWING LINE ITEMS:
 LINE ITEM # DESCRIPTION

AMOUNT

100-409-4998 Contingencies \$ 21,000.

FUNDS TO BE INCREASED IN THE FOLLOWING LINE ITEMS:
 LINE ITEM # DESCRIPTION

AMOUNT

100-453-4190 Outsourcing \$ 21,000.

WHEREUPON, A motion made and seconded, the Williamson County Commissioners Court did authorize the County Judge to sign this Order, the County Clerk was instructed to file a copy of this Order with the existing budget, and to forward a copy of this Order to the County Auditor.

ATTEST

Elaine Bizzell
 Elaine Bizzell, County Clerk

John C. Doerfler 6-17-97
 John C. Doerfler, County Judge

AGENDA ITEM # 35

June 17, 1997

*

Consider approving line item transfer for Justice of the Peace #4:

From:	100-454-5740	Computer Hardware	\$2.00
To:	100-454-5741	Computer Software	2.00

Moved: Commissioner Hays

Seconded: Commissioner Boatright

Motion: To approve line item transfer for Justice of the Peace #4:

From:	100-454-5740	Computer Hardware	\$2.00
To:	100-454-5741	Computer Software	2.00

Vote: Motion carried 4 - 0

< Clerk copy here >

ORDER APPROVING A LINE ITEM TRANSFER FOR

454

JP4

FUND

DEPARTMENT

SIGNATURE

WHEREAS, The Williamson County Commissioners Court has carefully studied the public necessity of transferring funds from one line item to another within the above mentioned department's budget; and WHEREAS, The Williamson County Commissioners Court, due to unforeseeable circumstances, did not appropriate sufficient funds in the proper line items when adopting the current county budget; and

WHEREAS, On the 17 day of June, 1997, a motion made by Commissioner Hays and duly seconded by Commissioner Boatright the motion carried by a vote of 4 votes for, 0 votes against.

THEREFORE, BE IT ORDERED THAT THE 1996 FISCAL YEAR WILLIAMSON COUNTY BUDGET BE AMENDED AND THE FOLLOWING AMOUNT(S) BE TRANSFERRED FROM THE FOLLOWING LINE ITEMS INTO THE NEEDED LINE ITEMS:

FUNDS TO BE REMOVED FROM THE FOLLOWING LINE ITEMS:

LINE ITEM #	DESCRIPTION	AMOUNT
100-454-5740	Computer hardware	2 ⁰⁰

FUNDS TO BE INCREASED IN THE FOLLOWING LINE ITEMS:

LINE ITEM #	DESCRIPTION	AMOUNT
100-454-5741	Computer software	2 ⁰⁰

WHEREUPON, A motion made and seconded, the Williamson County Commissioners Court did authorize the County Judge to sign this Order, the County Clerk was instructed to file a copy of this Order with the existing budget, and to forward a copy of this Order to the County Auditor.

ATTEST:

Elaine Brizzell, County Clerk

John C. Doerfler, County Judge

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AGENDA ITEM # 36:

June 17, 1997

*

Consider approving a line item transfer for County Attorney's Office:

From:	100-409-5000	Capital Outlay	\$542.00
To:	100-475-5700	Vehicles	542.00

Moved: Commissioner Hays

Seconded: Commissioner Boatright

Motion: To approve a line item transfer for County Attorney's Office:

From:	100-409-5000	Capital Outlay	\$542.00
To:	100-475-5700	Vehicles	542.00

Vote: Motion carried 4 - 0

< Clerk copy here >

ORDER APPROVING A LINE ITEM TRANSFER FOR

100-475-5700 County Attorney's Office
 FUND DEPARTMENT SIGNATURE

WHEREAS, The Williamson County Commissioners Court has carefully studied the public necessity of transferring funds from one line item to another within the above mentioned department's budget; and WHEREAS, The Williamson County Commissioners Court, due to unforeseeable circumstances, did not appropriate sufficient funds in the proper line items when adopting the current county budget; and

WHEREAS, On the 17th day of June, 1997, a motion made by Commissioner Hays and duly seconded by Commissioner Boatright the motion carried by a vote of 4 votes for, 0 votes against.

THEREFORE, BE IT ORDERED THAT THE 1997 FISCAL YEAR WILLIAMSON COUNTY BUDGET BE AMENDED AND THE FOLLOWING AMOUNT(S) BE TRANSFERRED FROM THE FOLLOWING LINE ITEMS INTO THE NEEDED LINE ITEMS:

FUNDS TO BE REMOVED FROM THE FOLLOWING LINE ITEMS:

LINE ITEM #	DESCRIPTION	AMOUNT
100-409-5000	Capital Outlay	\$542.00

FUNDS TO BE INCREASED IN THE FOLLOWING LINE ITEMS:

LINE ITEM #	DESCRIPTION	AMOUNT
100-475-5700	VEHICLES	\$542.00

WHEREUPON, A motion made and seconded, the Williamson County Commissioners Court did authorize the County Judge to sign this Order, the County Clerk was instructed to file a copy of this Order with the existing budget, and to forward a copy of this Order to the County Auditor.

ATTEST:

Elaine Bizzell
 Elaine Bizzell, County Clerk

John C. Doerfler 6-17-97
 John C. Doerfler, County Judge

AGENDA ITEM # 37:

June 17, 1997

*

Consider approving the transfer of the following fixed assets from the Auditor to Maintenance:

- (1) Desk A106872
- (1) Right Hand Return A106873

Moved: Commissioner Hays

Seconded: Commissioner Boatright

Motion: To approve the transfer of the following fixed assets from the Auditor to Maintenance:

- (1) Desk A106872
- (1) Right Hand Return A106873

Vote: Motion carried 4 - 0

< Clerk copy here >

CHANGE OF FIXED ASSET STATUS

DATE 6-11-97

THE FOLLOWING FIXED ASSET IS TO BE: (Circle One)

TRANSFERRED

SOLD

DISPOSED

FIXED ASSET

<u>Quantity</u>	<u>Description</u>	<u>Model</u>	<u>Serial #</u>
-----------------	--------------------	--------------	-----------------

1	DESK		A 106872
---	------	--	----------

1	RETURN, Rt HAND		A 106873
---	-----------------	--	----------

FROM (Transferor): AUDITORTO (Transferee): MAINTENANCE

The Transferor requests that this fixed asset be removed from the inventory for his/her office and placed in the inventory for the Transferee's office as of the date shown above.

[Signature]
Transferor - Elected Official/Department Head

approved 6-17-97
John C. Daefler

[Signature]
Transferee - Elected Official/Department Head

COMMISSIONERS COURT ADJOURNED TO EXECUTIVE SESSION AT 10:08 A.M. ON JUNE 17, 1997

AGENDA ITEM # 38: June 17, 1997 *

Discuss pending litigation: Williamson County vs. Marosko (Executive Session requested per VTCA Government Code, Section 551.071) pertaining to consultation with attorney.

Present were Judge Doerfler, Commissioners Heiligenstein, Boatright and Hays, County Attorney Gene Taylor, along with the County Road Superintendent and County Engineer.

Pending litigation: Williamson County vs. Marosko was discussed but no action was taken in Executive Session.

AGENDA ITEM # 39 June 17, 1997 *

Discuss pending litigation: Williamson County vs. Boyd Henry (Executive Session requested per VTCA Government Code, Section 551.071) pertaining to consultation with attorney)

Present were Judge Doerfler, Commissioners Heiligenstein, Boatright and Hays, County Attorney Gene Taylor, along with the County Road Superintendent and County Engineer.

Pending litigation: Williamson County vs. Boyd Henry was discussed but no action was taken in Executive Session.

COMMISSIONERS COURT RECONVENED FROM EXECUTIVE SESSION AT 10:15 A.M. ON JUNE 17, 1997.

AGENDA ITEM # 40 June 17, 1997 *

Hear comments from Commissioners:

A meeting will be held on Friday, June 27, 1997, with the County Judge and all department heads discussing their budgets for the 1997/98 fiscal year.

Judge Doerfler advised Shady Oaks Estates, Section One located off State Highway 195 recorded plat lists one of the streets as Oak Branch Drive. However the developer has installed street signs indicating the name to be Four-T Ranch Road. Williamson County already has a street by this name and the developer has been asked to install street signs with the correct name but has failed to do so. Steger and Bizzell Engineering and the 911 office have written the developer but received no response. The County Attorney requested copies of all the letters which have been written for review before taking action.

Commissioner Heiligenstein suggested he and the County Treasurer review the current retirement system and present any recommendations they may have to Commissioners Court after the review.

Commissioner Boatright advised blade work will be accomplished at Whiteleaf Cemetery located 5 miles west of Georgetown off Highway 29 and Buck's Cemetery Road off County Road 207.

Commissioner Heiligenstein advised a new subdivision is being developed on County Road 105 between County Roads 110 and 100 in Precinct 3. The trucks are tearing up the road and he discussed the alternative to such a situation.

Judge Doerfler informed the court the majority of the departments have presented their proposed budgets for the 1997/1998 fiscal year. The new budgets request a total of 85 new employees which amounts to a \$2,500,000.00 increase. Also requested is new equipment - mainly computers.

COMMISSIONERS COURT ADJOURNED AT 10:20 A.M. ON TUESDAY, JUNE 17, 1997.

AGENDA:MINUTES

*

*

of the

WILLIAMSON COUNTY COMMISSIONERS COURT MEETINGJune 17, 1997

THE STATE OF TEXAS) (

COUNTY OF WILLIAMSON) (BE IT REMEMBERED that at 1:45 p.m. on this the 17th day of June A.D., 1997, there was begun and holden an EMERGENCY SESSION of the Commissioners Court of Williamson County, Texas, the following members being present, to-wit:

JOHN C. DOERFLER, County Judge
 MICHAEL L. HEILIGENSTEIN, Commissioner, Precinct 1
 GREGORY W. BOATRIGHT, Commissioner, Precinct 2
 DAVID S. HAYS, Commissioner, Precinct 3
 Absent..... JERRY L. MEHEVEC, Commissioner, Precinct 4
 EUGENE D. TAYLOR, County Attorney
 ELAINE BIZZELL, County Clerk
 DAVID U. FLORES, County Auditor

AGENDA ITEM # 1June 17, 1997

Accept winning bids and adopt orders related to Williamson County, Texas Combination Tax and Revenue Certificates of Obligation, Series 1997, Williamson County, Texas Limited Tax General Obligation Bonds, Series 1997 and Williamson County, Texas Unlimited Tax Road Bonds, series 1997.

Dan Weigmiller of First Southwest Company advised three issues had been bid; The \$9,100,000.00 Certificates of Obligation at 4.7089% interest rate with 10 year amortization until 2007 with no insurance required by ABN AMRO Chicago Corporation as low bidder.

The \$3,000,000.00 Limited Tax General Obligation Bonds at 4.849% until 2008 with no insurance required by low bidder Merrill Lynch & Company.

The \$15,000,000.00 Unlimited Tax Road Bonds at 5.21114% interest rate with no insurance required for 20 year amortization by low bidder ABN AMRO Chicago Corporation.

He advised Moody's Investors Service had the county bond rating upgraded to AA2.

Carol Polumbo of McCall's Parkhurst recommended acceptance of low bids on each issue. The Certificates of Obligation will be book entry only (no certificates will be issued) and an agreement is being entered into with Texas Commerce Bank as the paying agent. She is in the process of setting up July 14 or 15, 1997, for closing and funding.

Juan F. Aguilera of Fulbright & Jaworski thanked the court for the opportunity for his firm to participate in this transaction and congratulated the court and the tax payers of Williamson County on the excellent ratings received.

Moved: Judge Doerfler

Seconded: Commissioner Heiligenstein

Motion: To accept low bids and adopt orders related to Williamson County, Texas Combination Tax and Revenue Certificates of Obligation, Series 1997, Williamson County, Texas Limited Tax General Obligation Bonds, Series 1997, and Williamson County, Texas Unlimited Tax Road Bonds, series 1997.

Vote: Motion carried 4 - 0

< Clerk copy here >

EMERGENCY SESSION OF COMMISSIONERS COURT ADJOURNED AT 2:10 P.M. ON TUESDAY JUNE 17, 1997.

OFFICIAL BID FORM

Honorable Judge and Commissioners
Williamson County, Texas

June 17, 1997

Members of the Commissioners' Court:

Reference is made to your Official Statement and Notice of Sale and Bidding Instructions, dated June 3, 1997, of \$9,100,000 WILLIAMSON COUNTY, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 1997, both of which constitute a part hereof.

For your legally issued Certificates, as described in said Notice of Sale and Bidding Instructions and Official Statement, we will pay you par and accrued interest from date of issue to date of delivery to us, plus a cash premium of \$3,403 for Certificates maturing and bearing interest as follows:

Maturity	Principal Amount	Interest Rate	Maturity	Principal Amount	Interest Rate
1999	\$ 600,000	4.50 %	2004	\$ 1,000,000	4.75 %
2000	700,000	4.50 %	2005	1,100,000	4.75 %
2001	800,000	4.50 %	2006	1,200,000	4.75 %
2002	1,000,000	4.50 %	2007	1,700,000	5.00 %
2003	1,000,000	4.50 %			

TRUE INTEREST COST

4.7089

We are having the Certificates of the following maturities insured by at a premium of \$ 1,000,000 said premium to be paid by the Purchaser. Any fees to be paid to the rating agency as a result of said insurance will be paid by the County.

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

A bank cashier's check or certified check of the Frost Bank As a n/d, in the amount of \$1,820,000.00, which represents our Good Faith Deposit (is attached hereto) or (has been made available to you prior to the opening of this bid), and is submitted in accordance with the terms as set forth in the Official Statement and Notice of Sale and Bidding Instructions.

We agree to accept delivery of the Certificates utilizing the Book-Entry-Only System through DTC and make payment for the Initial Certificate in immediately available funds in the Corporate Trust Division, Texas Commerce Bank, not later than 10:00 AM, CDT, on July 15, 1997, or thereafter on the date the Certificates are tendered for delivery, pursuant to the terms set forth in the Notice of Sale and Bidding Instructions. It will be the obligation of the purchaser of the Certificates to complete the DTC Eligibility Questionnaire.

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

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

Respectfully submitted, **ABN AMRO CHICAGO CORPORATION**
212-314-1440

Syndicate Members

Name of Underwriter or Manager

Authorized Representative

Phone Number

Signature

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by the Williamson County, Texas, subject to and in accordance with the Notice of Sale and Bidding Instructions, this the 17th day of June, 1997.

ATTEST:

John C. Dwyer 6-17-97
County Judge
Williamson County, Texas

County Clerk

OFFICIAL BID FORM

Honorable Judge and Commissioners
Williamson County, Texas

June 17, 1997

Members of the Commissioners' Court:

Reference is made to your Official Statement and Notice of Sale and Bidding Instructions, dated June 3, 1997 of \$3,000,000 WILLIAMSON COUNTY, TEXAS LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 1997, both of which constitute a part hereof.

For your legally issued Bonds, as described in said Notice of Sale and Bidding Instructions and Official Statement, we will pay you par and accrued interest from date of issue to date of delivery to us, plus a cash premium of \$ 0 for Bonds maturing and bearing interest as follows:

Maturity	Principal Amount	Interest Rate	Maturity	Principal Amount	Interest Rate
1999	\$ 100,000	<u>6.00</u> %	2004	\$ 200,000	<u>4.75</u> %
2000	100,000	<u>6.00</u> %	2005	200,000	<u>4.70</u> %
2001	100,000	<u>4.75</u> %	2006	200,000	<u>4.75</u> %
2002	200,000	<u>4.875</u> %	2007	700,000	<u>4.80</u> %
2003	200,000	<u>4.875</u> %	2008	1,000,000	<u>4.90</u> %

TRUE INTEREST COST

4.849 %

We are having the Bonds of the following maturities None insured by _____ at a premium of \$ _____ said premium to be paid by the Purchaser. Any fees to be paid to the rating agencies as a result of said insurance will be paid by the County.

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

A bank cashier's check or certified check of the Frost National Bank Austin in the amount of \$60,000.00, which represents our Good Faith Deposit (is attached hereto) or (has been made available to you prior to the opening of this bid), and is submitted in accordance with the terms as set forth in the Official Statement and Notice of Sale and Bidding Instructions.

We agree to accept delivery of the Bonds utilizing the Book-Entry-Only System through DTC and make payment for the Initial Bond in immediately available funds in the Corporate Trust Division, Texas Commerce Bank National Association, not later than 10:00 AM, CDT, on July 15, 1997, or thereafter on the date the Bonds are tendered for delivery, pursuant to the terms set forth in the Notice of Sale and Bidding Instructions. It will be the obligation of the purchaser of the Bonds to complete the DTC Eligibility Questionnaire.

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

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

Respectfully submitted,

Syndicate Members:

Merrill Lynch & Co

Name of Underwriter or Manager

Glen C. Balanoff

Authorized Representative

(212) 449-5090

Phone Number

Signature Glen C. Balanoff

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by the Williamson County, Texas, subject to and in accordance with the Notice of Sale and Bidding Instructions, this the 17th day of June, 1997.

ATTEST:

County Clerk

John C. Drayler 6-17-97
County Judge
Williamson County, Texas

OFFICIAL BID FORM

June 17, 1997

Honorable Judge and Commissioners
Williamson County, Texas

Members of the Commissioners Court:

Reference is made to your Official Statement and Notice of Sale and Bidding Instructions, dated June 3, 1997 of \$15,000,000 WILLIAMSON COUNTY, TEXAS UNLIMITED TAX ROAD BONDS, SERIES 1997, both of which constitute a part hereof.

For your legally issued Bonds, as described in said Notice of Sale and Bidding Instructions and Official Statement, we will pay you par and accrued interest from date of issue to date of delivery to us, plus a cash premium of \$ 2,247 for Bonds maturing and bearing interest as follows:

Maturity	Principal Amount	Interest Rate	Maturity	Principal Amount	Interest Rate	Maturity	Principal Amount	Interest Rate
1999	\$ 200,000	<u>5.75</u> %	2005	\$ 300,000	<u>5.50</u> %	2011	\$1,500,000	<u>5.25</u> %
2000	200,000	<u>5.75</u> %	2006	300,000	<u>5.50</u> %	2012	1,600,000	<u>5.15</u> %
2001	200,000	<u>5.75</u> %	2007	400,000	<u>5.50</u> %	2013	1,700,000	<u>5.20</u> %
2002	300,000	<u>5.75</u> %	2008	300,000	<u>5.50</u> %	2014	1,800,000	<u>5.25</u> %
2003	300,000	<u>5.75</u> %	2009	1,400,000	<u>5.00</u> %	2015	1,800,000	<u>5.25</u> %
2004	300,000	<u>5.75</u> %	2010	1,400,000	<u>5.10</u> %	2016	1,000,000	<u>5.25</u> %

TRUE INTEREST COST

5.21114 %We are having the Bonds of the following maturities No Insurance insured by at a premium of \$ _____, said premium to be paid by the Purchaser. Any fees to be paid to the rating agencies as a result of said insurance will be paid by the County.The Initial Bonds shall be registered in the name of ABN AMRO CHICAGO CORP. which will, upon payment for the Bonds, be cancelled by the Paying Agent/Registrar. The Bonds will then be registered in the name of Code & Co. (DTC's partnership nominee), under the Book-Entry-Only System.A bank cashier's check or certified check of the Frost Bank AUSTIN in the amount of \$300,000, which represents our Good Faith Deposit (is attached hereto) or (has been made available to you prior to the opening of this bid), and is submitted in accordance with the terms as set forth in the Official Statement and Notice of Sale and Bidding Instructions.

We agree to accept delivery of the Bonds utilizing the Book-Entry-Only System through DTC and make payment for the Initial Bond in immediately available funds in the Corporate Trust Division, Texas Commerce Bank National Association, Austin, Texas, not later than 10:00 AM, CDT, on July 13, 1997, or thereafter on the date the Bonds are tendered for delivery, pursuant to the terms set forth in the Notice of Sale and Bidding Instructions. It will be the obligation of the purchaser of the Bonds to complete the DTC Eligibility Questionnaire.

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

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

Respectfully submitted, **ABN AMRO CHICAGO CORPORATION**
212-314-1440

Syndicate Members:

Name of Underwriter or Manager Aileen Balch, VP
Authorized Representative
Phone Number
Signature

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by the County of Williamson, Texas, subject to and in accordance with the Notice of Sale and Bidding Instructions, this the 17th day of June 17, 1997.

ATTEST:

John C. Daughler 6-17-97
County Judge
Williamson County, Texas

County Clerk

\$9,100,000
 WILLIAMSON COUNTY, TEXAS
 COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION,
 SERIES 1997

TABULATION OF BIDS

NAME	NET INTEREST COST	EFFECTIVE INTEREST RATE
ABN AMRO Chicago Corporation <i>No Insurance</i>	<i>4.7089</i>	
Coastal Securities	<i>Passed</i>	
First Southwest Company Stephens Inc. <i>Insurance</i>	<i>4.747986</i>	
Merrill Lynch & Co. <i>No Insurance</i>	<i>4.7387</i>	
Morgan Keegan & Company, Inc. <i>No Insurance</i>	<i>4.7282</i>	
NationsBank of Texas	<i>Passed</i>	
Prudential-Securities Incorporated <i>Insurance</i>	<i>4.8293</i>	
William R. Hough & Company <i>Insurance</i>	<i>4.7580</i>	

\$3,000,000
WILLIAMSON COUNTY, TEXAS
LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 1997

TABULATION OF BIDS

NAME	NET INTEREST COST	EFFECTIVE INTEREST RATE
ABN AMRO Chicago Corporation		
	<i>Passed</i>	
Coastal Securities		
	<i>Passed</i>	
First Southwest Company Stephens Inc.		
	<i>Passed</i>	
Merrill Lynch & Co.		
<i>No Insurance</i>	<i>4.849</i>	
Morgan Keegan & Company, Inc.		
<i>No Insurance</i>	<i>4.8725</i>	
NationsBank of Texas		
	<i>Passed</i>	
Prudential-Securities Incorporated		
<i>Insurance</i>	<i>5.0020</i>	
William R. Hough & Company		
<i>Insurance</i>	<i>4.8816</i>	

THE FOREGOING MINUTES in Volume 89 on pages 001 through 244, inclusive had at a Special Session of Commissioners Court of Williamson County, Texas, having been read are hereby approved this 1st day of July, 1997.

John C. Doerfler, County Judge

ATTEST: Elaine Bizzell, Clerk County Court & Ex-officio Clerk,
Commissioners Court, Williamson County, Texas

by: Lillie Hargett
Deputy Clerk

THE FOREGOING MINUTES in Volume 89 on pages 001 through 244, inclusive had at a Special Session of Commissioners Court of Williamson County, Texas, having been read are hereby approved this 1st day of July, 1997.

John C. Doerfler, County Judge

ATTEST: Elaine Bizzell, Clerk County Court & Ex-officio Clerk,
Commissioners Court, Williamson County, Texas

by: _____
Deputy Clerk