

**NOTICE OF A MEETING**  
**OF THE CITY COUNCIL OF THE CITY OF HEMPSTEAD**

Notice is hereby given that a Special Meeting of the City Council of the City of Hempstead will be held on **Tuesday, the 6<sup>th</sup> day of July, A.D., 2021 at 6:00 P.M.** in the City Hall at 1125 Austin Street, Hempstead, Texas, at which time the following subjects will be discussed, to-wit:

1. Call to order and invocation.
2. Pledge of Allegiance.
3. Public Comments.
4. Consideration and action on resignation of Councilmember Position 2 by Katherine Ragston.
5. Consideration and action on appointment of Councilmember Position 2.
6. Administer Oath of Office to Councilmember Position 2.
7. Consideration and action on appointment of Mayor Pro-Tem.
8. Giving notice that a meeting of the Hempstead City Council will be held on July 6, 2021 at Hempstead City Hall, 1125 Austin Street, Hempstead, Texas for the purpose of considering and taking action on all matters on the Agenda for the Meeting, including approval of an agreement with the law firm of Linebarger Goggan Blair & Sampson, LLP as special counsel to perform all legal services necessary to collect unpaid fines, fees and court costs as provided in TX Code of Criminal Procedure Art. 103.0031 and authorizing the execution of such agreement. Consideration and action on the agreement.
9. Consideration and action on Agreement for Municipal Financial Advisory Services with U.S. Capital Advisors.
10. Consideration and action on request from the Waller County Fair Association for Hotel/Motel funds for the September 25 – October 2, 2021 Waller County Fair.
11. Adjourn City Council Meeting.

The City Council of the City of Hempstead reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed below authorized by Texas Government Code, Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), 551.087 (Economic Development), and 551.086 (Certain Public Power Utilities: Competitive Matters ). Council may act in Open Session on any item listed for Executive Session.

Dated this the 2<sup>nd</sup> day of July, A.D., 2021.

By:   
Barbara Haffelfinger, City Secretary

I, the undersigned authority, do hereby certify that the above Notice of a Special Meeting of the governing body of the City of Hempstead is a true and correct copy of said Notice, and that a true and correct copy of said Notice was posted on the City Hall bulletin board and entrances to City Hall, in the City Hall of said City of Hempstead, Texas, a place convenient

and readily accessible to the general public at all times, and that said Notice was posted on July 2, 2021 at 1:00 P.M. and remained so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

Dated this the 2<sup>nd</sup> day of July, A.D., 2021.

By:   
Barbara Haffelfinger, City Secretary

### **SUPPLEMENTAL NOTICE OF MEETING BY TELEPHONE CONFERENCE**

In accordance with order of the Office of the Governor issued March 16, 2020, the City of Hempstead will conduct the meeting scheduled at 6:00 P.M. on Tuesday, the 6<sup>th</sup> day of July, 2021 at Hempstead City Hall, 1125 Austin Street, Hempstead, Texas by telephone conference in order to advance the public health goal of limiting face-to-face meetings (also called "social distancing") to slow the spread of the Coronavirus (COVID-19). Limited public access will be allowed, in order to maintain social distancing practices.

This supplemental written notice, the meeting agenda, and the agenda packet, are posted online at [www.hempsteadcitytx.com](http://www.hempsteadcitytx.com).

The public toll-free dial-in number to participate in the telephonic meeting is  
**1-346-248-7799; Access Code 989-478-2100**

The public will be permitted to offer public comments telephonically as provided by the agenda and as permitted by the presiding officer during the meeting.

A recording of the telephonic meeting will be made, and will be available to the public in accordance with the Opening Meetings Act upon written request.

# NOTICE OF A PUBLIC MEETING

Notice is hereby given that a meeting of the City of Hempstead City Council will be held on July 6, 2021 at City of Hempstead City Hall, 1125 Austin Street, Hempstead, TX 77445, for the purpose of considering and taking action on all matters on the agenda for the meeting, including approval of an agreement with the law firm of Linebarger Goggan Blair & Sampson, LLP as special counsel to perform all legal services necessary to collect unpaid fines, fees and court costs as provided in Tx Code of Criminal Procedure Art. 103.0031 and authorizing the execution of such agreement.

The agreement to be considered is necessary for the unpaid fines, fees and court costs owed to The City of Hempstead to be collected in the most effective manner. The City of Hempstead desires that such unpaid fines, fees and court costs be collected as provided in the Texas Code of Criminal Procedure.

The Linebarger Goggan Blair & Sampson, LLP firm is fully qualified to provide this representation, being the largest law firm specializing in the collection of governmental receivables in the State of Texas, as well as the United States, and having been engaged in this specialized legal service for more than 40 years. In addition, the Linebarger Goggan Blair and Sampson, LLP firm possesses infrastructure and technology, such as call center technology, that The City of Hempstead does not currently possess.

Linebarger Goggan Blair & Sampson, LLP will represent The City of Hempstead with competence and professionalism, in the collection of unpaid fines, fees and court costs beginning in 2021.

The specialized legal services required by this agreement cannot be adequately performed by the attorneys and supporting personnel of The City of Hempstead due to the high cost of implementing the appropriate infrastructure and technology and employing sufficient in-house attorneys and staff with the level of experience and competence necessary to perform these activities.

Linebarger will be compensated on a contingent fee basis as provided in Tx Code of Criminal Procedure Art. 103.0031. This Article specifically provides for an additional collection fee, in the amount of 30 percent, in certain cases to compensate collection attorneys. A contract to pay inside or outside attorneys on an hourly basis would represent an additional cost to The City of Hempstead.

Entering into the proposed agreement is in the best interests of the residents of The City of Hempstead because the unpaid fines, fees and court costs will be professionally and competently collected without the additional costs to The City of Hempstead of implementing infrastructure and technology, and employing in-house personnel or paying outside counsel on an hourly fee basis, which would otherwise be required.

ACTION APPROVING CONTRACT  
WITH LINEBARGER GOGGAN BLAIR & SAMPSON, LLP

After having provided adequate notice as required by Sec. 2254.1036 of the Texas Government Code, the Contract for Fines and Fees Collection Services with Linebarger Goggan Blair & Sampson, LLP is approved and the Mayor is authorized to execute this Agreement.

After exercising its due diligence, The City of Hempstead finds that:

1. There is a substantial need for the legal services to be provided pursuant to the Contract for Fines and Fees Collection Services;
2. These legal services cannot be adequately performed by the attorneys and supporting personnel of the City of Hempstead at a reasonable cost;
3. These legal services cannot reasonably be obtained from attorneys in private practice under a contract providing only for the payment of hourly fees, without regard to the outcome of the matter, because of the nature of the collection fee authorized by Tx Code of Criminal Procedure Art. 103.0031 and because the City of Hempstead does not have the funds to pay the estimated amounts required under a contract only for the payment of hourly fees;

## **RESOLUTION 2021**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEMPSTEAD REGARDING LINEBARGER GOGGAN BLAIR & SAMPSON, LLP AS BEING FULLY QUALIFIED AS SPECIAL COUNCIL TO PERFORM ALL LEGAL SERVICES NECCESARY TO COLLECT UNPAID FINES, FEES, COURT COSTS, FORFEITED BONDS, AND RESTITUTION AS PROVIDED IN TEXAS CODE OF CRIMINAL PROCEDURE, ARTICLE 103.0031.**

**WHEREAS**, providing adequate notice as required by Sec. 2254.1036 of the Texas Government Code, the consideration of a Contract for Fines and Fees Collection Services with Linebarger Goggan Blair & Sampson, LLP, and

**AFTER EXCERCISING ITS DUE DILIGENCE, THE CITY OF HEMPSTEAD FINDS THAT:**

1. There is a substantial need for the legal services to be provided pursuant to the Contract for Fines and Fees Collection Services; and
2. These legal services cannot be adequately performed by the attorneys and supporting personnel of the City of Hempstead at a reasonable cost; and
3. These legal services cannot reasonably be obtained from attorneys in private practice under a contract providing only for the payment of hourly fees, without regard to the outcome of the matter, because of the nature of the collection fee authorized by TX Code of Criminal Procedure Art. 103.0031 and because the City of Hempstead does not have the funds to pay the estimated amounts required under a contract only for the payment of hourly fees; and
4. Linebarger Goggan Blair & Sampson, LLP, is well qualified and competent to perform the legal services required to comply with the terms of this contract; and
5. Linebarger Goggan Blair & Sampson, LLP will represent The City of Hempstead for with competence and professionalism, in the collection of unpaid fines, fees and court costs beginning in 2021; and
6. The contract with Linebarger Goggan Blair & Sampson, LLP is the result of an arm's length transaction between the City of Hempstead and Linebarger Goggan Blair & Sampson, LLP and is fair and reasonable.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HEMPSTEAD THAT:**

**SECTION 1.** This statement set out in the preamble to this Resolution are true and correct.

**SECTION 2.** The meeting at which this Resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings, Texas Government Code, Chapter 551.

**PASSED AND APPROVED this \_\_\_\_ day of July 2021.**

\_\_\_\_\_  
Dave Shelburne, Mayor

**ATTEST:**

\_\_\_\_\_  
Barbara Haffelfinger, City Secretary

## **Contract for Fines and Fees Collection Services**

STATE OF TEXAS

COUNTY OF WALLER

THIS CONTRACT (hereinafter "AGREEMENT") is made and entered into by and between the CITY OF HEMPSTEAD, acting herein by and through its governing body, hereinafter styled "CLIENT", and Linebarger Goggan Blair & Sampson, LLP, hereinafter styled "FIRM".

### **Article I**

#### *Nature of Relationship and Authority for Contract*

1.01 The parties hereto acknowledge that this AGREEMENT creates an attorney-client relationship between CLIENT and FIRM.

1.02 The CLIENT hereby employs the FIRM to provide the services hereinafter described for compensation hereinafter provided.

1.03 This AGREEMENT is entered into pursuant to and as authorized by Subsection (a) of ART. 103.0031, Texas Code of Criminal Procedure.

### **Article 2**

#### *Scope of Services*

2.01 CLIENT agrees to employ and does hereby employ FIRM to provide specific legal services provided herein and enforce the collection of delinquent court fees and fines that are subject to this AGREEMENT, pursuant to the terms and conditions described herein. Such legal services shall include but not be limited to recommendations and legal advice to CLIENT to take legal enforcement action; representing CLIENT in any dispute or legal challenge over authority to collect such court fees and fines; defending CLIENT in litigation or challenges of its collection authority; and representing CLIENT in collection interests in bankruptcy matters as determined by FIRM and CLIENT. This AGREEMENT supersedes all prior oral and written agreements between the parties regarding court fees and fines, and can only be amended if done so in writing and signed by all parties. Furthermore, this contract cannot be transferred or assigned by either party without the written consent of all parties.

2.02 The CLIENT may from time-to-time specify in writing additional actions that should be taken by the FIRM in connection with the collection of the fines and fees that are subject to this AGREEMENT. CLIENT further constitutes and appoints the FIRM as CLIENT's attorneys to sign all legal instruments, pleadings, drafts, authorizations and papers as shall be reasonably necessary to pursue collection of the CLIENT's claims.

2.03 Fines and fees that are subject to this AGREEMENT are those that are more than sixty (60) days past due as of the effective date hereof and those that become more than sixty (60) days past due during the term hereof. As used in this section, "more than 60 days past due" has that meaning assigned by Subsection (f) of Art. 103.0031, Texas Code of Criminal Procedure [as amended by Senate Bill 782, 78th Legislature (2003), effective June 18, 2003]. The meaning assigned to the phrase "more than 60 days past due" shall, for the term and purposes of this AGREEMENT, survive any future amendments to, or repeal of, Article 103.0031, Texas Code of Criminal Procedure, or any parts thereof.

2.04 The CLIENT agrees to provide to the FIRM data regarding any fines and fees that are subject to this AGREEMENT. The data shall be provided by electronic medium in a file format specified by the FIRM. The CLIENT and the FIRM may from time-to-time agree in writing to modify this format. The CLIENT shall provide the data to the FIRM not less frequently than monthly.

2.05 The FIRM, in all communications seeking the collection of fines and fees, shall direct all payments directly to the CLIENT at an address designated by the CLIENT. If any fines and fees are paid to the FIRM, said payments shall be expeditiously turned over to the CLIENT.

### **Article 3**

#### *Compensation*

3.01 The CLIENT agrees to pay the FIRM as compensation for the services required hereunder thirty (30%) percent of the total amount of all the fines and fees [exclusive of any collection fee assessed by the CLIENT pursuant to Subsection (b) of Article 103.0031, Texas Code of Criminal Procedure] subject to the terms of this AGREEMENT as set forth in Section 2.03 above that are collected by the CLIENT during the term of this AGREEMENT. The collection fee stated herein does not apply to an offense committed prior to June 18, 2003. All compensation shall become the property of the FIRM at the time payment of the fines and fees is made to the CLIENT.

3.02 The CLIENT shall pay the FIRM by the twentieth day of each month all compensation earned by the FIRM for the previous month as provided in this Article 3. The CLIENT shall provide an accounting showing all collections for the previous month with the remittance.

### **Article 4**

#### *Intellectual Property Rights*

4.01 The CLIENT recognizes and acknowledges that the FIRM owns all right, title and interest in certain proprietary software that the FIRM may utilize in conjunction with performing the services provided in this AGREEMENT. The CLIENT agrees and hereby grants to the FIRM the right to use and incorporate any information provided by the CLIENT ("CLIENT Information") to update the databases in this proprietary software,



and, notwithstanding that CLIENT Information has been or shall be used to update the databases in this proprietary software, further stipulates and agrees that the CLIENT shall have no rights or ownership whatsoever in and to the software or the data contained therein, except that the CLIENT shall be entitled to obtain a copy of such data that directly relates to the CLIENT's accounts at any time.

4.02 The FIRM agrees that it will not share or disclose any specific confidential CLIENT Information with any other company, individual, organization or agency, without the prior written consent of the CLIENT, except as may be required by law or where such information is otherwise publicly available. It is agreed that the FIRM shall have the right to use CLIENT Information for internal analysis, improving the proprietary software and database, and generating aggregate data and statistics that may inherently contain CLIENT Information. These aggregate statistics are owned solely by the FIRM and will generally be used internally, but may be shared with the FIRM's affiliates, partners or other third parties for purposes of improving the FIRM's software and services.

## **Article 5**

### *Costs*

5.01 The FIRM and CLIENT recognize that certain costs may be incurred in the process of providing any additional services contemplated in Section 2.02 above or in providing any special litigation services. The CLIENT agrees that all such costs shall be billed to the CLIENT, but that the FIRM will either (i) advance such costs on behalf of the CLIENT or, (ii) when possible, arrange with the vendor or agency providing the service that the costs of services will not be paid unless and until such costs are recovered by the CLIENT from the debtor.

5.02 The CLIENT acknowledges that the FIRM may provide such services with its own employees or with other entities or individuals who may be affiliated with the FIRM, but the FIRM agrees that any charges for such services will be reasonable and consistent with what the same services would cost if obtained from a third party.

5.03 The CLIENT agrees that upon the recovery of such costs, the CLIENT will (i) pay the FIRM for any such costs that have been advanced by the FIRM or performed by the FIRM and (ii) pay any third party agency or vendor owed for performing such services.

## **Article 6**

### *Term and Termination*

6.01 This AGREEMENT shall be effective July 6, 2021 and shall expire on July 5, 2024 unless extended as hereinafter provided.

6.02 Unless prior to sixty (60) days before the Expiration Date, the CLIENT or the FIRM notifies the other in writing that it does not wish to continue this AGREEMENT beyond its initial term, this AGREEMENT shall be automatically extended for an additional two year period without the necessity of any further action by either party. In the absence of

any such sixty (60) day notice by either the CLIENT or the FIRM, the AGREEMENT shall continue to automatically renew for additional and successive two-year terms in the same manner at the end of each renewal period.

6.03 If, at any time during the initial term of this AGREEMENT or any extension hereof, the CLIENT determines that the FIRM's performance under this AGREEMENT is unsatisfactory, the CLIENT shall notify the FIRM in writing of the CLIENT's determination. The CLIENT may terminate this AGREEMENT effective upon the expiration of thirty (30) days following the date of written notice to the FIRM of such termination ("Termination Date").

6.04 Whether this AGREEMENT expires or is terminated, the FIRM shall be entitled to continue to collect any items and to pursue collection of any claims that were referred to and placed with the FIRM by the CLIENT prior to the Termination Date or Expiration Date for an additional ninety (90) days following termination or expiration. The CLIENT agrees that the FIRM shall be compensated as provided by Article 3 for any such item or pending matters during the ninety (90) day period.

6.05 The CLIENT agrees that the FIRM shall be reimbursed for any costs advanced and shall be paid for any services performed pursuant to Article 5 when such costs are recovered by or on behalf of the CLIENT, regardless of the date recovered. It is expressly agreed that neither the expiration nor the termination of this AGREEMENT constitutes a waiver by the FIRM of its entitlement to be reimbursed for such costs and to be paid for such services. It is further expressly agreed that the expiration of any ninety (90) day period under Section 6.04 does not constitute any such waiver by the FIRM.

## **Article 7**

### *Miscellaneous*

7.01 Subcontracting. The FIRM may from time-to-time obtain co-counsel or subcontract some of the services provided for herein to other law firms or entities. In such cases, the FIRM will retain supervisory control and responsibility for any services provided by such co-counsel or subcontractors and shall be responsible to pay any compensation due to any such co-counsel or subcontractor.

7.02 Integration. This AGREEMENT contains the entire AGREEMENT between the parties hereto and may only be modified in a written amendment, executed by both parties.

7.03 Representation of Other Governmental Entities. The CLIENT acknowledges and consents to the representation by the FIRM of other governmental entities that may be seeking the payment of fines and fees or other claims from the same person(s) as the CLIENT.

7.04 Notices. For purposes of sending any notice under the terms of this contract, all notices from CLIENT shall be sent to FIRM by certified United States mail, or delivered by hand or by courier, and addressed as follows:

Linebarger Goggan Blair & Sampson, LLP  
Attention: Director of Client Services  
The Terrace II  
2700 Via Fortuna Drive  
Suite 400  
Austin, TX 78746

All notices from the FIRM to the CLIENT shall be sent to CLIENT by certified United States mail, or delivered by hand or by courier, and addressed as follows:

Office of the City Secretary  
1125 Austin Street  
Hempstead, TX 77445

7.06 *Compliance with Tx. Govt. Code §2270.002.* In order to comply with Tx. Govt. Code §2270.002, the Firm verifies that it does not boycott Israel and will not boycott Israel during the term of the contract.

EXECUTED ON the 6<sup>th</sup> day of July, 2021.

City of Hempstead

By: \_\_\_\_\_  
Dave Shelburne  
Mayor

Linebarger Goggan Blair & Sampson, LLP

By: \_\_\_\_\_  
Richard S. Hill  
Capital Partner



U.S. Capital Advisors

## **USCA AGREEMENT FOR MUNICIPAL FINANCIAL ADVISORY SERVICES**

THIS AGREEMENT is made as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between the **City of Hempstead, Texas ("Issuer")** and **USCA Municipal Advisors LLC**, a wholly owned subsidiary of U.S. Capital Advisors LLC ("USCA" or "Financial Advisor"), located at 4444 Westheimer, Suite G500, Houston, Texas 77027, for municipal financial advisory services to be performed pursuant to the terms and provisions set out below. Issuer and USCA shall be referred to collectively as "Parties".

### **A. Scope of Services.**

Financial Advisor may assist Issuer with a range of services, including but not limited to, the process of issuing municipal securities. The municipal financial advisory services may be provided in connection with a specific transaction or may be more generally related to the provision of financial advisory services as needed and requested by the Issuer. An illustrative list of services available to the Issuer is set out in attached Exhibit A, although the Parties may agree to add or exclude services with respect to any particular transaction. This is an on-going agreement to provide services in connection with Issuer needs as they arise. Each request to provide services, either in connection with a specific transaction or for issuer requests not necessarily connected to a specific transaction, shall be deemed a Specific Project. Issuer and Financial Advisor shall agree to the scope of services for each Specific Project and document such agreement in one or more writings, which may include email communications sent from or acknowledged by Issuer's authorized representatives.

### **B. Compensation & Expense Reimbursement.**

Financial Advisor shall be compensated on a contingent fee basis a fee for any Completed Transactions as follows: 1.25% for the first \$1,000,000; plus 1.00 % for the next \$1,000,000; plus .50% for all over \$2,000,000 of the par amount of obligations issued or financing obtained for any Completed Transaction. The minimum fee for any Completed Transaction shall be \$12,500. Completed Transaction includes all security issuances as well as any lease, loan, grant and other financings concluded by Issuer during the term of this Agreement, unless a particular such transaction is specifically excluded from this Agreement in writing and signed by the Parties.

For each series of debt obligations purchased by the Texas Water Development Board or other state or federal agency, the fee shall be 120% of the fee calculated according to the schedule above.

Completed Transaction includes all security issuances as well as any lease, loan, grant and other financings concluded by Issuer during the term of this Agreement, unless a particular such transaction is specifically excluded from this Agreement in a writing signed by the Parties. Principal amount shall be defined as the greater of the par amount or project fund/escrow deposit amount.

Fees and reimbursable expenses (defined below) will be paid by Issuer to Financial Advisor upon the issuance and delivery of securities or closing of other financing. There is no fee due for a Specific Project unless securities are delivered or financing is completed. If securities are not delivered, the financing is not completed or this Agreement is canceled, all reimbursable expenses incurred are due in full within 30 days of non-delivery or cancelation. If a bond election is required to authorize a bond

issuance and the bond election is unsuccessful. Financial Advisor will not be paid a fee for any services rendered, however, all incurred reimbursable expenses must be paid by Issuer.

Unless agreed to otherwise in writing by the Parties, Issuer shall reimburse Financial Advisor for expenses incurred by Financial Advisor for services rendered under the terms of this Agreement. Reimbursable expenses shall include, but are not limited to, the following:

- a. Courier and delivery services; postage; laser, color, photographic or offset printing and reproduction costs; use of company materials and supplies; document production, copying and binding; facsimile transmission; telephone and conference calls; online posting and distribution of the Preliminary Official Statement; Term Sheet; statistical data; data processing; and data information services. (Facsimile transmissions and calls will only be charged to Issuer when Financial Advisor incurs a separate charge for them, e.g. when traveling or when third party services are required for certain conference calls.)
- b. Other reasonable expenses directly related to the satisfactory performance of requested work, including, but not limited to, third party consultants and vendors hired by Financial Advisor with Issuer approval.

Compensation to Financial Advisor does not include counsel fees and expenses, rating fees, insurance premiums, paying agent and escrow charges, underwriting/placement agent fees, attorney general fees, and similar costs incurred in connection with an Issuer's financing program. Such costs shall be paid directly by the Issuer.

### **C. Effective Date and Termination.**

The term of the Agreement shall be effective on the date of acceptance by the Issuer as indicated below. At any time and without cause, this Agreement may be canceled by either party by giving thirty (30) days written notice to the other.

In the event of termination, reimbursable expenses incurred prior to the effective date of termination will be due and must be paid by Issuer within 30 days of receipt of a final invoice from USCA. In the event of termination, only the amount due to USCA for services provided and expenses incurred prior to the effective date of termination will be due. No penalty will be charged for termination.

**D. Billing Statement.** USCA will issue an invoice to the Issuer for each Completed Transaction. Issuer shall make payment to USCA within thirty (30) days of the invoice date. Any balance that remains outstanding in excess of the above-referenced thirty (30) day period shall be subject to a financing charge to be computed at a rate of 12% per annum, or the maximum rate allowable under the laws of the State of Texas.

**E. Conflict of Interest.** The parties to this Agreement have read and are aware of the provisions as stated in Chapter 171 of the Texas Local Government Code relating to conflict of interest of public officers and employees. The Parties agree that they are unaware of any financial or economic interest of any public officer or employee of the Issuer relating to this Agreement. It is further understood and agreed that if such a financial or economic interest of any public officer or employee of the Issuer does exist at the inception of this Agreement, the Issuer may immediately terminate this Agreement by giving written notice.

The Municipal Securities Rulemaking Board requires us, as your municipal advisor, to provide the following written disclosure to you about the actual or potential conflicts of interest presented by various forms of compensation because they may create an incentive for an advisor to recommend one course of action over another if it is more beneficial to the advisor to do so. USCA uses a contingent fee form of compensation where payment of the advisor's fee is dependent upon the successful completion of a financing or other transaction. This form of compensation could present a conflict because the advisor may have an incentive to recommend unnecessary financings or financings that are disadvantageous to the client. For example, when facts or circumstances arise that could cause the financing or other transaction to be delayed or fail to close, an advisor may have an incentive to discourage a full consideration of such facts and circumstances, or to discourage consideration of alternatives that may result in the cancellation of the financing or other transaction.

USCA Municipal Advisors LLC is a subsidiary of U.S. Capital Advisors LLC a full service wealth management firm offering broker dealer services through its subsidiary USCA Securities LLC, an affiliate of USCA Municipal Advisors LLC. Employees of U.S. Capital Advisors LLC provide municipal financial advisory services through USCA Municipal Advisors LLC and may provide certain broker dealer services such any municipal bond trading through USCA Securities LLC. Such dual affiliations may create the appearance of potential conflicts; however USCA Securities LLC does not act as a municipal underwriter and does not engage in proprietary trading for its own accounts.

The Issuer acknowledges that it has been given the opportunity to raise questions and discuss the above-referenced matters with USCA and that it fully appreciates the nature of these potential conflicts and corresponding disclosures. In the event any conflicts arise during the term of this Agreement, USCA will promptly disclose them. Upon receiving any additional disclosures, Issuer agrees that it will carefully consider any such conflicts, will seek independent advice if it determines it is appropriate, and will, in a writing executed by an official of Issuer with authority to bind Issuer by contract, specifically acknowledge the conflict(s) and authorize USCA to proceed.

Other than as pertains to bona fide employees working solely for USCA, Financial Advisor has not employed or retained any person or firm or provided any consideration contingent upon or resulting from the making of this Agreement and it has not agreed, as an express or implied condition for obtaining this Agreement, to employ or retain the services of any individual or firm in connection with carrying out this Agreement.

**F. Legal or Disciplinary Events.** USCA is required to disclose legal, disciplinary and judicial events on its Form MA (Item 9) and Form MA-Is (Item 6) filed with the SEC. USCA has not been the subject of any material legal, disciplinary, or judicial actions. USCA's most recent Form MA and Form MA-Is can be found at <https://www.sec.gov/cgi-bin/browse-edgar?company=USCA+Municipal+Advisors>.

**G. Agreement to Provide Information.** The Issuer agrees to provide USCA with factual, not misleading, information as shall be deemed necessary by USCA for the performance of services required in any Specific Project, which shall include financial statements, budgets, and other relevant documents as may be requested by USCA. The Issuer further agrees to not intentionally omit any material information relevant to USCA's provision of services required for a Specific Project.

**H. Agreement to Hire Bond/Special Tax Counsel.** It is agreed that Issuer will retain qualified Bond and as necessary Special Tax Counsel to prepare any required legal documents and legal advice

regarding any securities issuance and that appropriate Bond and if necessary Tax Counsel will issue an opinion approving the legality of any debt offering.

**I. Modification.** This Agreement may only be modified by written agreement executed by Issuer and Financial Advisor.

**J. Complete Agreement.** This Agreement constitutes the complete statement of the terms and conditions of the Agreement between Issuer and Financial Advisor and it supersedes all prior representations, understandings and communications regarding municipal financial advisory services provided by USCA.

**K. Governing Law, Waiver of Jury Trial.** This agreement is governed by and shall be construed in accordance with the laws of the State of Texas.

**L. Complaints.** USCA is registered as a "Municipal Advisor" pursuant to Securities Exchange Act Section 15B and regulations of the SEC and the MSRB (the "Authorities"). A brochure with a description of protections afforded to the Issuer by the Authorities and the method to file a complaint with them can be found on the MSRB website at [www.msrb.org](http://www.msrb.org).

**M. Notices.** All notices and communications related to this Agreement shall be in writing delivered as follows:

To the Issuer:  
Dave Shelburne  
Mayor  
City of Hempstead  
1125 Austin Street  
Hempstead, Texas 77445  
979-826-2486  
[mayorshelburne@hempsteadcitytx.com](mailto:mayorshelburne@hempsteadcitytx.com)

To Financial Advisor:  
USCA Municipal Advisors LLC  
Attn: David Holland  
4444 Westheimer, Suite G500  
Houston, Texas 77027  
[dholland@uscallc.com](mailto:dholland@uscallc.com)  
Telephone: (713) 366-0566  
Facsimile: (713) 588-8882

**N. Dodd-Frank Compliance.** USCA is a registered Municipal Advisor in good standing with both the SEC (#866-01348-00) and the MSRB (#K0872).

**ACCEPTED AND AGREED TO:**

**City of Hempstead, Texas:**

**USCA Municipal Advisors LLC:**

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

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

Date Accepted By Issuer:

\_\_\_\_\_

\_\_\_\_\_  
David Holland, Senior Managing Director  
& Head of Municipal Securities

\_\_\_\_\_  
Ben J. Rosenberg, Managing Director

## **EXHIBIT A – SERVICES**

The following provides an illustrative list of the services available to the Issuer upon request and as agreed to by the parties from time-to-time:

1. Work with Issuer to review financial resources and develop a financing plan to meet Issuer's financing goals, taking into account Issuer's existing debt, maturity schedules, options for prepayments, and striving to achieve new debt or financing under terms and conditions favorable to Issuer while achieving a minimum effective interest rate.
2. Provide information on current financing rates and general market conditions and other economic factors that could reasonably be expected to impact any proposed financing plan.
3. Assist the Issuer in assembling a financing team, as necessary, including, but not limited to, Bond/Loan/Tax Counsel, Disclosure Counsel (generally "Counsel"), Paying Agent Registrar, Escrow Agent and Underwriters.
4. Assist the Issuer in coordination of financing activities between representatives of Issuer offices as appropriate.
5. Prepare a time table and distribution list and update as necessary.
6. Assist with the Issuer's preparation and analysis of pro-forma cash flow statements and financing estimates.
7. Assist in arranging conference calls with Counsel, credit analyst and financing partners.
8. Review various types of available financing alternatives, including securities, loans, leases and other financing techniques, and provide recommendations relative thereto.
9. Recommend appropriate financing structure.
10. Recommend a method of financing as appropriate (competitive sale, negotiated sale or private placement) and, if necessary, conduct Request for Proposals process for underwriter, private purchaser or lender, as appropriate.
11. As necessary, prepare and/or assist with financial loan applications to local, state or federal lending agencies.
12. Assist with the preparation, coordination and review of all financing disclosure documents, subject to final review and approval by Issuer.
13. As appropriate recommend whether credit rating should be pursued and, if advisable, prepare the necessary materials and apply for a rating from the respective rating agency. Manage the Issuer's physical presentation or telephone conference presentation with the rating analysts.
14. Coordinate direct communication between Issuer staff and underwriters, private placement purchasers, lenders or other financial institutions, as appropriate.
15. Direct the advertisement and outreach for bids for a competitive sale of securities.



16. For securities:

- a. Review tax-exempt market supply and demand variables in connection with any issue; make recommendations regarding the timing of the pricing.
- b. Negotiate prepayment terms and conditions on behalf of Issuer.
- c. Conduct the bid opening and verify the lowest bidder (i.e., lowest True Interest Cost) in the case of competitive sale.
- d. Collect, hold, and return to the appropriate party any good faith checks made payable to the Issuer.
- e. Conduct pricing oversight and market comparables analysis for negotiated sale. Assist the Issuer in pricing negotiations on day of sale.
- f. Oversee the closing process on behalf of the Issuer. Coordinate with Counsel for delivery of securities to purchasers. Be available to the Issuer staff after the closing to answer questions regarding the issue.

17. For Lease, Loan or Other Financing:

- a. Negotiate with the provider terms, conditions, interest rates and prepayment conditions on behalf of Issuer;
- b. Cooperate with provider's counsel and Issuer's Counsel in closing the financing;
- c. As necessary, prepare term sheet with customary financial information to provider.

# GRANT APPLICATION

## CITY OF HEMPSTEAD, TEXAS

### SECTION A: GENERAL INFORMATION

*Please type or print neatly*

TODAY'S DATE:	EVENT DATE: <i>Sept 25-Oct 2</i>
OFFICIAL NAME OF ORGANIZATION/BUSINESS: <i>Waller County Fair Rodeo</i>	DATE ORGANIZATION/BUSINESS FOUNDED : <i>1945</i>
<input type="checkbox"/> Private Entity <input checked="" type="checkbox"/> Non-Profit Entity <input type="checkbox"/> Public Entity	Tax ID Number:
MAILING ADDRESS (Including City/State/Zip Code): <i>PO Box 911 Hempstead Texas</i>	
CHIEF ADMINISTRATIVE OFFICER: Address: <i>Matt Hayath</i>	Phone(s): E-Mail: <i>979-826 2825</i>
FINANCIAL OFFICER: Address: <i>Jason Reimer</i>	Phone(s): E-Mail: <i>979-221 8846</i>
CONTACT NAME(s) Address:	Phone(s): E-Mail:
PURPOSE AND/OR MISSION STATEMENT OF YOUR ORGANIZATION/BUSINESS: <i>Supporting youth of Waller County 4-H &amp; JFA</i>	

### SECTION B: PROJECT INFORMATION

*Please answer all items that apply to your request*

NAME OF EVENT OR EXPENDITURE: <i>Waller County Fair</i>	AMOUNT REQUESTED: \$ <i>5,000.00</i> *** Attach Line Item Budget *** (Must Equal Amount Requested)
PRIMARY LOCATION OF EVENT OR EXPENDITURE: <i>Waller County Fair Grounds</i>	DATE OF EVENT(S) OR EXPENDITURE: <i>Sept 25 - Oct 2</i>
LIST <u>ALL</u> COMMUNITIES DIRECTLY SERVED BY THIS EVENT OR EXPENDITURE: <i>all of Waller County</i>	
IN THE SPACE BELOW, PROVIDE A CLEAR DESCRIPTION OF THE EVENT OR EXPENDITURE. EXPLAIN HOW THE FUNDS WILL BE USED AND HOW THIS EVENT OR EXPENDITURE WILL IMPACT YOUR ORGANIZATION, ENHANCE AND PROMOTE TOURISM AND THE CONVENTION AND HOTEL INDUSTRY IN THE CITY OF HEMPSTEAD. <u>ADDITIONAL PAGES FOR THE DESCRIPTION WILL NOT BE ACCEPTED</u>	



To The City of Hempstead  
Attn: Mayor Shelburn

I am requesting to be able to put Waller County Fair Association on the City Council Meeting to discuss the proposal of Hotel Tax proceedings for a possible donation to The Waller County Fair Association. To promote the city in the Upcoming fair September 25 thru October 2nd 2021  
Please advise me of the next available meeting for me to attend

You may contact me if needed at 281-924-6357

Thank You in Advance  
Dustin Standley  
Margie Hammner  
Chairman of Sponsorship

# PRE-EVENT REPORT FORM

## HOTEL OCCUPANCY TAX FUNDING

1. How many years have you held this Event or Project? 25
2. Expected Attendance: 30k to 35k
3. How many people attending the Event or Project will use City of Hempstead hotels?  
32  
 Number of nights they will stay: 9 +/-

4. Do you plan on reserving a room block for this event at an area hotel and, if so, for how many rooms and at which hotels?

Amecor Best Value

Sumit 100

5. List other years (over the last three years) that you have hosted your Event or Project, the amount of assistance given from the Hotel Occupancy Tax fund and the number of hotel rooms used.

Month/Year Held	Assistance Amount	Number of Hotel Rooms Used
<u>2019</u>	<u>\$0.00</u>	<u>20</u>
<u>2020</u>	<u>\$0.00</u>	<u>30+</u>
<u>2018</u>	<u>\$0.00</u>	<u>30+</u>

6. How will you measure the impact of your event on area hotel activity (e.g., room block usage information, survey of hoteliers, etc.)? Social media

+ chd sales, gate entrance

7. Please list other organizations, government entities, and grants that have offered financial support to your project: \_\_\_\_\_

City of Waller & Local Donors

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used?

yes - TBD.

9. Please list all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Newspaper:

\$ 8k

Radio:

\$ 10k

TV:

\$ 2

Other Paid Advertising:

\$ 2500 Social

Number of Press Releases to Media 60+

Number Direct Mailings of Out-of-Town Recipients \_\_\_\_\_

Other Promotions Social, Radio

10. Will you negotiate a special rate or hotel/event package to attract overnight stays?

We try

11. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

Ad,  
we have to by contracts

12. What geographic areas does your advertising and promotion reach? 45 mile

radius

13. How many individuals who are located in another city or county will your proposed marketing reach? 90% of 35k

14. If the funding being requested is related to a permanent facility (e.g. museum, visitor center):

Expected Attendance Monthly/Annually: \_\_\_\_\_

Percentage of those in attendance that are staying at area hotels/lodging facilities: \_\_\_\_\_%

# POST-EVENT REPORT FORM

## HOTEL OCCUPANCY TAX FUNDING

By law of the State of Texas, the City of Hempstead collects a Hotel Occupancy Tax (HOT) from hotels, motels, and bed & breakfast inns. The revenue from the HOT may be used only to directly promote tourism and the convention and hotel industry. The use of HOT funds is limited to:

- i. the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, and operation and maintenance of convention center facilities or visitor information centers, or both;
- ii. the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;
- iii. advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;
- iv. the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms;
- v. historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums; and
- vi. sporting-related expenses if the majority of the participants are tourists and if the event substantially increases economic activity at area hotels.

The City of Hempstead accepts applications from groups and businesses meeting the above criteria and wishing to receive HOT funds. **All entities that are approved for such funds must submit a Post-Event Report Form within 60 days of each funded event.** The report will be reviewed by the City of Hempstead to determine how well the entity met its goals and will be used in consideration of future hotel occupancy tax funding requests. Priority will be given to those events that demonstrate an ability to generate overnight visitors to the City of Hempstead.

## Post-Event Report Form

### ORGANIZATION INFORMATION

Date: Sep 27 - Oct 2  
Name of Organization: WCFA  
Address: PO Box 911  
City, State, Zip: Huntsville TN 37445  
Contact Name: Dustin Smith  
Contact Phone Number: 281-924-6377

### PROJECT OR EVENT

Name of Event or Project: County Fair  
Date of Event or Project: Sep 27 - Oct 2  
Primary Location of Event or Project: WCFA Grounds  
Primary Purpose of Funded Event/Project: Youth & Education  
Amount Received from Hotel Occupancy Tax Funds: \$ 5000.00  
Amount Used from Hotel Occupancy Tax Funds: \$ 5000.00  
How Were the Funds Actually Used? Advertising, Marketing  
Hotels for Artist & Entertainment



Actual percentage of funded **Event** costs covered by hotel occupancy tax: 100%

Actual percentage of **Facility** costs covered by hotel occupancy tax (if applicable): 100%

Actual percentage of **Staff** costs covered by hotel occupancy tax (if applicable): 100%

If staff costs were covered, estimate of actual hours staff spent on funded Event: 76 years

How many years have you held this Event or Project: 17 years

How many people did you predict would attend this Event? (number submitted on application for hotel occupancy tax funds): 35,000

What would you estimate was the actual attendance at the Event? 35k plus/min

How many room nights were generated at City of Hempstead hotels, motels or bed & breakfasts by attendees of this Event or Project? 32 Room

If this Event has been funded by hotel occupancy tax in the last three years, how many room nights were generated at City of Hempstead hotels, motels, or bed & breakfasts by attendees of this Event or Project?

Last Year 20

Two Years Ago 30+

Three Years Ago 30+

What method did you use to determine the number of people who booked rooms at City of Hempstead hotels, motels, or bed & breakfasts (e.g., room block usage information, survey of hoteliers, etc.)?

By Contracts of Artists  
& Radio Person

Was a room block established for this Event at an area hotel (hotels), and, if so, did the room block fill? \_\_\_\_\_ If the room block did not fill, how many rooms were picked up? \_\_\_\_\_

Please check all efforts your organization actually used to promote this Event and how much was actually spent in each category:

\_\_\_\_ Newspaper - \$ 8k

\_\_\_\_ Press Releases - \$ 5k

\_\_\_\_ Radio - \$ 10k

\_\_\_\_ Direct Mail - \$ X

\_\_\_\_ TV - \$ X

\_\_\_\_ Other - \$ 500. K MED. A

2500, W 3

What new marketing initiatives\* did you utilize to promote hotel and convention activity for this Event?

ALL Acceptable

\*Please attach samples of documents showing how the City of Hempstead was recognized in your advertising/promotional campaign.

Please attach at least one sample of all forms of advertising/promoting used in your campaign. If the sample itself does not indicate the medium (radio, TV, print, or mail) used or where the advertising took place (a city's newspaper, or a radio spot that does not indicate the city where the spot was played), please include other information that would show location of the advertising and medium utilized.

What City of Hempstead businesses did you utilize for food, supplies, materials, printing, etc.?

All

If the Event funded by hotel occupancy tax was a sporting-related function/facility, how many individuals actually participated in this event? 500 plus

If the event was a sporting-related function/facility, how many of the participants were from another city or country? 90 90

If the event was a sporting-related function/facility, quantify how the activity substantially increased economic activity at hotel and motels within the city or its vicinity?

Hotels, Restaurants, gas, groceries  
and

Please submit to: City of Hempstead, 1125 Austin St, Hempstead Texas 77445