


2019 MAY -3 AM 10:15
**NOTICE OF SPECIAL MEETING
KAUFMAN COUNTY COMMISSIONERS' COURT**

LAURA A. HUGHES
COUNTY CLERK
BY: 
DEPUTY



Notice is hereby given that a special meeting of the Kaufman County Commissioners' Court will be held on **Thursday, May 9, 2019 at 9:00 a.m., in the Commissioners' Court Meeting Room located in the Courthouse Annex 100 North Washington Street, Kaufman, Texas**, at which time the commissioners' court will consider the following items for discussion, and possible action, to wit:

INVOCATION;

PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG;

PLEDGE OF ALLEGIANCE TO THE TEXAS FLAG;

REMARKS FROM VISITORS; (Any member of the public that wishes to speak on an item that is on this agenda will need to sign in, complete a Public Participation Form, and present to County Clerk prior to court. Speakers will be restricted to a three minute presentation.)

1. **ROUTINE CORRESPONDENCE.**
2. **CONSENT AGENDA**
 - A. **Discuss/Consider** accepting Commissioners Court Meeting Minutes for April 24, 2019 and April 26, 2019.
 - B. **To Recognize** Southern Health Partners for Site of the Year Award.
3. **Perdue Brandon Fielder Collins & Mott LLP;** To Present the Delinquent Court Fines Collection Report to Kaufman County for April 2019.
4. **Jerry Kitchens;** Discuss/Approve renewing Interlocal Agreement for Law Enforcement Patrol Services for Municipal Utility District No. 5.
5. **Jerry Kitchens;** Discuss/Consider approving Interlocal Agreement for Law Enforcement Patrol Services for Municipal Utility District Nos. 6 & 7.
6. **Jerry Kitchens;** Discuss/Approve changing deputation from Reserve Deputy to Full Time Deputy for Jessica Hunt.
7. **Commissioner Cates;** Discuss/Consider entering into an Interlocal and Project Agreement to donate 24 tons of RAP material to the City of Rosser.
8. **Raylan Smith;** Discuss/Consider Receipt, Transfer, and Disposal of County Owned Equipment.
9. **Raylan Smith;** Discuss/Consider Award of Contract for RFP 19-11: Annual Contract for the purchase of fuel, oil, lubricants, and other related automotive chemicals.
10. **Raylan Smith;** Discuss/Consider purchase of new sign machine and purchase of road signs and materials utilizing buyboard contract #534-17.
11. **Chuck Mohnkern;** Discuss/Consider approving resolution to participate in order to add Texas Class as an approved investment pool for Kaufman County.

12. **Chuck Mohnkern; Discuss/Consider reviewing and adopting the Kaufman County Investment Policy 2019.**
13. **Chuck Mohnkern; Discuss/Consider appointing members of the Kaufman County Investment Advisory Committee.**
14. **Jerry Dean; Discuss/Review budget process for FY 2019-2020.**
15. **Discuss/Consider line item transfers.**
16. **Discuss/Consider claims for payment.**
17. **Adjourn Regular Meeting.**

If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the Commissioners' Court will conduct a closed meeting in accordance with the Texas Open Meetings Act and the Government Code, Chapter 551, Subchapter D and E; as noted below

Attorney Consultation	Gov't Code §551.071
Real Property	Gov't Code §551.072
Contract being negotiated	Gov't Code §551.0725
Prospective gifts or donations	Gov't Code §551.073
Personnel Matters	Gov't Code §551.074
County Advisory Body deliberations	Gov't Code §551.0745
Security Devices or Security Audits	Gov't Code §551.076
Economic Development negotiations	Gov't Code §551.087


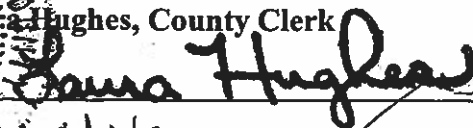

Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. Should any final action, final decision, or final vote be required in the opinion of the Commissioners' Court with regards to any matter considered in such closed or executive meeting or session, then the final action, final decision, or final vote shall be either:

- (a) in the open meeting covered by the notice upon the reconvening of the public meetings; or
- (b) at a subsequent open public meeting of the Commissioners' Court upon notice thereof; as the Commissioners' Court shall determine.

Signed this the 3rd day of March, 2019.


 Hal Richards, Kaufman County Judge

I, the undersigned, County Clerk of the Kaufman County Commissioners' Court do hereby certify that the above notice of meeting of the Kaufman County Commissioners' Court is a true and correct copy of said notice, that I received said Notice, and it was posted on the bulletin board at the courthouse door of Kaufman County, Texas at a place readily accessible to the general public at all times on the 3rd day of March, 2019, and said notice remained so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

 Laura Hughes, County Clerk
 By: 
 Deputy 

ANYONE WHO HAS IMPAIRMENTS REQUESTING AID AT THE COMMISSIONERS' COURT OR ANY PUBLIC MEETING MUST CALL THE COUNTY CLERK AT LEAST 72 HOURS PRIOR TO THE MEETING.

**COMMISSIONERS COURT
REGULAR MEETING
APRIL 24, 2019**

BE IT REMEMBERED that on this day, the Commissioners Court of Kaufman County, Texas met in a meeting in the Kaufman County Courthouse Annex, 2nd Floor Meeting Room, Kaufman Texas with the following members present: **Hal Richards**, County Judge; **Mike Hunt**, Commissioner Precinct No. 1; **Skeet Phillips**, Commissioner Precinct No. 2; **Terry Barber**, Commissioner Precinct No. 3; **Ken Cates**, Commissioner Precinct No. 4; **Laura Hughes**, County Clerk.

INVOCATION;
PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG;
PLEDGE OF ALLEGIANCE TO THE TEXAS FLAG;
REMARKS FROM VISITORS;

ROUTINE CORRESPONDENCE
MOTION TO APPROVE CONSENT AGENDA

2. There came on to be a motion to approve the Consent Agenda.

2A. Accept Star Transit Ridership Reports for March 2019.

2B. Accept Commissioners Court Meeting Minutes for April 10, 2019 and April 18, 2019.

Motion was made by Commissioner Terry Barber and seconded by Commissioner Skeet Phillips

Motion was put to a vote. Motion carried and is so ordered.

MOTION TO APPROVE PROCLAMATION

3. There came on to be a motion to approve a Proclamation proclaiming the month of May as Motorcycle Safety and Awareness Month in Kaufman County.

Motion was made by Commissioner and seconded by Commissioner

Motion was put to a vote. Motion carried and is so ordered.

MOTION TO APPROVE APPOINTMENT

4. There came on to be a motion to approve appointment of Courtney Repka Wortham to the Child Welfare Board.

Motion was made by Commissioner Mike Hunt and seconded by Commissioner Ken Cates

Motion was put to a vote. Motion carried and is so ordered.

MOTION TO APPROVE RESOLUTION

5. There came on to be a motion to approve amended Resolution regarding National Crime Victims' Rights Week and National Law Enforcement Appreciation and Memorial week.

Motion was made by Commissioner Terry Barber and seconded by Commissioner Skeet Phillips

Motion was put to a vote. Motion carried and is so ordered.

MOTION TO APPROVE CONTRACT

6. There came on to be a motion to approve renewal of Transportation Services Contract between Kaufman County and Innovative Transportation Solutions (ITS).

Motion was made by Commissioner Ken Cates and seconded by Commissioner Mike Hunt

Motion was put to a vote. Motion carried and is so ordered.

MOTION TO APPROVE LEASE AGREEMENT

7. There came on to be a motion to approve Lease Agreement for one (1) 2019 KOMATSU GD655- 6 Motor Grader in the amount of \$253,623.00 from Kirby Smith Machinery, utilizing Buyboard Contract #521-16 for Precinct 3.

Motion was made by Commissioner Terry Barber and seconded by Commissioner Skeet Phillips

Motion was put to a vote. Motion carried and is so ordered.

MOTION TO APPROVE PRICE REDETERMINATION

8. There came on to be a motion to approve FIVE STAR Correctional Services Price Redetermination on meal services, effective June 1, 2019.

Motion was made by Commissioner Skeet Phillips and seconded by Commissioner Ken Cates

Motion was put to a vote. Motion carried and is so ordered.

MOTION TO APPROVE DISPOSAL OF COUNTY ASSETS

9. There came on to be a motion to approve Receipt, Transfer, and Disposal of County Owned Assets.

Motion was made by Commissioner Terry Barber and seconded by Commissioner Skeet Phillips

Motion was put to a vote. Motion carried and is so ordered.

MOTION TO TABLE REPLAT

10. There came on to be a motion to Table Replat of Meadowbrook Acres lots 18, 19 and 20, located in Precinct 1.

Motion was made by Commissioner Mike Hunt and seconded by Commissioner Terry Barber

Motion was put to a vote. Motion carried and is so ordered.

MOTION TO APPROVE FINAL PLAT

11. There came on to be a motion to approve Final Plat for the Minter Addition Lots 1-4, located in Precinct 3.

Motion was made by Commissioner Terry Barber and seconded by Commissioner Skeet Phillips

Motion was put to a vote. Motion carried and is so ordered.

MOTION TO APPROVE ORDER

12. There came on to be a motion to approve Court Order Amending Angelina Road Distance; Precinct 1.

Motion was made by Commissioner Mike Hunt and seconded by Commissioner Skeet Phillips

Motion was put to a vote. Motion carried and is so ordered.

MOTION TO ACCEPT REPORT

13. There came on to be a motion to accept Treasurer's Monthly Report for March 2019.
Motion was made by Commissioner Skeet Phillips and seconded by Commissioner Terry Barber
Motion was put to a vote. Motion carried and is so ordered.

MOTION TO ACCEPT REPORT

14. There came on to be a motion to accept Treasurer's Quarterly Report.
Motion was made by Commissioner Ken Cates and seconded by Commissioner Mike Hunt
Motion was put to a vote. Motion carried and is so ordered.

MOTION TO ACCEPT REPORT

15. There came on to be a motion to accept Treasurer's Quarterly Investment Report.
Motion was made by Commissioner Skeet Phillips and seconded by Commissioner Terry Barber
Motion was put to a vote. Motion carried and is so ordered.

MOTION TO ACCEPT REPORT

16. There came on to be a motion to accept Tax Assessor-Collector's Monthly Report for March 2019.
Motion was made by Commissioner Skeet Phillips and seconded by Commissioner Ken Cates
Motion was put to a vote. Motion carried and is so ordered.

MOTION TO ACCEPT REPORT

17. There came on to be a motion to accept Sheriff's Monthly Report for March 2019.
Motion was made by Commissioner Terry Barber and seconded by Commissioner Skeet Phillips
Motion was put to a vote. Motion carried and is so ordered.

MOTION TO ACCEPT REPORT

18. There came on to be a motion to accept Indigent Healthcare Quarterly Report.
Motion was made by Commissioner Mike Hunt and seconded by Commissioner Ken Cates
Motion was put to a vote. Motion carried and is so ordered.

MOTION TO ACCEPT REPORT

19. There came on to be a motion to accept Veterans Service Monthly Report
Motion was made by Commissioner Terry Barber and seconded by Commissioner Skeet Phillips
Motion was put to a vote. Motion carried and is so ordered.

MOTION TO APPROVE LINE ITEM TRANSFERS

20. There came on to be a motion to approve Line Item Transfers
Motion was made by Commissioner Skeet Phillips and seconded by Commissioner Terry Barber
Motion was put to a vote. Motion carried and is so ordered.

MOTION TO APPROVE CLAIMS FOR PAYMENT

21. There came on to be a motion to approve Claims for Payment for \$805,675.51.
Motion was made by Commissioner Ken Cates and seconded by Commissioner Mike Hunt
Motion was put to a vote. Motion carried and is so ordered.

**MOTION TO APPROVE EXITING REGULAR MEETING
AND ENTERING INTO EXECUTIVE SESSION**

22. There came on to be a motion to approve exiting the Regular Meeting and entering into Executive Session: Pursuant to §551.074 of the Texas Government Code to interview prospective candidates for the Information Technology (IT) Director position.

Motion was made by Commissioner Mike Hunt and seconded by Commissioner Terry Barber.

Motion was put to a vote. Motion carried and is so ordered.

EXECUTIVE SESSION

23. Executive Session was held. County Judge has Certified Agenda.

**MOTION TO APPROVE EXITING EXECUTIVE SESSION AND
ENTERING INTO REGULAR MEETING**

24. There came on to be a motion to approve exiting the Executive Session and entering into Regular Meeting.

Motion was made by Commissioner Terry Barber and seconded by Commissioner Ken Cates.

Motion was put to a vote. Motion carried and is so ordered.

MOTION TO APPROVE AUTHORIZATION TO EXTEND OFFER

25. There came on to be a motion to approve County Judge Hal Richards to talk to applicant and extend offer of employment for Information Technology Director position.

Motion was made by Commissioner Skeet Phillips and seconded by Commissioner Terry Barber.

Motion was put to a vote. Motion carried and is so ordered.

MOTION TO ADJOURN

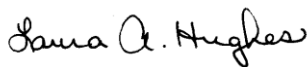
26. There came on to be a motion to adjourn.

Motion was made by Commissioner Skeet Phillips and seconded by Commissioner Ken Cates.

Motion was put to a vote. Motion carried and is so ordered.

I, Laura Hughes, County Clerk of Kaufman County, Texas, do hereby certify that the above Commissioner Court Minutes are a true and correct record of the proceedings from the Commissioners Court Meeting.

ATTEST:



Laura Hughes, County Clerk

**COMMISSIONERS COURT
SPECIAL MEETING
APRIL 26, 2019**

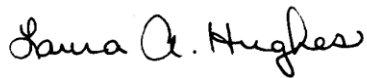
BE IT REMEMBERED that on this day, the Commissioners Court of Kaufman County, Texas met in a Special Meeting in the 86th Judicial District Courtroom, Kaufman Texas with the following members present: **Hal Richards**, County Judge; **Mike Hunt**, Commissioner Precinct No. 1: Absent; **Skeet Phillips**, Commissioner Precinct No. 2: Absent; **Terry Barber**, Commissioner Precinct No. 3: Absent; **Ken Cates**, Commissioner Precinct No. 4: Absent; **Bobbie Bartlett**, Deputy County Clerk.

SPECIAL MEETING

There came on to be a Special Meeting to attend the 422nd District Court Drug and Mental Health Graduation.

I, Laura Hughes, County Clerk of Kaufman County, Texas, do hereby certify that the above Commissioner Court Minutes are a true and correct record of the proceedings from the Commissioners Court Meeting.

ATTEST:

A handwritten signature in black ink that reads "Laura A. Hughes". The signature is written in a cursive style with a large, stylized "L" and "H".

Laura Hughes, County Clerk



Delinquent Court Fines Collection Report to Kaufman County

April 2019

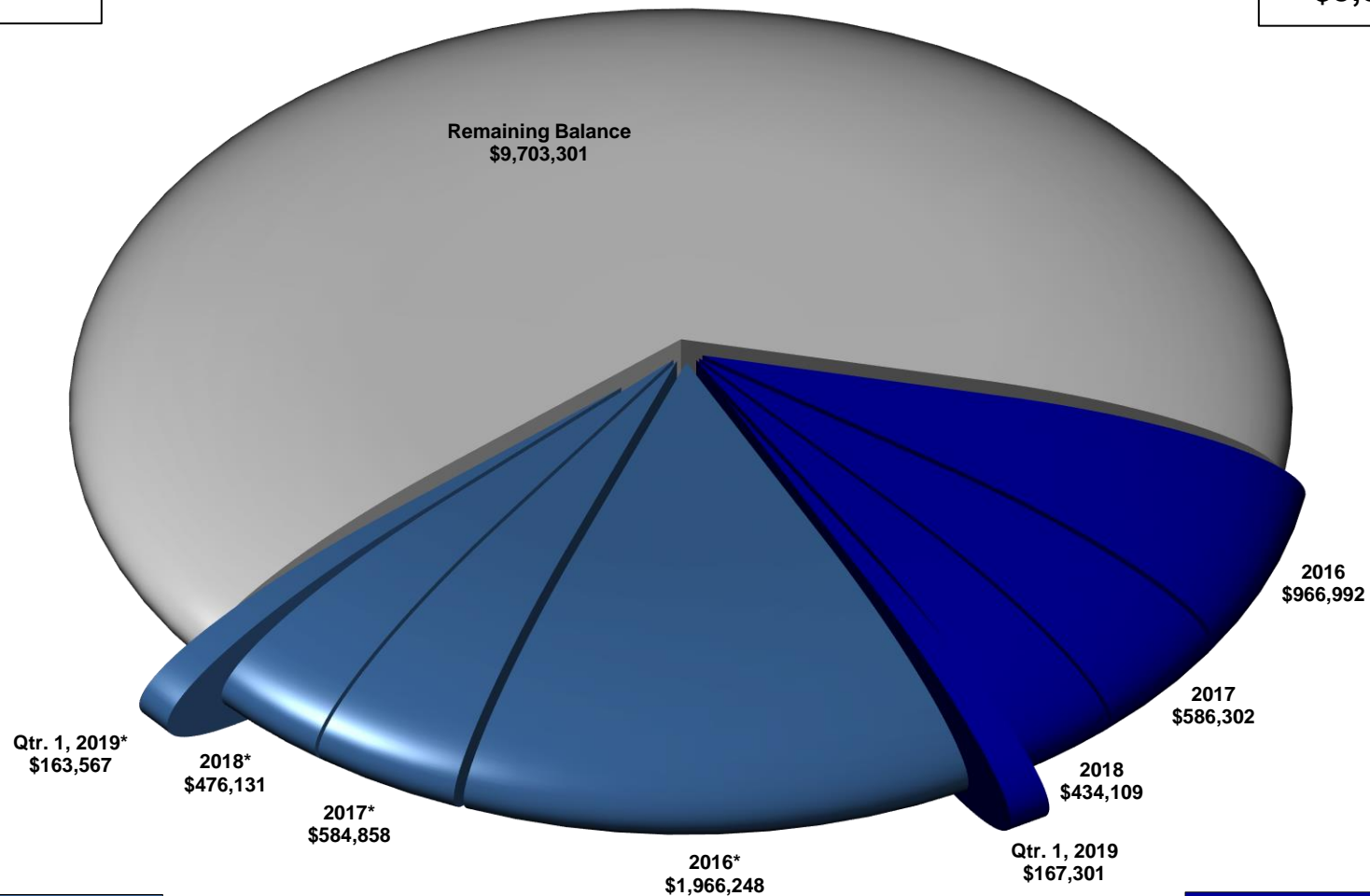
Kaufman County Justice of the Peace 1,2,3 & 4 Summary

Delinquent Court Fine Collections

Performance Thru March 31, 2019

Total Turnover
\$15,048,809

Total Resolved
\$5,345,508



Total Case Resolution
All JP's*, \$3,190,804

Total Dollars Collected
All JP's, \$2,154,704

Source: Kaufman County JP's 1,2,3 & 4 Court Data Download / Perdue System. Perdue started collecting for JP's 1 & 2 in January 2015 and JP's 3 & 4 in January 2016. *Cases consisting of the following: fine reductions, dismissals, jail credits, community service or cases sent in error.

Collections by Perdue Brandon Fielder Collins & Mott, LLP

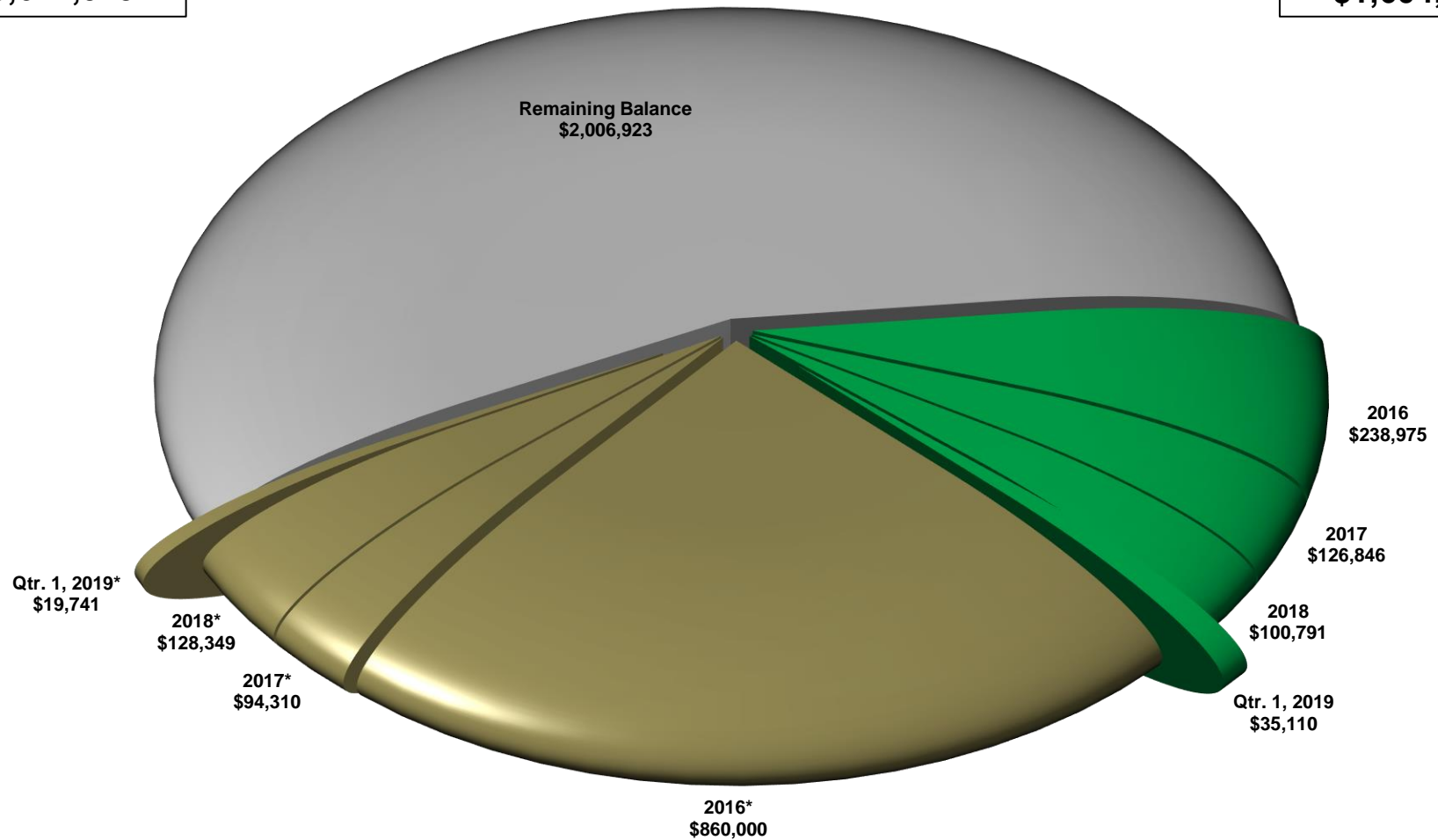
Kaufman County Justice of the Peace 4

Delinquent Court Fine Collections

Performance Thru March 31, 2019

Total Turnover
\$3,611,045

Total Resolved
\$1,604,122



Total Case Resolution*
\$1,102,400

Total Dollars Collected
\$501,722

Source: Kaufman County JP 4 - April 8, 2019 Court Data Download / Perdue System. *Cases consisting of the following: fine reductions, dismissals, jail credits, community service or cases sent in error. **Collections by Perdue Brandon Fielder Collins & Mott, LLP**

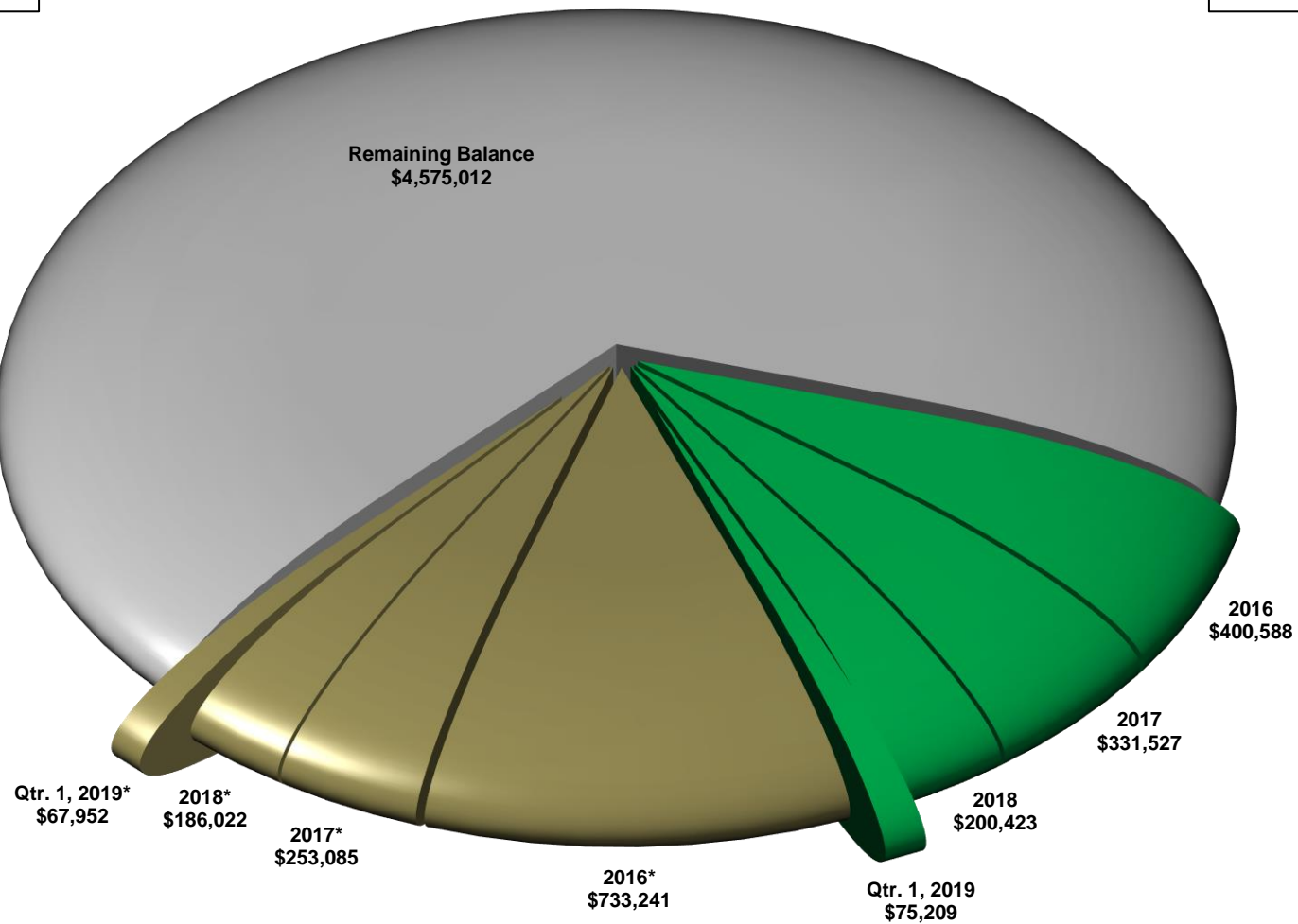
Kaufman County Justice of the Peace 3

Delinquent Court Fine Collections

Performance Thru March 31, 2019

Total Turnover
\$6,823,058

Total Resolved
\$2,248,046



Total Case Resolution*
\$1,240,299

Total Dollars Collected
\$1,007,746

Source: Kaufman County JP 3 - April 8, 2019 Court Data Download / Perdue System. *Cases consisting of the following: fine reductions, dismissals, jail credits, community service or cases sent in error. **Collections by Perdue Brandon Fielder Collins & Mott, LLP**

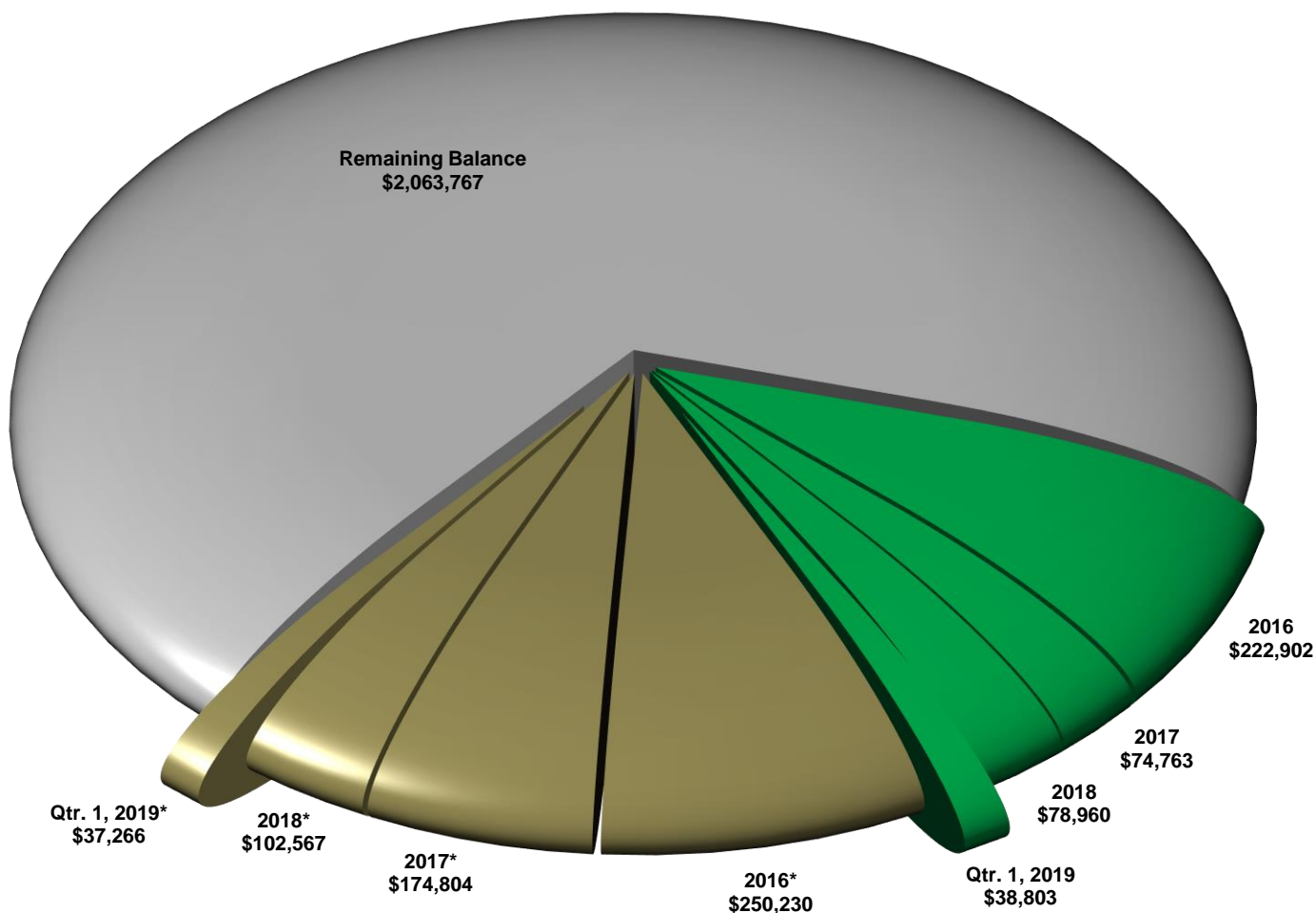
Kaufman County Justice of the Peace 2

Delinquent Court Fine Collections

Performance Thru March 31, 2019

Total Turnover
\$3,044,062

Total Resolved
\$980,295



Total Case Resolution*
\$564,867

Total Dollars Collected
\$415,428

Source: Kaufman County JP 2 - April 8, 2019 Court Data Download / Perdue System. *Cases consisting of the following: fine reductions, dismissals, jail credits, community service or cases sent in error. **Collections by Perdue Brandon Fielder Collins & Mott, LLP**

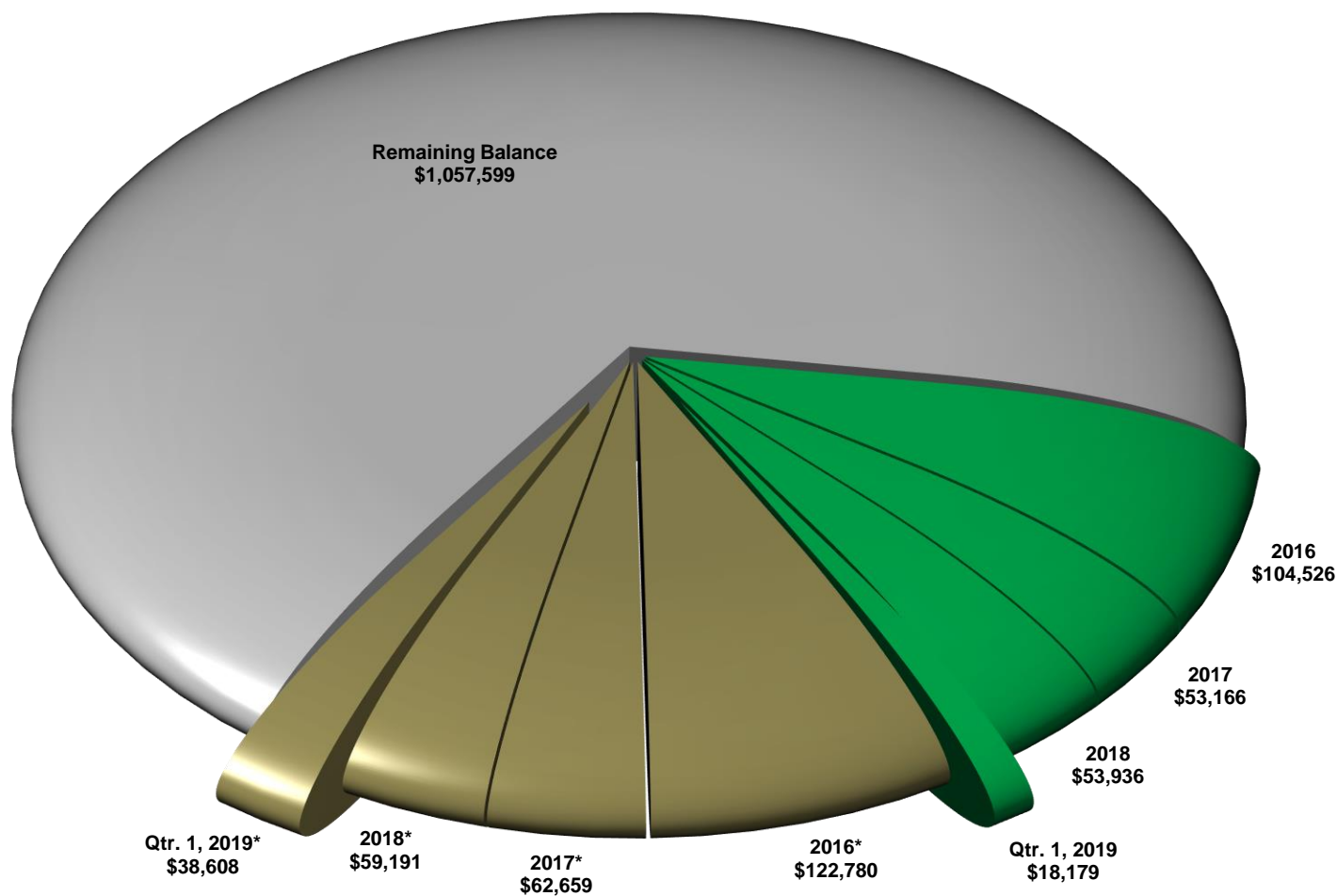
Kaufman County Justice of the Peace 1

Delinquent Court Fine Collections

Performance Thru March 31, 2019

Total Turnover
\$1,570,644

Total Resolved
\$513,045



Total Case Resolution*
\$283,238

Total Dollars Collected
\$229,807

Source: Kaufman County JP 1 - April 8, 2019 Court Data Download / Perdue System. *Cases consisting of the following: fine reductions, dismissals, jail credits, community service or cases sent in error. **Collections by Perdue Brandon Fielder Collins & Mott, LLP**

**INTERLOCAL AGREEMENT FOR LAW ENFORCEMENT PATROL
SERVICES BETWEEN KAUFMAN COUNTY AND KAUFMAN COUNTY
MUNICIPAL UTILITY DISTRICT No. 5**

This INTERLOCAL AGREEMENT FOR LAW ENFORCEMENT PATROL SERVICES, hereinafter referred to as "Agreement," is made by and between Kaufman County, a political subdivision of the State of Texas, hereinafter referred to as the "County," and Kaufman County Municipal Utility District No.5, a political subdivision of the State of Texas, hereinafter referred to as the "District."

WHEREAS, the County is a duly organized political subdivision of the State of Texas engaged in the administration of county government and related services for the benefit of the citizens of Kaufman County, Texas; and

WHEREAS, the Kaufman County Precinct # 2 Constable's Office is a duly organized agency of Kaufman County engaged in the providing of law enforcement and related services for the benefit of citizens of Kaufman County, Texas, including the citizens residing within the respective boundaries of the District; and

WHEREAS, the District is a political subdivision of the State of Texas created pursuant to Article XVI, Section 59 of the Texas Constitution and operating pursuant to Chapters 54 and 49 Texas Water Code as amended; and

WHEREAS, pursuant to Section 49.216, Texas Water Code, the District may contract to employ peace officers with the power to make arrests when necessary to abate the commission of, among other things, any offense against the laws of the State of Texas. The County is authorized to provide law enforcement services to the District pursuant to Texas Government Code Section 791.011(c)(2); and

WHEREAS, the County and the District further covenant that all payments mandated by this Agreement do fairly compensate the County for the furnishing of law enforcement services; and

WHEREAS, the County and the District desire to improve the efficiency and effectiveness of local governments by contracting for services of patrol and other law enforcement services as specified elsewhere herein; and

WHEREAS, the District seeks to provide additional law enforcement and related services for the benefit of citizens within the boundaries specified in the attached Exhibit B, which is within the boundaries of the District; and

WHEREAS, the County and the District mutually desire to be subject to the provisions of the Interlocal Cooperation Act of the V.T.C.A. Government Code, Chapter 791; and

NOW THEREFORE, the County and the District, for the mutual consideration hereinafter stated, agree and understand as follows:

I. PURPOSE

The purpose of this Agreement is to provide additional law enforcement services to ensure the peace and safety of the citizens of the County particularly within the territorial confines of the attached Exhibit B, which is within the confines of the District and to provide such a public benefit through the deployment of County property and personnel as deemed appropriate by the Kaufman County Precinct #2 Constable's Office.

II. TERM

TERM AND RENEWAL

The services to be performed under this Agreement shall commence on _____, 2019, and shall continue thereafter until September 30th, 2019, unless terminated sooner in accordance with other provisions of this Agreement. Upon expiration of the initial term, the Parties agree that this Agreement shall automatically renew each fiscal year for subsequent twelve (12) month periods beginning on the first (1st) day of October and ending on the thirtieth (30th) day of September of each budget year. This Agreement may be terminated in accordance with the proceeding "Termination" provision.

TERMINATION

Written notice is required for any party desiring to terminate this Agreement. The Agreement may be terminated at any time, for cause or no cause, by either party giving thirty (30) days written notice to the other party to the identified Notice Addresses provided in this Agreement. The notice must be made by U.S. Postal Service, Certified Mail, Return Receipt Requested.

III. CONSIDERATION FOR SERVICES AND FINANCIAL PROVISIONS

CONTRACT FUNDING AMOUNT

In consideration for the services provided by the County, the District agrees to fully fund and reimburse the County for such expenses in the amount as set forth on Exhibit A hereto, subject to the provisions of "CONTINGENCY FEE." The County shall provide to the District, no later than sixty (60) days prior to the expiration of any term (original or renewal) of this Agreement, an updated Exhibit A setting forth proposed changes to such expenses, if any, that would apply to the immediately following renewal term.

CONTINGENCY FEE

The District understands and agrees that fees may occur that are not contemplated by this Agreement. The creation of a contingency fee line will allow the County to account for such expenses, some of which are described in Exhibit A hereto. Such expenses may include, but are not limited to, Deputy training/school, unexpected vehicle maintenance, uniform expenses, etc. Non-budgeted expenses shall be invoiced to the District within the routine quarterly invoice. A contingency fee will not be invoiced if non-budgeted expenses do not occur. The purpose of the 10% fee is to fairly compensate the County for all expenses incurred under the terms of this Agreement, including those that cannot be reasonably anticipated in advance; and the parties agree that 10% is a fair estimate of such potential unanticipated expenses. However, if any non-budgeted expenses occur that exceed the 10% contingency fee, the District will remain responsible for reimbursing the County for such expenses upon reasonable justification that the expense was necessary to uphold the terms of this Agreement. Funding disagreements shall be subject to provisions of "DISPUTES."

INDIRECT FEE

The District understands and agrees that administrative duties are required to ensure compliance with this Agreement, and that those duties may not be quantifiable in the same way as patrol duties and operating expenses. The creation of an indirect-fee line will allow the County to be fairly compensated for these activities. The indirect fee shall be invoiced in equal installments to the District within the routine quarterly invoice.

BILLING

The County Auditor's Office will invoice the District on a quarterly basis and the amount billed shall be due from the District's current revenues within 30 days of the receipt of an invoice from the County. Such invoice will be forwarded to the District in care of the bookkeeper for the District, currently:

Cindy Schmidt
L&S District Services, LLC
P.O. Box 170
Tomball, Texas 77377

CHANGE OF ADDRESS

The District is responsible to notify the County if a change of billing address should become necessary.

SUSPENSION OF SERVICES

The County Auditor's Office shall notify the Constable's Office if the District becomes delinquent in payment of the contracted funding. Payment shall be considered delinquent if the District fails to make payment to the County within thirty (30) days after the receipt of a quarterly invoice. The Constable's Office shall notify the District to discuss the non-payment. If the delinquent payment status continues, then the County may suspend services to the District for non-payment. The Constable's Office will identify a date on which the services will be suspended and will notify the District by telephone and in writing (to the Notice addresses provided in this Agreement) of the date service will be suspended.

If service by County to the District has been suspended for non-payment and the District subsequently becomes current on payments owed to County under this Agreement, it is the responsibility of the District to contact the County Auditor's Office and the Constable's Office to confirm receipt of payment and that services are reactivated. The District will not receive credit for time which service is suspended for non-payment.

IV. SCOPE OF SERVICES

SCOPE OF SERVICES

The County affirms and approves the authority of the Kaufman County Precinct # 2 Constable's Office to provide one or more peace officers, as deemed appropriate by the Constable's Office, to devote a primary portion of their working time, with the total number of hours per month to be set forth in this agreement and, thereafter, may be adjusted by the District as set forth below, to provide law enforcement services within the area detailed in the attached Exhibit B, which is within the District's geographical boundaries. It is intent of this Agreement that the peace officers' working time should be spent in the Area.

The County and the Constable's Office agree that the patrol services to be furnished pursuant to this Agreement are in addition to the regular on-duty peace officer services furnished within the District's geographical boundaries, and that in no event shall the services furnished hereunder alter, impact or lessen the routine patrol services that are otherwise provided in the District.

PATROL UNIT

In exchange for the provision of one or more Patrol Unit(s), the District agrees to pay the County a sum, per unit, totaling the reasonable and necessary expenses, more fully described in Exhibit A hereto. The payments made by the District to the County shall be used by the County for reasonable and necessary law enforcement equipment and requirements to support the law enforcement efforts of the Patrol Unit. A Patrol Unit consists of: (1) the Constable's Deputy (personnel), (2) the equipment and vehicle necessary to support the Deputy, and (3) direct and non-direct support services.

The County agrees that each peace officer will be properly insured while operating the patrol vehicle in accordance with Section 612.005(b) of the Texas Government Code, and any other applicable laws.

NUMBER OF PATROL UNITS

Until otherwise notified in writing by the District, the County acknowledges that the District has determined that one (1) Deputy Constable Patrol Unit will be funded through this Agreement.

HOURS WORKED BY PATROL UNIT

The contracted number of "working time" hours (bi-weekly) by the Patrol Unit is eighty (80) hours. The District and the County will agree to the work shifts for each Patrol Unit by separate written notice. The Kaufman County Precinct # 2 Constable's Office will manage the schedule of each Patrol Unit so that the Patrol Unit has as many direct patrol hours as possible within the District. District understands that a Patrol Unit may have a certain number of undefined hours in which the Patrol Unit may be needed to attend court hearings, training, meetings, or have routine employee-related absences which may reduce the number of direct patrol hours. If possible and within personnel and budgetary limits, the County may assign a substitute Patrol Unit to District to provide service in the absence of the assigned Patrol Unit.

The Constable's Office will provide information to District of Deputy absences in writing on a quarterly basis. In addition, the District may at any time request work logs or similar materials documenting the hours worked by a Patrol Unit in order to determine the number of direct patrol hours within the District, and the County shall provide said documentation upon this request. Information requested, and provided, shall be subject to the Texas Public Information Act.

As used herein, the phrase "working time" means those hours designated by the Constable's Office in which its commissioned peace officers are assigned to provide additional law enforcement services in the Area pursuant to this Agreement. During such working time, the peace officers shall perform law enforcement services as normally provided when working directly for the Constable's Office. The Constable's Office shall retain control and supervision of the peace officers performing services under this Agreement to the same extent as the Constable's Office does with its other peace officers that are working outside the District's Area. The peace officers must always comply with the laws of the State of Texas and act within the scope of the General Orders and Standard Operating Procedures of the Constable's office. The peace officers cannot enforce "district policies" or "house rules" of the District; provided, however, the peace officers shall enforce District Rules and Regulations adopted pursuant to Section 54.205 of the Texas Water Code and published in accordance with Sections 54.206 through 54.208 of the Texas Water Code.

OVERTIME

Any time worked by a Deputy in excess of eighty (80) hours bi-weekly is considered overtime. Overtime costs will be administered in accordance with the Kaufman County attendance/leave-time/overtime policies as they apply to non-exempt law enforcement personnel. District and the Precinct 2 Constable's Office will establish an overtime protocol designed to help manage overtime costs. Precinct 2 Constable's Office will use its best efforts to notify District prior to the scheduling of planned overtime. District agrees to compensate the County for reasonable and customary overtime costs; and the County agrees that overtime costs shall be incurred only when determined to be reasonably necessary to affect the purposes and intent of this agreement. Such costs will be added to the quarterly invoice to District.

ABSENCES

The District understands and agrees that the nature of hiring personnel will include a certain amount of employee absences, each Patrol Unit will receive County employee benefits, including holiday, sick, vacation, personal, compensation time that will be incorporated in their eighty (80) hours bi-weekly service hours, thus reducing the amount of direct patrol hours to District. Precinct 2 Constable's Office will use its best-efforts to notify District prior to the scheduling of planned absences. If possible and within personnel and budgetary limits, Precinct 2 Constable's Office may assign a substitute Patrol Unit to District to provide service in the absence of the assigned Patrol Unit. Precinct 2 Constable's Office will provide information to the District of patrol deputy absences.

V. PERSONNEL

PATROL DEPUTY

Although the peace officers shall at all times remain under the control and supervision of the Constable's Office, the Constable's Office agrees as follows with respect to the additional law enforcement services to be furnished by the peace officers under this Agreement: the District shall not withhold or pay any federal, state or local income tax, nor payroll tax of any kind, on behalf of the peace officers. The County shall be responsible for the filing and payment of all income related taxes associated with the services performed by the peace officers under this Agreement. The peace officers shall not be treated as employees of the District with respect to the services performed hereunder for federal or state tax purposes, for workers compensation purposes, or for any other purposes.

CHAIN OF COMMAND

Each Deputy will be an employee of the County and will be in the chain of command at the Kaufman County Constable Precinct # 2. Each Deputy is obligated to follow all guidelines, policies, and procedures of the County and the Kaufman County Constable Precinct # 2.

WORK ASSIGNMENT

Each Deputy shall have his/her work assignment and duties outlined under this Agreement as their primary job assignment and will not regularly be assigned additional police duties by the Kaufman County Constable Precinct # 2. The County reserves the right, however, to reassign a Deputy temporarily in the event of an emergency, or when other circumstances require an enhanced police presence elsewhere in the Constable's jurisdiction. The Precinct 2 Constable's Office will provide information to the District of such instances in writing.

VI. EQUIPMENT

EQUIPMENT

The County provides equipment for each Deputy hired by the Kaufman County Constable Precinct # 2. District will be responsible to provide funding so that the equipment designated by the Kaufman County Constable Precinct # 2 for rendering of law enforcement services may be in the same manner, and with the same equipment and vehicle, as is customarily provided by the Kaufman County Constable Precinct #2 within their statutory jurisdiction, and such equipment costs are reflected in Exhibit A hereto.

EQUIPMENT REPLACEMENT

The County may purchase vehicles and equipment, including computer and other electronic equipment, with funding provided by District for the purpose of providing services under this Agreement. Such vehicles and equipment will be subject to any Kaufman County administrative policies and procedures for replacement of such vehicles or equipment. Such replacement will be incorporated into the District funding requirements and will be consistent with the customary maintenance and replacement schedule for like equipment.

PATROL VEHICLE.

The County and District understand and agree that this Agreement provides funding for the expenses for the County. Specifically, to provide a suitable vehicle, equipment, facilities, maintenance, repair, and service of the vehicle for the performance of all duties and obligations of the County as stated herein during the period of this Agreement. Title of any patrol vehicle shall remain in the custody of Kaufman County Constable Precinct # 2's Office. Funding for vehicle expenses shall not indicate any transfer of title, or possession rights, regarding the patrol vehicle.

With the funding provided by District, the County will: (1) coordinate the purchase of liability insurance coverage via the County's policy, (2) provide routine maintenance, repairs, and fuel costs of the vehicle, and (3) purchase, if necessary, and install the necessary equipment to make the vehicle ready for use by each Deputy.

Each Deputy shall have the full authority to use the vehicle in accordance with the County and Kaufman County Constable Precinct # 2 policies. This includes, but is not limited to, allowing each Deputy to take the vehicle home, within a reasonable distance. District is not responsible for any costs that are attributable to a Deputy's misuse of the vehicle in violation of this Agreement and the County and Kaufman County Constable Precinct # 2 policies.

VII. COUNTY'S RESPONSIBILITIES

For the purposes and consideration herein stated and contemplated, the County, through the Kaufman County Constable Precinct # 2, will provide the following necessary and appropriate services for the District to the extent authorized by this Agreement and state or federal law:

LIAISON

County will designate the Kaufman County Constable Precinct # 2 or his designee to act on behalf of County to serve as "Constable Liaison Designee" for County. The Constable Liaison Designee will make or receive requests and confer upon matters concerning the delivery of Patrol services to the District. The District will observe and utilize the Constable Liaison Designee who will devote sufficient time and attention to the execution of said duties on behalf of the County and will provide immediate and direct supervision of the Kaufman County Constable Precinct # 2 employees, in the furtherance of the purposes, terms and conditions of this Agreement for the mutual benefit of County and the District. In the event that new Designee is assigned, the County shall notify the District by sending notice to the District's address as provided in this Agreement.

Constable Liaison Designee: Sergeant Jerry Kitchens
Kaufman County Constable Precinct # 2
200 East Main St.

Forney, Texas 75126
Phone: 972-564-4054 x 110
Cell: 214-236-4141

COUNTY LIABILITY:

The County understands and agrees that the County, its employees, servants, agents, and representatives are not and shall at no time represent themselves to be employees, servants, agents, and/or representatives of the District. The County shall not be required to indemnify nor defend the District for any liability arising out of the wrongful acts of employees or agents of the District to the extent allowed by Texas law.

SERVICE MANAGEMENT

The planning, organization, assignment, direction, and supervision of County personnel under this agreement will be determined by the Kaufman County Constable Precinct # 2. The rendition of service, the standards of performance, the discipline of deputies, and other matters incident to the performance of such services and the control of personnel so employed will be the responsibility of the Kaufman County Constable Precinct # 2.

RESPONSIVENESS

The County will give prompt consideration to all requests from the District routed through the Constable Liaison Designee regarding delivery of patrol services under this Agreement. The County will make every effort to comply with these requests as long as they are consistent with State law and the policies of the Kaufman County Constable Precinct # 2.

NOTICES

Any and all notices to the County required by this Agreement will be sent to the following parties at their respective addresses listed below:

- (1) Commissioner Skeet Phillips, Precinct No. 2 Kaufman County
Forney Sub Courthouse 200 East Main Forney, Texas 75126
Phone 972-564-4054
- (2) Sergeant Jerry Kitchens
200 East Main St. Forney, Texas 75126 Phone
972-564-4054 x 110
- (3) Kaufman County Judge's Office
100 W. Mulberry
Kaufman, TX 75142

VIII. DISTRICT'S RESPONSIBILITIES

For the purposes and consideration herein stated and contemplated, the District shall have the following responsibilities to the maximum extent authorized by this Agreement and state or federal law:

LIAISON

The District designate as representatives to act on behalf of the District, and to serve as "Liaison Contact" for the District by submitting the Liaison's contact information to the Constable's Office. The Liaison Contact will devote sufficient time and attention to the execution of said duties on behalf of the District and will provide immediate and direct supervision of the District in the furtherance of the purposes, terms and conditions of this Agreement for the mutual benefit of the District and County. In the event that new Designee is assigned, the District shall notify the County by sending notice to the County's address as provided in this Agreement.

District Liaison Contact: Mindy L. Koehne
Coats Rose, P.C.
14755 Preston Road, Suite 600
Dallas, Texas 75254
Phone: 972-788-1600
Fax: 972-702-0662

DISTRICT'S LIABILITY:

The District understands and agrees that the District, its employees, servants, agents, and representatives are not and shall at no time represent themselves to be employees, servants, agents, and/or representatives of the County. The District shall not be required to indemnify nor defend the County for any liability arising out of the

wrongful acts of employees or agents of the County to the extent allowed by Texas law.

AREA OF ENFORCEMENT (MAPS)

The District will provide County with accurate maps of the areas and boundaries of the District and the areas to be patrolled. Subdivision plats and updated maps will be provided to the County as the land is platted or boundaries change. Exhibit B attached hereto contains a legal description of the area to be patrolled within the District.

NOTICES

The District designates the following address for notices required by this Agreement to be sent to the following:

Kaufman County Municipal Utility No.5
c/o Coats Rose, P.C.
14755 Preston Road, Suite 600
Dallas, Texas 75254
Phone: 972-788-1600
Fax: 972-702-0662

IX. MISCELLANEOUS PROVISIONS

RECOURSE

The District's recourse for failure of County to furnish services under this Agreement will be the right to terminate this agreement pursuant to Section II. In the event that the District request a refund of already paid fees, Precinct # 2 Constable and the President of each District Board, or their respective designees, shall determine by mutual agreement the fee amount. Conversely, in the event that the County requests payment for any services, already performed but not yet paid, the payment amount shall be determined by mutual agreement of the parties.

DISPUTES

Any dispute arising from the failure, of either the District or County, to agree on any potential refund and/or payment amounts will be first submitted to non-binding mediation. Each party will pay one-half (1/2) of the cost of expense of said mediation.

It is further agreed and understood that the scope of matters to be submitted to dispute mediation as referenced above is limited to disputes concerning sufficiency or performance and duty to pay or entitlement, if any, to any reduced fee or compensation. Any other disputes or conflicts involving damages or claimed remedies outside the scope of sufficiency or performance and compensation adjustment will be referred to a court of competent jurisdiction.

CURRENT REVENUES

Pursuant to Section 791.011(d)(3) of the Texas Government Code, each Party performing services or furnishing services pursuant to this Agreement shall do so with funds available from current revenues of the Party.

NON-APPROPRIATION AND FISCAL FUNDING

The obligations of the Parties under this Agreement do not constitute a general obligation or indebtedness of either Party for which such Party is obligated to levy, pledge, or collect any form of taxation. It is understood and agreed that either Party shall have the right to terminate this Agreement at the end of either Party's fiscal year if the governing body of such Party does not appropriate sufficient funds as determined by such Party's budget for the fiscal year in question. The Party may effect such termination by giving the other Party written notice of termination at the end of its then-current fiscal year.

NO THIRD PARTY BENEFICIARIES

No term or provision of this Agreement is intended to, or shall, create any rights in any person, firm, corporation, or other entity not a party hereto, and no such person or entity shall have any cause of action

hereunder.

VENUE

The District and County agree that this Agreement and all disputes arising thereunder shall be governed by the laws of the State of Texas, and that exclusive venue for any action arising under this Agreement shall be in Kaufman County, Texas.

SEVERABILITY

The validity of this Agreement and/or any of its terms or provisions, as well as the rights and duties of the parties hereto, shall be governed by the laws of the State of Texas. Further, this Agreement shall be performed and all compensation payable in Kaufman County, Texas. In the event that any portion of this Agreement shall be found to be contrary to law, it is the intent of the parties hereto that the remaining portions shall remain valid and in full force and effect to the extent possible.

LIABILITY AND IMMUNITY

This Agreement is made for the express purposes of providing patrol services, which all parties recognize to be a governmental function. Except as hereinafter provided no party assumes any liability beyond that provided by law.

Nothing in this Agreement shall be deemed to waive, modify or amend any legal defense available at law or in equity to either party, their past or present officers, employees, or agents, nor to create any legal rights or claim on behalf of any third party. Neither party waives, modifies, or alters to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas and of the United States.

Except as hereinafter provided no party assumes any liability beyond that provided by law and expressly acknowledges the potential shifting and/or assumption of liability as outlined in the Interlocal Agreement Act codified in Government Code §791.006.

FORCE MAJEURE

Notwithstanding any other provisions of this Agreement to the contrary, no failure, delay or default in performance of any obligation hereunder shall constitute an event of default or a breach of this Agreement if such failure to perform, delay or default arises out of causes beyond the control and without the fault or negligence of the Party otherwise chargeable with failure, delay or default; including but not limited to acts of God, acts of public enemy, civil war, insurrection, riots, fires, floods, explosion, theft, earthquakes, natural disasters or other casualties, strikes or other labor troubles, which in any way restrict the performance under this Agreement by the Parties.

ENTIRE AGREEMENT

This Agreement represents the entire and integrated Agreement between County and the District and supersedes all prior negotiations, representations and/or agreements, either written or oral. The terms and conditions in this Agreement may be amended only by written instrument signed by both County and the District.

AUTHORIZED OFFICIALS

The undersigned officer and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto, and each party certifies to the others that any necessary actions or resolutions extending said authority have been duly passed and are now in full force and effect. The County Judge, or the Presiding Officer of the Kaufman County Commissioners Court, is granted the authority to execute this agreement upon the approval of the Kaufman County Commissioners Court of this contract.

COUNTERPARTS

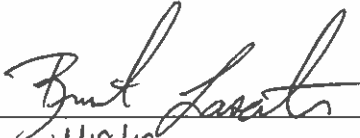
This Agreement may be executed in counterpart with no adverse bearing on dignity and effect.
[Execution Page Follows]

KAUFMAN COUNTY, TEXAS

KAUFMAN COUNTY
MUNICIPAL UTILITY DISTRICT #5

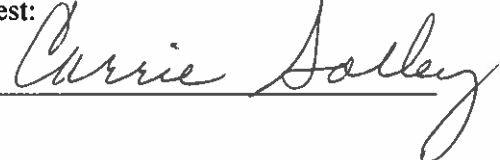
County Judge

Date Signed



(4/18/19) Date Signed

Attest:

Attest: 

Approved as to Form:

Approved as to Form:

Kaufman County Assistant District Attorney



Attorney for Kaufman County MUD No. 5

Clements Ranch
FY2019

Attachment (A)		
<i>Based on 40 hours a week</i>		
Base Salary	45,502.00	Entry Level Deputy for 52 weeks
Step Pay	6,000.00	
Longevity	1,546.00	
Social Security	4,059.00	Payroll Taxes: 1.45% Medicare + 6.20 % Social Security
Retirement	5,155.00	County Retirement: 9.71% / 9.72%
Insurance	11,422.00	12 Month Health Ins. + 2.48% Worker's Comp + 0.26% Unemployment
Uniform	500.00	
Vehicle Maintenance	1,500.00	Routine Maintenance
Fuel/Oil	3,500.00	Fuel & Oil Changes
Vehicle Insurance	450.00	
<i>Operating Sub-Total</i>	<i>79,634.00</i>	
Indirect	13,000.00	Cost for Support Services
Contingency 10%	7,964.00	Unforeseen Costs
<i>Sub-Total</i>	<i>20,964.00</i>	
Total	100,598.00	General Fund Revenue

**EXHIBIT B
LEGAL DESCRIPTION
CLEMENTS RANCH**

BEING a 257.540 acre tract of land situated in the City of Dallas, Extra Territorial Jurisdiction, Kaufman County, Texas, being a part of the John R. Conner Survey, Abstract No. 100, the William Conner Survey, Abstract No. 92 and the Solomon Woods Survey, Abstract No. 574, being the same tract of land called 257.535 acre tract of land conveyed to CADG Travis Ranch 257, LLC, by deed of record in Volume 4819, Page 464, Deed Records, Kaufman County, Texas, said 257.540 acre tract being more particularly described as follows:

BEGINNING at a PK nail set in Lake Ray Hubbard Drive (public) for the southeast corner of said called 257.535 acre tract, said nail being in the northerly line of the 489.456 acre tract of land conveyed to Travis Ranch, LLC, by deed of record in Volume 3481, Page 101, of said Deed Records;

THENCE in a northwesterly direction with said Lake Ray Hubbard Drive and the northerly line of said 489.456 acre tract the following calls and distances:

North 43 degrees 12 minutes 55 seconds West a distance of 190.86 feet;

North 46 degrees 18 minutes 13 seconds West a distance of 100.45 feet;

Along a curve to the left having a radius of 752.63 feet and an arc length of 500.68 feet (chord bears North 65 degrees 21 minutes 41 seconds West, 491.50 feet);

North 84 degrees 25 minutes 15 seconds West, a distance of 102.69 feet;

North 87 degrees 08 minutes 19 seconds West, a distance of 101.91 feet;

North 89 degrees 49 minutes 18 seconds West, a distance of 199.30 feet;

South 89 degrees 19 minutes 44 seconds West, a distance of 200.60 feet;

North 89 degrees 35 minutes 32 seconds West, a distance of 179.93 feet;

North 88 degrees 58 minutes 17 seconds West, a distance of 73.77 feet;

North 84 degrees 49 minutes 51 seconds West, a distance of 73.00 feet;

Along a curve to the right having a radius of 255.32 feet and an arc length of 160.49 feet (chord bears North 66 degrees 49 minutes 23 seconds West, 157.86 feet);

North 48 degrees 48 minutes 52 seconds West, a distance of 48.28 feet;

North 44 degrees 52 minutes 57 seconds West, a distance of 190.00 feet;

North 45 degrees 08 minutes 09 seconds West, a distance of 354.80 feet;

North 45 degrees 18 minutes 51 seconds West, a distance of 146.93 feet;

North 42 degrees 53 minutes 16 seconds West, a distance of 37.53 feet;

Along a curve to the right having a radius of 418.75 feet and an arc length of 368.92 feet (chord bears North 17 degrees 38 minutes 56 seconds West, 357.10 feet);

North 07 degrees 35 minutes 24 seconds East, a distance of 180.68 feet;

North 07 degrees 03 minutes 51 seconds East, a distance of 163.18 feet;

North 04 degrees 48 minutes 02 seconds East, a distance of 28.22 feet;

North 12 degrees 21 minutes 58 seconds East, a distance of 132.28 feet;

North 17 degrees 32 minutes 19 seconds East, a distance of 82.78 feet;

North 18 degrees 40 minutes 21 seconds East, a distance of 94.60 feet;

Along a curve to the right having a radius of 700.33 feet and an arc length of 208.92 feet (chord bears North 27 degrees 13 minutes 07 seconds East, 208.15 feet);

North 35 degrees 45 minutes 54 seconds East, a distance of 64.83 feet;

North 37 degrees 29 minutes 47 seconds East, a distance of 261.43 feet;

North 36 degrees 20 minutes 07 seconds East, a distance of 55.31 feet;

North 43 degrees 36 minutes 24 seconds East, leaving said Lake Ray Hubbard Drive a distance of 140.80 feet to a 1/2" iron rod found for an angle point in the west line of said called 257.535 acre tract;

THENCE North 00 degrees 09 minutes 44 seconds West, re-entering said Lake Ray Hubbard Drive and continuing along the general course thereof a total distance of 999.96 feet to a PK nail set for an angle point in the west line of said called 257.535 acre tract;

THENCE North 01 degrees 08 minutes 00 seconds West, a distance of 677.06 feet to a PK nail found for the northwest corner of said called 257.535 acre tract;

THENCE South 89 degrees 57 minutes 41 seconds East with the north line of said 257.535 acre tract, a distance of 2,121.38 feet to a found 1/2" iron rod;

THENCE South 52 degrees 55 minutes 23 seconds East continuing with said north line, a distance of 943.70 feet to a 1/2" iron rod with yellow plastic cap stamped "CARTER BURGESS" found at the most southerly corner of Lot 10, Block F of Travis Ranch, Phase 2A, an addition to Kaufman County as shown by plat of record in Volume 2584, Page 385 of the Plat Records, Kaufman County, Texas, said rod marking the northwest corner of the 14.719 acre tract of land conveyed to Forney Independent School District by deed of record in Volume 2778, Page 396 of the Deed Records, Kaufman County, Texas;

THENCE South 52 degrees 52 minutes 34 seconds East with the west line of said 14.719 acre tract, a distance of 507.07 feet to a 1/2" iron rod found marking an angle point in said west line, said rod being the most easterly northeast corner of said called 257.535 acre tract;

THENCE South 50 degrees 18 minutes 20 seconds West, a distance of 816.83 feet to a 1/2" iron rod found at an angle point in the west line of Lot 20, Block P, of Travis Ranch, Phase 2B, an addition to Kaufman County as shown by plat of record in Cabinet 2, Page 749, of said Plat Records;

THENCE South 06 degrees 03 minutes 19 seconds West, a distance of 139.65 feet to a 5/8" iron rod with yellow plastic cap stamped "CARTER BURGESS" found for the southwest corner of Lot 21, of said Block P and the northwest corner of the 13.490 acre tract of land conveyed to CADG Travis Ranch, LLC, by deed of record in Volume 4824, Page 276, of said Deed Records;

THENCE South 05 degrees 51 minutes 04 seconds West, a distance of 1,119.86 feet to a 1/2" iron rod found for the southwest corner of said 13.490 acre tract;

THENCE South 80 degrees 22 minutes 19 seconds East, with the south line of said 13.490 acre tract, a distance of 280.93 feet to an iron rod found marking an angle point in the east line said called 257.535 acre tract, said rod being the most westerly northwest corner of the 43.177 acre tract of land conveyed to CADG Travis Ranch LLC by deed of record in Volume 4824, Page 282, of said Deed Records;

THENCE along the east line of said called 257.535 acre tract the following calls and distances:

South 15 degrees 15 minutes 26 seconds West, a distance of 837.59 feet to an iron rod found at an angle point in the west line of said 43.177 acre tract;

South 45 degrees 15 minutes 58 seconds West, passing the southwest corner of said 43.177 acre tract and continuing along the west line of the 92.332 acre tract of land described as Exhibit "C" – Tract 1 in deed to CTMGT Travis Ranch LLC of record in Volume 3447, Page 61 of said Deed Records, for a total distance of 871.04 feet to an iron rod found marking an angle point in the east line said called 257.535 acre tract;

South 07 degrees 30 feet 54 seconds West, a distance of 78.82 feet to an iron rod found marking an angle point in the east line said called 257.535 acre tract;

South 36 degrees 58 minutes 50 seconds West, a distance of 133.66 feet to an iron rod found marking an angle point in the east line said called 257.535 acre tract;

South 46 degrees 48 minutes 08 seconds West, a distance of 25.24 feet to the **POINT-OF-BEGINNING** and containing **257.540 acres or 11,218,433 square feet** of land.

**INTERLOCAL AGREEMENT FOR LAW ENFORCEMENT PATROL
SERVICES BETWEEN KAUFMAN COUNTY AND KAUFMAN COUNTY
MUNICIPAL UTILITY DISTRICT Nos. 6 & 7**

This INTERLOCAL AGREEMENT FOR LAW ENFORCEMENT PATROL SERVICES, hereinafter referred to as "Agreement," is made by and between Kaufman County, a political subdivision of the State of Texas, hereinafter referred to as the "County," and Kaufman County Municipal Utility District Nos. 6 and 7, political subdivisions of the State of Texas, hereinafter referred to as the "Districts."

WHEREAS, the County is a duly organized political subdivision of the State of Texas engaged in the administration of county government and related services for the benefit of the citizens of Kaufman County, Texas; and

WHEREAS, the Kaufman County Precinct # 2 Constable's Office is a duly organized agency of Kaufman County engaged in the providing of law enforcement and related services for the benefit of citizens of Kaufman County, Texas, including the citizens residing within the respective boundaries of the Districts; and

WHEREAS, the Districts are a political subdivision of the State of Texas created pursuant to Article XVI, Section 59 of the Texas Constitution and operating pursuant to Chapters 54 and 49 Texas Water Code as amended; and

WHEREAS, pursuant to Section 49.216, Texas Water Code, the Districts may contract to employ peace officers with the power to make arrests when necessary to abate the commission of, among other things, any offense against the laws of the State of Texas. The County is authorized to provide law enforcement services to the Districts pursuant to Texas Government Code Section 791.011(c)(2); and

WHEREAS, the County and the Districts further covenant that all payments mandated by this Agreement do fairly compensate the County for the furnishing of law enforcement services; and

WHEREAS, the County and the Districts desire to improve the efficiency and effectiveness of local governments by contracting for services of patrol and other law enforcement services as specified elsewhere herein; and

WHEREAS, the Districts seek to provide additional law enforcement and related services for the benefit of citizens within their respective boundaries; and

WHEREAS, the County and the Districts mutually desire to be subject to the provisions of the Interlocal Cooperation Act of the V.T.C.A. Government Code, Chapter 791; and

NOW THEREFORE, the County and the Districts, for the mutual consideration hereinafter stated, agree and understand as follows:

I. PURPOSE

The purpose of this Agreement is to provide additional law enforcement services to ensure the peace and safety of the citizens of the County particularly within the territorial confines of the Districts and to provide such a public benefit through the deployment of County property and personnel as deemed appropriate by the Kaufman County Precinct #2 Constable's Office.

II. TERM

TERM AND RENEWAL

The services to be performed under this Agreement shall commence on _____, 2019, and shall continue thereafter until September 30th, 2019, unless terminated sooner in accordance with other provisions of this Agreement. Upon expiration of the initial term, the Parties agree that this Agreement shall automatically renew each fiscal year for subsequent twelve (12) month periods beginning on the first (1st) day of October and ending on the thirtieth (30th) day of September of each budget year. This Agreement may be terminated in accordance with the proceeding "Termination" provision.

TERMINATION

Written notice is required for any party desiring to terminate this Agreement. The Agreement may be terminated at any time, for cause or no cause, by either party giving thirty (30) days written notice to the other party to the identified Notice Addresses provided in this Agreement. The notice must be made by U.S. Postal Service, Certified Mail, Return Receipt Requested.

III. CONSIDERATION FOR SERVICES AND FINANCIAL PROVISIONS

CONTRACT FUNDING AMOUNT

In consideration for the services provided by the County, the Districts agree to fully fund and reimburse the County for such expenses in the amount as set forth on Exhibit A hereto, subject to the provisions of "CONTINGENCY FEE." The County shall provide to the Districts, no later than sixty (60) days prior to the expiration of any term (original or renewal) of this Agreement, an updated Exhibit A setting forth proposed changes to such expenses, if any, that would apply to the immediately following renewal term.

CONTINGENCY FEE

The Districts understand and agree that fees may occur that are not contemplated by this Agreement. The creation of a contingency fee line will allow the County to account for such expenses, some of which are described in Exhibit A hereto. Such expenses may include, but are not limited to, Deputy training/school, unexpected vehicle maintenance, uniform expenses, etc. Non-budgeted expenses shall be invoiced to the Districts within the routine quarterly invoice. A contingency fee will not be invoiced if non-budgeted expenses do not occur. The purpose of the 10% fee is to fairly compensate the County for all expenses incurred under the terms of this Agreement, including those that cannot be reasonably anticipated in advance; and the parties agree that 10% is a fair estimate of such potential unanticipated expenses. However, if any non-budgeted expenses occur that exceed the 10% contingency fee, the Districts will remain responsible for reimbursing the County for such expenses upon reasonable justification that the expense was necessary to uphold the terms of this Agreement. Funding disagreements shall be subject to provisions of "DISPUTES."

INDIRECT FEE

The Districts understand and agree that administrative duties are required to ensure compliance with this Agreement, and that those duties may not be quantifiable in the same way as patrol duties and operating expenses. The creation of an indirect-fee line will allow the County to be fairly compensated for these activities. The indirect fee shall be invoiced in equal installments to the Districts within the routine quarterly invoice.

BILLING

The County Auditor's Office will invoice the Districts on a quarterly basis and the amount billed shall be due from the Districts' current revenues within 30 days of the receipt of an invoice from the County. Such invoice will be forwarded to the Districts in care of the bookkeeper for the Districts, currently:

Cindy Schmidt
L&S District Services, LLC
P.O. Box 170
Tomball, Texas 77377

CHANGE OF ADDRESS

The Districts are responsible to notify the County if a change of billing address should become

necessary.

SUSPENSION OF SERVICES

The County Auditor's Office shall notify the Constable's Office if the Districts become delinquent in payment of the contracted funding. Payment shall be considered delinquent if the Districts fail to make payment to the County within thirty (30) days after the receipt of a quarterly invoice. The Constable's Office shall notify the Districts to discuss the non-payment. If the delinquent payment status continues, then the County may suspend services to the Districts for non-payment. The Constable's Office will identify a date on which the services will be suspended and will notify the Districts by telephone and in writing (to the Notice addresses provided in this Agreement) of the date service will be suspended.

If service by County to the Districts has been suspended for non-payment and the Districts subsequently become current on payments owed to County under this Agreement, it is the responsibility of the Districts to contact the County Auditor's Office and the Constable's Office to confirm receipt of payment and that services are reactivated. The Districts will not receive credit for time which service is suspended for non-payment.

IV. SCOPE OF SERVICES

SCOPE OF SERVICES

The County affirms and approves the authority of the Kaufman County Precinct # 2 Constable's Office to provide one or more peace officers, as deemed appropriate by the Constable's Office, to devote a primary portion of their working time, with the total number of hours per month to be set forth in this agreement and, thereafter, may be adjusted by the Districts as set forth below, to provide law enforcement services within the Districts' geographical boundaries. It is intent of this Agreement that the peace officers' working time should be spent in the Area.

The County and the Constable's Office agree that the patrol services to be furnished pursuant to this Agreement are in addition to the regular on-duty peace officer services furnished within the Districts' geographical boundaries, and that in no event shall the services furnished hereunder alter, impact or lessen the routine patrol services that are otherwise provided in the Districts.

PATROL UNIT

In exchange for the provision of one or more Patrol Unit(s), the Districts agree to pay the County a sum, per unit, totaling the reasonable and necessary expenses, more fully described in Exhibit A hereto. The payments made by the Districts to the County shall be used by the County for reasonable and necessary law enforcement equipment and requirements to support the law enforcement efforts of the Patrol Unit. A Patrol Unit consists of: (1) the Constable's Deputy (personnel), (2) the equipment and vehicle necessary to support the Deputy, and (3) direct and non-direct support services.

The County agrees that each peace officer will be properly insured while operating the patrol vehicle in accordance with Section 612.005(b) of the Texas Government Code, and any other applicable laws.

NUMBER OF PATROL UNITS

Until otherwise notified in writing by the Districts, the County acknowledges that the Districts have determined that one (1) Deputy Constable Patrol Unit will be funded through this Agreement.

HOURS WORKED BY PATROL UNIT

The contracted number of "working time" hours (bi-weekly) by the Patrol Unit is eighty (80) hours. The Districts and the County will agree to the work shifts for each Patrol Unit by separate written notice. The Kaufman County Precinct # 2 Constable's Office will manage the schedule of each Patrol Unit so that the Patrol Unit has as many direct patrol hours as possible within the Districts. Districts understand that a Patrol Unit may have a certain number of undefined hours in which the Patrol Unit may be needed to attend court hearings, training, meetings, or have routine employee-related absences which may reduce the number of direct patrol hours. If possible and within personnel and budgetary limits, the County may assign a substitute Patrol Unit to Districts to provide service in the absence of the assigned Patrol Unit.

The Constable's Office will provide information to Districts of Deputy absences in writing on a quarterly basis. In addition, the Districts may at any time request work logs or similar materials documenting the hours worked by a Patrol Unit in order to determine the number of direct patrol hours within the Districts, and the County shall provide said documentation upon this request. Information requested, and provided, shall be subject to the Texas Public Information Act.

As used herein, the phrase "working time" means those hours designated by the Constable's Office in which its commissioned peace officers are assigned to provide additional law enforcement services in the Area pursuant to this Agreement. During such working time, the peace officers shall perform law enforcement services as normally provided when working directly for the Constable's Office. The Constable's Office shall retain control and supervision of the peace officers performing services under this Agreement to the same extent as the Constable's Office does with its other peace officers that are working outside the Districts' Area. The peace officers must always comply with the laws of the State of Texas and act within the scope of the General Orders and Standard Operating Procedures of the Constable's office. The peace officers cannot enforce "District policies" or "house rules" of the Districts; provided, however, the peace officers shall enforce District Rules and Regulations adopted pursuant to Section 54.205 of the Texas Water Code and published in accordance with Sections 54.206 through 54.208 of the Texas Water Code.

OVERTIME

Any time worked by a Deputy in excess of eighty (80) hours bi-weekly is considered overtime. Overtime costs will be administered in accordance with the Kaufman County attendance/leave-time/overtime policies as they apply to non-exempt law enforcement personnel. Districts and the Precinct 2 Constable's Office will establish an overtime protocol designed to help manage overtime costs. Precinct 2 Constable's Office will use its best efforts to notify Districts prior to the scheduling of planned overtime. Districts agree to compensate the County for reasonable and customary overtime costs; and the County agrees that overtime costs shall be incurred only when determined to be reasonably necessary to affect the purposes and intent of this agreement. Such costs will be added to the quarterly invoice to Districts.

ABSENCES

The Districts understand and agree that the nature of hiring personnel will include a certain amount of employee absences, each Patrol Unit will receive County employee benefits, including holiday, sick, vacation, personal, compensation time that will be incorporated in their eighty (80) hours bi-weekly service hours, thus reducing the amount of direct patrol hours to Districts. Precinct 2 Constable's Office will use its best-efforts to notify Districts prior to the scheduling of planned absences. If possible and within personnel and budgetary limits, Precinct 2 Constable's Office may assign a substitute Patrol Unit to Districts to provide service in the absence of the assigned Patrol Unit. Precinct 2 Constable's Office will provide information to the Districts of patrol deputy absences.

V. PERSONNEL

PATROL DEPUTY

Although the peace officers shall at all times remain under the control and supervision of the Constable's Office, the Constable's Office agrees as follows with respect to the additional law enforcement services to be furnished by the peace officers under this Agreement: the Districts shall not withhold or pay any federal, state or local income tax, nor payroll tax of any kind, on behalf of the peace officers. The County shall be responsible for the filing and payment of all income related taxes associated with the services performed by the peace officers under this Agreement. The peace officers shall not be treated as employees of the Districts with respect to the services performed hereunder for federal or state tax purposes, for workers compensation purposes, or for any other purposes.

CHAIN OF COMMAND

Each Deputy will be an employee of the County and will be in the chain of command at the Kaufman County Constable Precinct # 2. Each Deputy is obligated to follow all guidelines, policies, and procedures of the County and the Kaufman County Constable Precinct # 2.

WORK ASSIGNMENT

Each Deputy shall have his/her work assignment and duties outlined under this Agreement as their primary job assignment and will not regularly be assigned additional police duties by the Kaufman County Constable Precinct # 2. The County reserves the right, however, to reassign a Deputy temporarily in the event of an emergency, or when other circumstances require an enhanced police presence elsewhere in the Constable's jurisdiction. The Precinct 2 Constable's Office will provide information to the Districts of such instances in writing.

VI. EQUIPMENT

EQUIPMENT

The County provides equipment for each Deputy hired by the Kaufman County Constable Precinct # 2. Districts will be responsible to provide funding so that the equipment designated by the Kaufman County Constable Precinct # 2 for rendering of law enforcement services may be in the same manner, and with the same equipment and vehicle, as is customarily provided by the Kaufman County Constable Precinct #2 within their statutory jurisdiction, and such equipment costs are reflected in Exhibit A hereto.

EQUIPMENT REPLACEMENT

The County may purchase vehicles and equipment, including computer and other electronic equipment, with funding provided by Districts for the purpose of providing services under this Agreement. Such vehicles and equipment will be subject to any Kaufman County administrative policies and procedures for replacement of such vehicles or equipment. Such replacement will be incorporated into the Districts' funding requirements and will be consistent with the customary maintenance and replacement schedule for like equipment.

PATROL VEHICLE.

The County and Districts understand and agree that this Agreement provides funding for the expenses for the County. Specifically, to provide a suitable vehicle, equipment, facilities, maintenance, repair, and service of the vehicle for the performance of all duties and obligations of the County as stated herein during the period of this Agreement. Title of any patrol vehicle shall remain in the custody of Kaufman County Constable Precinct # 2's Office. Funding for vehicle expenses shall not indicate any transfer of title, or possession rights, regarding the patrol vehicle.

With the funding provided by Districts, the County will: (1) coordinate the purchase of liability insurance coverage via the County's policy, (2) provide routine maintenance, repairs, and fuel costs of the vehicle, and (3) purchase, if necessary, and install the necessary equipment to make the vehicle ready for use by each Deputy.

Each Deputy shall have the full authority to use the vehicle in accordance with the County and Kaufman County Constable Precinct # 2 policies. This includes, but is not limited to, allowing each Deputy to take the vehicle home, within a reasonable distance. Districts are not responsible for any costs that are attributable to a Deputy's misuse of the vehicle in violation of this Agreement and the County and Kaufman County Constable Precinct # 2 policies.

VII. COUNTY'S RESPONSIBILITIES

For the purposes and consideration herein stated and contemplated, the County, through the Kaufman County Constable Precinct # 2, will provide the following necessary and appropriate services for the Districts to the extent authorized by this Agreement and state or federal law:

LIAISON

County will designate the Kaufman County Constable Precinct # 2 or his designee to act on behalf of County to serve as "Constable Liaison Designee" for County. The Constable Liaison Designee will make or receive requests and confer upon matters concerning the delivery of Patrol services to the Districts. The Districts will observe and utilize the Constable Liaison Designee who will devote sufficient time and attention to the execution of said duties on behalf of the County and will provide immediate and direct supervision of the Kaufman County Constable Precinct # 2 employees, in the furtherance of the purposes, terms and conditions of this Agreement for the mutual benefit of County and the Districts. In the event that new Designee is assigned, the County shall notify the Districts by sending notice to the Districts' address as provided in this Agreement.

Constable Liaison Designee: Sergeant Jerry Kitchens
Kaufman County Constable Precinct # 2
200 East Main St.

Forney, Texas 75126
Phone: 972-564-4054 x 110
Cell: 214-236-4141

COUNTY LIABILITY:

The County understands and agrees that the County, its employees, servants, agents, and representatives are not and shall at no time represent themselves to be employees, servants, agents, and/or representatives of the Districts. The County shall not be required to indemnify nor defend the Districts for any liability arising out of the wrongful acts of employees or agents of the Districts to the extent allowed by Texas law.

SERVICE MANAGEMENT

The planning, organization, assignment, direction, and supervision of County personnel under this agreement will be determined by the Kaufman County Constable Precinct # 2. The rendition of service, the standards of performance, the discipline of deputies, and other matters incident to the performance of such services and the control of personnel so employed will be the responsibility of the Kaufman County Constable Precinct # 2.

RESPONSIVENESS

The County will give prompt consideration to all requests from the Districts routed through the Constable Liaison Designee regarding delivery of patrol services under this Agreement. The County will make every effort to comply with these requests as long as they are consistent with State law and the policies of the Kaufman County Constable Precinct # 2.

NOTICES

Any and all notices to the County required by this Agreement will be sent to the following parties at their respective addresses listed below:

- (1) Commissioner Skeet Phillips, Precinct No. 2 Kaufman County
Forney Sub Courthouse 200 East Main Forney, Texas 75126
Phone 972-564-4054
- (2) Sergeant Jerry Kitchens
200 East Main St. Forney, Texas 75126 Phone
972-564-4054 x 110
- (3) Kaufman County Judge's Office
100 W. Mulberry
Kaufman, TX 75142

VIII. DISTRICTS' RESPONSIBILITIES

For the purposes and consideration herein stated and contemplated, the Districts shall have the following responsibilities to the maximum extent authorized by this Agreement and state or federal law:

LIAISON

The Districts designate as representatives to act on behalf of the Districts, and to serve as "Liaison Contact" for the Districts by submitting the Liaison's contact information to the Constable's Office. The Liaison Contact will devote sufficient time and attention to the execution of said duties on behalf of the Districts and will provide immediate and direct supervision of the Districts in the furtherance of the purposes, terms and conditions of this Agreement for the mutual benefit of the Districts and County. In the event that new Designee is assigned, the Districts shall notify the County by sending notice to the County's address as provided in this Agreement.

Districts Liaison Contact: Mindy L. Koehne
Coats Rose, P.C.
14755 Preston Road, Suite 600
Dallas, Texas 75254
Phone: 972-788-1600
Fax: 972-702-0662

DISTRICTS' LIABILITY:

The Districts understand and agree that the Districts, its employees, servants, agents, and representatives are not and shall at no time represent themselves to be employees, servants, agents, and/or representatives of the

County. The Districts shall not be required to indemnify nor defend the County for any liability arising out of the wrongful acts of employees or agents of the County to the extent allowed by Texas law.

AREA OF ENFORCEMENT (MAPS)

The Districts will provide County with accurate maps of the areas and boundaries of the Districts and the areas to be patrolled. Subdivision plats and updated maps will be provided to the County as the land is platted or boundaries change.

NOTICES

The Districts designate the following address for notices required by this Agreement to be sent to the following:

Kaufman County Municipal Utility Nos. 6 & 7
c/o Coats Rose, P.C.
14755 Preston Road, Suite 600
Dallas, Texas 75254
Phone: 972-788-1600
Fax: 972-702-0662

IX. MISCELLANEOUS PROVISIONS

RECOURSE

The Districts' recourse for failure of County to furnish services under this Agreement will be the right to terminate this agreement pursuant to Section II. In the event that the Districts request a refund of already paid fees, Precinct # 2 Constable and the President of each Districts' Board, or their respective designees, shall determine by mutual agreement the fee amount. Conversely, in the event that the County requests payment for any services, already performed but not yet paid, the payment amount shall be determined by mutual agreement of the parties.

DISPUTES

Any dispute arising from the failure, of either the Districts or County, to agree on any potential refund and/or payment amounts will be first submitted to non-binding mediation. Each party will pay one-half (1/2) of the cost of expense of said mediation.

It is further agreed and understood that the scope of matters to be submitted to dispute mediation as referenced above is limited to disputes concerning sufficiency or performance and duty to pay or entitlement, if any, to any reduced fee or compensation. Any other disputes or conflicts involving damages or claimed remedies outside the scope of sufficiency or performance and compensation adjustment will be referred to a court of competent jurisdiction.

CURRENT REVENUES

Pursuant to Section 791.011(d)(3) of the Texas Government Code, each Party performing services or furnishing services pursuant to this Agreement shall do so with funds available from current revenues of the Party.

NON-APPROPRIATION AND FISCAL FUNDING

The obligations of the Parties under this Agreement do not constitute a general obligation or indebtedness of either Party for which such Party is obligated to levy, pledge, or collect any form of taxation. It is understood and agreed that either Party shall have the right to terminate this Agreement at the end of either Party's fiscal year if the governing body of such Party does not appropriate sufficient funds as determined by such Party's budget for the fiscal year in question. The Party may effect such termination by giving the other Party written notice of termination at the end of its then-current fiscal year.

NO THIRD PARTY BENEFICIARIES

No term or provision of this Agreement is intended to, or shall, create any rights in any person, firm,

corporation, or other entity not a party hereto, and no such person or entity shall have any cause of action hereunder.

VENUE

The Districts and County agree that this Agreement and all disputes arising thereunder shall be governed by the laws of the State of Texas, and that exclusive venue for any action arising under this Agreement shall be in Kaufman County, Texas.

SEVERABILITY

The validity of this Agreement and/or any of its terms or provisions, as well as the rights and duties of the parties hereto, shall be governed by the laws of the State of Texas. Further, this Agreement shall be performed and all compensation payable in Kaufman County, Texas. In the event that any portion of this Agreement shall be found to be contrary to law, it is the intent of the parties hereto that the remaining portions shall remain valid and in full force and effect to the extent possible.

LIABILITY AND IMMUNITY

This Agreement is made for the express purposes of providing patrol services, which all parties recognize to be a governmental function. Except as hereinafter provided no party assumes any liability beyond that provided by law.

Nothing in this Agreement shall be deemed to waive, modify or amend any legal defense available at law or in equity to either party, their past or present officers, employees, or agents, nor to create any legal rights or claim on behalf of any third party. Neither party waives, modifies, or alters to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas and of the United States.

Except as hereinafter provided no party assumes any liability beyond that provided by law and expressly acknowledges the potential shifting and/or assumption of liability as outlined in the Interlocal Agreement Act codified in Government Code §791.006.

FORCE MAJEURE

Notwithstanding any other provisions of this Agreement to the contrary, no failure, delay or default in performance of any obligation hereunder shall constitute an event of default or a breach of this Agreement if such failure to perform, delay or default arises out of causes beyond the control and without the fault or negligence of the Party otherwise chargeable with failure, delay or default; including but not limited to acts of God, acts of public enemy, civil war, insurrection, riots, fires, floods, explosion, theft, earthquakes, natural disasters or other casualties, strikes or other labor troubles, which in any way restrict the performance under this Agreement by the Parties.

ENTIRE AGREEMENT

This Agreement represents the entire and integrated Agreement between County and the Districts and supersedes all prior negotiations, representations and/or agreements, either written or oral. The terms and conditions in this Agreement may be amended only by written instrument signed by both County and the Districts.

AUTHORIZED OFFICIALS

The undersigned officer and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto, and each party certifies to the others that any necessary actions or resolutions extending said authority have been duly passed and are now in full force and effect. The County Judge, or the Presiding Officer of the Kaufman County Commissioners Court, is granted the authority to execute this agreement upon the approval of the Kaufman County Commissioners Court of this contract.

COUNTERPARTS


This Agreement may be executed in counterpart with no adverse bearing on dignity and effect.
[Execution Page Follows]

KAUFMAN COUNTY, TEXAS

KAUFMAN COUNTY
MUNICIPAL UTILITY DISTRICT No. 6

County Judge

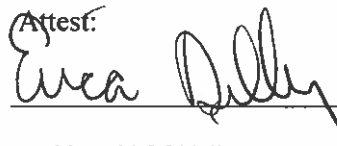
Date Signed


(4-18-19)


Date Signed

Attest:

Attest:

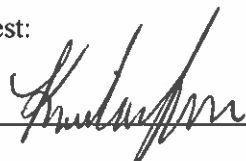


KAUFMAN COUNTY
MUNICIPAL UTILITY DISTRICT No. 7


(4/18/19)

Date Signed

Attest:



Approved as to Form:

Approved as to Form:

Kaufman County Assistant District Attorney



Attorney for Kaufman County MUD Nos. 6 & 7

EXHIBIT "A"

Deputy Constable FY 2019	2019 Travis Ranch (A)		04/12/2019 - 09/30/2019
	1,000	40 HRS PER WEEK x 25 WEEKS	
	\$52,730.48		
Salary	\$21,875.48		
Social Security	\$1,674.00		
Retirement	\$2,127.00		
Insurance	\$2,473.00		
Uniform	\$600.00		
Work Comp/ Unemploy	\$544.00		
Deputy Equipment	\$7,198.00	Taser, Radio, Vest, B-Cam, Laptop/Car	
Vehicle/ Equip	\$0.00	Vehicle Equip + Radio	
Vehicle Maint.	\$1,000.00	- Routine Maint.	
Fuel/Oil	\$1,800.00	- Fuel Oil Changes @ 8,800 miles @ 14 mpg @ \$2.75 pg	
Annual Veh. Ins	\$439.00		
Conting.	\$5,000.00	- Unforeseen Costs	
Indirect	\$8,000.00	Cost for Support Services	
Total	\$52,730.48		

DEPUTATION

THE STATE OF TEXAS

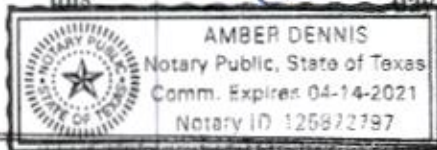
County of Kaufman I, JASON JOHNSON
CONSTABLE PET 2 of the County of Kaufman and State of Texas, having
full confidence in JESSICA LYNN HUNT of said County and State, do hereby,
with the consent of the Honorable Commissioners' Court of Kaufman County, nominate
and appoint JESSICA LYNN HUNT, the said JESSICA LYNN HUNT my true and
lawful deputy, in my name, place and stead, to do and perform any and all acts and things pertaining to the office of said
Deputy Constable of said County and State, hereby ratifying and
confirming any and all such acts and things lawfully done in the premises by virtue hereof.

WITNESS my hand, this 9th day of May 2019.
[Signature] 312 CONSTABLE
of Kaufman County, Texas

THE STATE OF TEXAS

County of Kaufman BEFORE ME, Amber Dennis
Chief Clerk in and for Kaufman County, Texas,
on this day personally appeared JASON KELLY JOHNSON
Kaufman County Constable Pet 2 known to me to be
the person whose name is subscribed to the foregoing deputation, and acknowledged to me that he executed the same for
the purposes and consideration therein expressed.

GIVEN under my hand and seal of office at 200 E. Main St. Forney, TX 75126
this 9th day of May 2019.



Amber Dennis
04-14-2021

OATH OF OFFICE

I, JESSICA LYNN HUNT do solemnly
swear (or affirm) that I will faithfully execute the duties of the office of Deputy Constable
of Kaufman County Constable Pet 2 and of the State of Texas,
and will to the best of my ability preserve, protect, and defend the Constitution and Laws of the United States and of this
State; and I furthermore solemnly swear (or affirm) that I have not, directly nor indirectly, paid, offered or promised to
pay, contributed nor promised to contribute, any money or valuable thing, or promised any public office or employment,
as a reward to secure my appointment, or the confirmation thereof. So help me God.

Subscribed and sworn to before me, this 9th day of May 2019.

STATE OF TEXAS §
 §
COUNTY OF KAUFMAN §

**INTERLOCAL AGREEMENT
BETWEEN COUNTY OF KAUFMAN, TEXAS
AND CITY OF _____ City of Rosser _____, TEXAS**

This Agreement entered into between the County of Kaufman, a political body of the State of Texas, hereinafter referred to as (the "County"), and the City of _____ Rosser _____, a _____ Rosser _____ of the State of Texas, hereinafter referred to as a (the "City").

WITNESSETH:

WHEREAS, the City currently has a need for road maintenance, enhancements, repairs and other projects located within its boundaries within Kaufman County and the City is not equipped to render such services; and

WHEREAS, the City and the County find that the road maintenance, enhancements, repairs and other projects will provide a public benefit to the citizens of both the City and the County and that a cooperative effort by the City and the County, pursuant to the Interlocal Cooperation Act, Texas Government Code, Sec. 791.001 et. Seq., will more efficiently accomplish the purposes set forth herein.

NOW, THEREFORE, for the mutual covenants and considerations expressed herein, the County and the City hereby agree as follows:

1. The County agrees to provide the labor, equipment and materials necessary to complete the road maintenance, enhancements, repairs and other projects that may be requested by the City and accepted by the County.
2. The City agrees to provide funding for the road maintenance, enhancements, repairs and other projects as follows: Upon receipt of a written estimate from the County for specific repairs, or other work, the City will remit the agreed amount of funding to the County in the manner described below. The written estimate submitted by the County will become a part of this Agreement upon submission to and acceptance by the City.
3. Proceeding in order, no work shall commence on a road or other project until the required funds, as listed above, have been deposited by the City with the Kaufman County Treasurer's Office. Said funds shall be placed into an escrow account pending completion of repairs. Once repairs are completed and accepted by the City on a road or other project, the funds will be released from escrow to the County.
4. Repairs and other work are to be made in a good and workmanlike manner and in accordance with the conditions in each specific estimate for such types of repairs and other work.

5. The term of this Agreement shall be for one year from the effective date hereof and may be renewed annually until a particular project's completion and upon the written consent of the City and the County. However, the City and County agree that each shall exercise a good faith effort to proceed in a timely fashion with its respective responsibilities under this agreement; taking into consideration time of year and prevailing weather conditions.
6. To the extent allowed by law, the County agrees and is hereby bound to hold the City whole and harmless from any act or omission of any representative, agent, customer, employee and/or invitee of Kaufman County. To the extent allowed by law, the City agrees and is bound to hold the County whole and harmless from any act or omission of any representative, agent, customer, employee and/or invitee of the City.
7. This Agreement represents the entire understanding of both the City and the County and may not be changed, altered or modified without prior written consent of the City and the County.

IN WITNESS WHEREOF, the City and the County hereto have executed this Agreement by their duly authorized agents, officers and/or officials on the dates set forth below.

City of Russell

By: [Signature]
_____, Mayor

Date: 4-24-19

Attest: Pam Corder
_____, City Secretary

Kaufman County

By: _____
Honorable Hal Richards
Kaufman County Judge

Date: _____

Attest: _____
Laura Hughes, County Clerk

IN THE COMMISSIONERS COURT OF
KAUFMAN COUNTY, TEXAS

SEPARATE WRITTEN APPROVAL OF INTERLOCAL
COOPERATION CONTRACT WITH:

City of Rosser (Other Entity)

The Commissioners' Court of Kaufman County, Texas, in compliance with §791.015 of the Texas Government Code, otherwise known as the Interlocal Cooperation Act, and before the commencement of any work to construct, improve, or repair the subject matter of an Interlocal Contract with City of Rosser (Other Entity), hereby authorizes and approves this separate specific written approval for the proposed project described below. In this regard, the following provisions apply to such proposed Interlocal Cooperation Contract:

1. This approval is separate and distinct from the Interlocal Cooperation Contract itself.
2. The proposed project is for Kaufman County R&B Precinct # 4 to:

A. Description of Project: Donate 24 tons of RAP material

B. Exact Project Location: City of Rosser

C. Material, equipment, labor hours, etc. to be used on this project: 2 dump trucks with 1 hour to complete hauling of material

Approximate Start Date: Weather Permitting Approximate Completion Date: _____

Cost of Project: \$ Donation .*

*(to be paid into an escrow account with the County before the start date of the above described project)

It is mutually understood that no additional projects will be performed for any entities that owe outstanding project costs to Kaufman County.

Approved by Commissioners' Court:

Kaufman County Judge

Date:

Approved by: _____ (Other Entity)

4-24-19

Date:


Authorized Signature for Other Entity

Copy of said agreement will be provided to the County Auditor and an accounts receivable will be recorded for said agreement. The Commissioners Office will report the date of completion to the County Auditor within seven (7) days of completion of above described project. The fund deposited in the escrow account will then be paid to the County.

Kaufman County Commissioner
Receipt | Transfer | Disposal of County Owned Assets

Commissioner Court Meeting Date	Department	Asset Number	Date in Service	Asset Description	Receipt Transfer Disposal T Y P E
05/08/2019	R&B #4	10354	2000	BAGER EXCAVATOR	Trade - City of Kemp

RFP 19-11: Annual Contract for the Purchase of Fuel, Oil, Lubricants, Grease, Anti-Freeze, and Other Related Automotive Chemicals

Monday, April 29, 2019 | 2:00 p.m.

BID TABULATION

Vendor #1	<u>Sun Coast Resources, Inc.</u>
Vendor #2	<u>Borders & Long Oil, Inc.</u>
Vendor #3	<u>Western Marketing, Inc.</u>
Vendor #4	<u>Marlow Oil Inc.</u>

1.) Gasoline - Unleaded Plus (89 Octane)

	Sun Coast Resources, Inc.		Borders & Long Oil, Inc.		Western Marketing, Inc.		Marlow Oil Inc.	
Location	Fixed Mark-up/gallon	Delivery time	Fixed Mark-up/gallon	Delivery time	Fixed Mark-up/gallon	Delivery time	Fixed Mark-up/gallon	Delivery time
Precinct #1	\$ 0.2100	24 hrs	\$ 0.0848	24 hrs	No Bid		\$ 0.3000	24 hrs
Precinct #2	\$ 0.2100	24 hrs	\$ 0.0848	24 hrs	No Bid		\$ 0.3000	24 hrs
Precinct #3	\$ 0.2100	24 hrs	\$ 0.0848	24 hrs	No Bid		\$ 0.3000	24 hrs
Precinct #4	\$ 0.2100	24 hrs	\$ 0.0848	24 hrs	No Bid		\$ 0.3000	24 hrs
KSO	\$ 0.2100	24 hrs	\$ 0.0848	24 hrs	No Bid		\$ 0.3000	24 hrs
Brand of Gasoline	various unbranded		Shell or Exxon		No Bid		Unbranded	
Exceptions	deliveries <500 gallons; delivery charge of \$75; fuel monitors available at \$30/month		N/A		N/A		All fuel purchases are subject to \$0.15 /gallon discount if paid within 10-days of delivery	

2.) Dyed Diesel

	Sun Coast Resources, Inc.		Borders & Long Oil, Inc.		Western Marketing, Inc.		Marlow Oil Inc.	
Location	Fixed Mark-up/gallon	Delivery time	Fixed Mark-up/gallon	Delivery time	Fixed Mark-up/gallon	Delivery time	Fixed Mark-up/gallon	Delivery time
Precinct #1	\$ 0.1497	24 hrs	\$ 0.0900	24 hrs	No Bid		\$ 0.3000	24 hrs
Precinct #2	\$ 0.1497	24 hrs	\$ 0.0900	24 hrs	No Bid		\$ 0.3000	24 hrs
Precinct #3	\$ 0.1497	24 hrs	\$ 0.0900	24 hrs	No Bid		\$ 0.3000	24 hrs
Precinct #4	\$ 0.1497	24 hrs	\$ 0.0900	24 hrs	No Bid		\$ 0.3000	24 hrs
KSO	\$ 0.1497	24 hrs	\$ 0.0900	24 hrs	No Bid		\$ 0.3000	24 hrs
Brand of Gasoline	various unbranded		Shell or Exxon		No Bid		Unbranded	
Exceptions	deliveries <500 gallons; delivery charge of \$75; fuel monitors available at \$30/month		N/A		N/A		All fuel purchases are subject to \$0.15 /gallon discount if paid within 10-days of delivery	

Monday, April 29, 2019 | 2:00 p.m.

BID TABULATION

3.) Synthetic Blend Engine Motor Oil

Sun Coast Resources, Inc.			Borders & Long Oil, Inc.			Western Marketing, Inc.			Marlow Oil Inc.		
Options	Price Per Quart	Price Per 55 Gallon Drum	Options	Price Per Quart	Price Per 55 Gallon Drum	Options	Price Per Quart	Price Per 55 Gallon Drum	Options	Price Per Quart	Price Per 55 Gallon Drum
Total Quartz 7000	\$ 2.72	\$ 475.20	Super S Multi-Flo Synthetic Blend 5W20 SN Plus	\$1.92 in 6-gallon case	\$ 357.93	DuraMAx Syn Blend 10W30, 5W20, 5W30	\$ 2.07	\$ 498.30	Cam 2 5W-30 Synthetic	\$ 4.25	\$ 741.00
			Super S Multi-Flo Synthetic Blend 5W30 SN Plus	\$1.92 in 6-gallon case	\$ 357.93				Cam 2 10W-30 Synthetic	\$ 4.25	\$ 520.00
			Mobil Super Synthetic 5W20	\$4.68 in 6-quart case	\$ 952.31						
			Mobil Super Synthetic 5W30	\$4.68 in 6-quart case	\$ 959.33						

4.) High Mileage Synthetic Blend Motor Oil

Sun Coast Resources, Inc.			Borders & Long Oil, Inc.			Western Marketing, Inc.			Marlow Oil Inc.		
Options	Price Per Quart	Price Per 55 Gallon Drum	Options	Price Per Quart	Price Per 55 Gallon Drum	Options	Price Per Quart	Price Per 55 Gallon Drum	Options	Price Per Quart	Price Per 55 Gallon Drum
NO BID			Super S Multi-Flo Synthetic Blend High Mileage 5W20 SN	\$2.01 in 6-gallon case	\$ 379.12	DuraMax High Mileage 5W30 or 5W20	\$ 2.21	\$ 530.20	Cam 2 High Mileage Syn 5W-30	n/a	\$ 520.00
			Super S Multi-Flo Synthetic Blend High Mileage 5W30 SN	\$2.01 in 6-gallon case	\$ 379.12				Cam 2 High Mileage Syn 10W-30	n/a	\$ 520.00
			Mobil Super High Mileage 5W20	\$4.13 in 6-quart case	\$ 889.11						
			Mobile Super High Mileage 5W30	4.13 in 6-quart case	\$ 889.11						

RFP 19-11: Annual Contract for the Purchase of Fuel, Oil, Lubricants, Grease, Anti-Freeze, and Other Related Automotive Chemicals

Monday, April 29, 2019 | 2:00 p.m.

BID TABULATION

5.) Diesel Engine Motor Oil

Sun Coast Resources, Inc.			Borders & Long Oil, Inc.			Western Marketing, Inc.			Marlow Oil Inc.		
Options	Price Per Quart	Price Per 55 Gallon Drum	Options	Price Per Quart	Price Per 55 Gallon Drum	Options	Price Per Quart	Price Per 55 Gallon Drum	Options	Price Per Quart	Price Per 55 Gallon Drum
Total Rubia Optima 1100	\$ 3.25	\$ 572.00	Super S FG-2000 Synthetic Blend 15W40	\$2.46 in 3-gallon case	\$ 498.57	All Fleet Syn Blend CK-4 15W40 or 10W30	\$ 2.57	\$ 608.30	Cam 2 15W-40	\$ 3.25	\$ 553.00
* Min delivery of 200 gallons for all lube products or a delivery charge of \$100 will be applicable.			Mobil HDEO 15W40	n/a	\$ 555.52				Shell Rotella 15W-40	\$12.95 / gallon	n/a
			Mobil Delvac 1300 Super 15W40	\$4.72 in 6-quart case	\$ 740.22						

6.) Tractor Hydraulic Oil

Sun Coast Resources, Inc.			Borders & Long Oil, Inc.			Western Marketing, Inc.			Marlow Oil Inc.		
Options	Price Per Quart	Price Per 55 Gallon Drum	Options	Price Per Quart	Price Per 55 Gallon Drum	Options	Price Per Quart	Price Per 55 Gallon Drum	Options	Price Per Quart	Price Per 55 Gallon Drum
Total Dynatrans MP	N/A	\$ 497.75	Mobilfluid 424	\$4.42 in 5-gallon case	\$ 569.56	All Fleet Tractor Hydraulic Oil - J20C	\$ 1.67	\$ 378.71	Cam 2 303 Hydraulic	\$34 per 5-gallon	\$ 299.00
* Min delivery of 200 gallons for all lube products or a delivery charge of \$100 will be applicable.			Super S Supertrac 303 Tractor Hydraulic Fluid	\$1.36 in 3-gallon case	\$ 233.06				Cam 2 J20-C Premium Hydraulic	\$40 per 5-gallon	\$ 400.00
			Super S Premium Universal J20C Tractor Hydraulic Fluid	\$1.92 in 3-gallon case	\$ 351.31						

RFP 19-11: Annual Contract for the Purchase of Fuel, Oil, Lubricants, Grease, Anti-Freeze, and Other Related Automotive Chemicals

Monday, April 29, 2019 | 2:00 p.m.

BID TABULATION

7.) Synthetic Gear Lubricant

Sun Coast Resources, Inc.			Borders & Long Oil, Inc.			Western Marketing, Inc.			Marlow Oil Inc.		
Options	Unit	Price per unit	Options	Unit	Price per unit	Options	Unit	Price per unit	Options	Unit	Price per unit
Total SynPro Go 75w90	Drum	\$ 1,430.75	Super S Custom Plus Synthetic 75W90 GL-F Gear Oil	55 gallon drum	\$ 1,018.82	All Fleet Syn Gear 75W90	55 gallon drum	\$ 848.10	Cam 2 75w90	5-gallon pail	\$ 121.00
* Min delivery of 200 gallons for all lube products or a delivery charge of \$100 will be applicable.			Super S Custom Plus Synthetic 75W90 GL-F Gear Oil	35 pound pail	\$ 95.89	All Fleet Syn Gear 75W90	gallon	\$ 14.00	Cam 2 75w90	quart case	\$ 110.00
			Mobil Delvac 1 Gear Oil 75W90	55 gallon drum	\$ 1,683.60				Cam 2 50wt Full Synthetic	quart case	\$ 8.00
			Mobil Delvac 1 Gear Oil 75W90	35 pound pail	\$ 164.73				Cam 2 75w140	5-gallon pail	\$ 142.00

8.) Automatic Transmission Fluid

Sun Coast Resources, Inc.			Borders & Long Oil, Inc.			Western Marketing, Inc.			Marlow Oil Inc.		
Options	Unit	Price per unit	Options	Unit	Price per unit	Options	Unit	Price per unit	Options	Unit	Price per unit
Total Fluidmatic MV	Drum	\$ 774.40	Super S Multi-Purpose Dexron III/Mercon Automatic Trans	55 gallon drum	\$ 408.95	Dura Max D/M ATF	55 gallon drum	\$ 481.25	Cam 2 ATF Dexron	55 gallon drum	\$ 500.00
* Min delivery of 200 gallons for all lube products or a delivery charge of \$100 will be applicable.			Super S Multi-Purpose Dexron III/Mercon Automatic Trans	12 quart case	\$ 23.32	Dura Max D/M ATF	gallon	\$ 8.23	Cam 2 ATF Dexron	quart	\$ 3.00
			Mobil ATF D/M	55 gallon drum	\$ 580.10						
			Mobil ATF D/M	6 quart case	\$ 24.08						

RFP 19-11: Annual Contract for the Purchase of Fuel, Oil, Lubricants, Grease, Anti-Freeze, and Other Related Automotive Chemicals
Monday, April 29, 2019 | 2:00 p.m.
BID TABULATION

9.) Antifreeze

Sun Coast Resources, Inc.			Borders & Long Oil, Inc.			Western Marketing, Inc.			Marlow Oil Inc.		
Options	Unit	Price per unit	Options	Unit	Price per unit	Options	Unit	Price per unit	Options	Unit	Price per unit
Chevron Delo ELC 50-50	Drum	\$ 550.00	Super S Extended Life HD Truck Antifreeze	55 gallon drum	\$ 653.82	Peak Final Charge ELC 50/50 Extended Life Coolant	drum	\$ 522.50	Cam 2 Red 100%	55 gallon drum	\$ 620.00
* Min delivery of 200 gallons for all lube products or a delivery charge of \$100 will be applicable.			Super S Extended Life Red Concentrate Antifreeze	6 gallon case	\$ 72.48	Peak Final Charge ELC 50/50 Extended Life Coolant	gallon	\$ 8.50	Cam 2 Green 100%	55 gallon drum	\$ 525.00
			Super S Global Universal Gold 50/50 Antifreeze / Coolant	6 gallon case	\$ 31.43	Peak Fleet Charge 50/50 (Green)	drum	\$ 470.25	Cam 2 Red 50/50	55 gallon drum	\$ 400.00
			Super S Extended Life Red 50/50 Truck Antifreeze	6 gallon case	\$ 44.95	Peak Fleet Charge 50/50 (Green)	gallon	\$ 7.95	Cam 2 Green 50/50	55 gallon drum	\$ 360.00
									Cam 2 Green 50/50	6 gallon case	\$ 48.00

Documents Included:	Sun Coast Resources, Inc.	Borders & Long Oil, Inc.	Western Marketing, Inc.	Marlow Oil Inc.
References	X	X	X	X
Cert of Eligibility	X	X	X	X
Ind Price Determ	X	X	X	X
Signature Form	X	X	X	X
MWBE Status	X	X	X	X
CIQ	X	X	X	X

Purchasing Department Verification:

Raylan Smith, Purchasing Agent

4/29/2019

Latoya Arthur, Buyer

4/29/2019

Angela Wallace, Buyer

4/29/2019

Commissioners' Court Meeting Agenda - May 8, 2019

Resolution to Participate

WHEREAS, the Public Funds Investment Act, Texas Government Code, Section 2256.001 et seq. (the Act) requires the governing body of each local government in this state to adopt investment policies in accordance with the terms of the Act; and

WHEREAS, pursuant to the requirements of the Act, the Commissioners' Court (the Governing Body) of Kaufman County, Texas (the Local Government) has previously reviewed and adopted an investment policy (the Policy) that provides in part that the funds of the local government will be invested in investments permitted by the Act in order to: (i) invest only in investments legally permitted under Texas law; (ii) minimize risk by managing portfolio investments so as to preserve principal and maintain a stable net asset value; (iii) manage portfolio investments to ensure that cash will be available as required to finance operations; and (iv) maximize current income to the degree consistent with legality, safety, and liquidity; and

WHEREAS, pursuant to the Policy and the Act, the Local Government has appointed Charles Mohnkern (the Investment Officer) to act as the investment officer of the Local Government; and

WHEREAS, the Act provides that funds under the control of a Local Government may be invested through investment pools meeting the standards of Section 2256.016 of the Act; and

WHEREAS, the Local Government has received and reviewed the Information Statement, dated December 2016 (the Information Statement), of Texas Cooperative Liquid Assets Securities System Trust (the Program), an investment pool administered by Public Trust Advisors, LLC that sets forth the information required by Section 2256.016(b) of the Act; and

WHEREAS, the Local Government has determined that the investments proposed to be acquired by the Program are of a type that are permitted by the Act and are consistent with the Policy; and

WHEREAS, the Local Government has determined that an investment in the Program will assist the Local Government in achieving the goals set forth in the Policy and will tend to preclude imprudent investment activities arising out of investment transactions conducted between the Local Government and the Program; and

WHEREAS, the Local Government understands that the Program operates through the Eighth Amended and Restated Trust Agreement dated as of April 8, 2019 (the Trust Agreement), that provides the terms on which the Program will operate and the rights of the Participants in the Program and sets forth the responsibilities of Public Trust Advisors, LLC as the administrator of the Program (the Administrator) and of Wells Fargo Bank as custodian (the Custodian);

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE LOCAL GOVERNMENT:

That the form, terms, and provisions of the Trust Agreement, a draft of which was presented and reviewed at this meeting, providing for the creation of the Program and for the rights of the Program Participants and the duties and responsibilities of the Administrator be and the same are hereby approved and adopted; and that the Investment Officer be and he or she is hereby authorized and directed to execute and deliver to the Administrator and the Custodian in the name and on behalf of the Local Government a participation certificate evidencing the agreement of the Local Government to be bound by the Trust Agreement substantially in the form of the Trust Agreement reviewed and approved at this meeting, together with such changes therein as may be approved by the said officer, such approval to be conclusively evidenced by the execution thereof; and be it further

Resolved that the investment program established by the Trust Agreement is hereby found and determined to be consistent with the Policy and to preclude imprudent investment activities arising out of investment transactions conducted between the Local Government and the Program; and be it further

Resolved that the Governing Body hereby officially finds and determines that the facts and recitations contained in the preamble of this Resolution are true and correct; and be it further

Resolved that the Governing Body hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this Resolution was adopted was posted for the time required by law preceding this meeting and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter thereof were discussed, considered, and formally acted upon all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and the Act; and be it further

Resolved that the officers of the Local Government, and each of them, shall be and each is expressly authorized, empowered, and directed from time-to-time to do and perform all acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the Local Government all certificates, instruments, and other papers, whether or not herein mentioned, as they may determine to be necessary or desirable in order to carry out the terms and provisions of this Resolution and of the Trust Agreement hereby authorized and approved, such determination to be conclusively evidenced by the performance of such acts and things and the execution of any such certificate, financing statement, instrument, or other paper; and be it further

Resolved that this Resolution shall take effect and be in full force upon and after its passage
this _____ day of _____, 2019.

Hal Richards, County Judge

Commissioner Skeet Phillips, Pct. 2

Commissioner Michael Hunt, Pct. 1

Commissioner Terry Barber, Pct. 3

Commissioner Ken Cates, Pct. 4

STATE OF TEXAS
COUNTY OF KAUFMAN

IN THE COMMISSIONERS' COURT
OF KAUFMAN COUNTY, TEXAS

MAY 8, 2019

KAUFMAN COUNTY COMMISSIONERS' COURT NUMBER _____.

COMMISSIONERS' COURT ORDER RE:

KAUFMAN COUNTY INVESTMENT POLICY

BE IT REMEMBERED that at a meeting of Commissioners' Court of Kaufman County, Texas, held on the 8th day of May, 2019, on a motion by _____, Commissioner of Precinct No. _____, and seconded by _____, Commissioner of Precinct No. _____, the Following Order was adopted:

WHEREAS, the Commissioners' Court has reviewed and adopted the Investment Policy dated May 8, 2019, will be to the financial benefit of Kaufman County, Texas.

NOW, THEREFORE, it is hereby ADJUDGED and DECREED that the Kaufman County Treasurer, the Investment Officer, implements the attached investment policy dated May 8, 2019.

ORDERED THIS 8th Day of May, 2019.

Hal Richards, County Judge

Commissioner Michael Hunt, Precinct No. 1

Commissioner Skeet Phillips, Precinct No. 2

Commissioner Terry Barber, Precinct No. 3

Commissioner Ken Cates, Precinct No. 4

ATTESTED BY:

LAURA HUGHES, COUNTY CLERK



Kaufman County Investment Policy

2019

KAUFMAN COUNTY INVESTMENT POLICY-2019

I. INVESTMENT AUTHORITY AND SCOPE OF POLICY

General Statement

This policy serves to satisfy the statutory requirements of Local Government Code 116.112 and Government Code Subchapter A, Chapter 2256 of the Public Funds Investment Act ("PFIA") to define and adopt a formal investment policy. This policy will be reviewed and adopted by resolution at least annually in accordance with Government Code Section, 2256.005 (e).

Funds Included

This investment policy applies to all financial assets of all funds of the County of Kaufman, Texas at the present time, any funds to be created in the future, any other funds held in custody by the County Treasurer, unless expressly prohibited by law or unless it is in contravention of any depository contract between Kaufman County and any depository bank.

County's Investment Officer

In accordance with Section 116.112 (a), Local Government Code and /or Government Code Chapter 2256, Section 2256.005 (f) and (g), the County Treasurer under the direction of the Kaufman County Commissioners' Court, may invest County funds that are not immediately required to pay obligations of the County. The Commissioners' Court shall designate by resolution one or more officers or employees as investment officer (s).

If the investment officer has a personal business relationship as defined by the PFIA with an entity, or is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the county, the Investment Officer must file a statement disclosing that personal business interest, or relationship, with the Texas Ethics Commission and the Kaufman County Commissioners' Court in accordance with Government Code 2256.005 (I) (1-3).

Kaufman County's Investment Advisory Committee

It shall be the responsibility of the Investment Advisory Committee to act as a consultant to the Investment Officer. The members of the committee will be approved annually by the Commissioners' Court. The County Treasurer/Investment Officer is the presiding officer of the committee and shall be present at all gatherings concerning investments for Kaufman County.

All committee members are expected to offer their advice to the committee on a voluntary basis for the period of one year. If for any reason an individual is unable to complete a full term, the standing committee members may select someone to fill the vacancy.

Committee members and their affiliates may in no way benefit financially from their service on the committee during their membership term. Members shall refrain from undertaking any investment transactions with Kaufman County until their term on the committee has expired.

The Investment Advisory Committee derives its authority and responsibility from the Kaufman County Commissioners' Court. It will be the responsibility of the committee to oversee the investments of the county's funds and the fiduciary funds that Kaufman County has the responsibility and authority to invest.

The Investment Advisory Committee shall meet annually or more frequently if needed to review the County's investment policy, investment strategies, and investment performances. The Advisory members may formally communicate through teleconference, email or by physical meetings. The Investment Officer may call for an official consultation at any time. Meetings may be called, as deemed necessary, by any Investment Advisory member.

The members of the Kaufman County Investment Advisory Committee shall make prudent and intelligent suggestions. The members shall keep the best interests of Kaufman County in mind while setting aside personal gain.

II. INVESTMENT OBJECTIVES

General Statement

Funds of the County will be invested in accordance with federal and state laws and within the boundaries of this investment policy. Investments shall be made under circumstances then prevailing, with the judgment and care which persons of prudence, discretion, and intelligence exercise in the management of their own affairs. Investments will not be made speculatively but will be made for investment, considering the probable safety of capital as well as the probable income to be derived. The first and foremost consideration of all Kaufman County investment transactions is the suitability of the investment to the financial requirements of the county. The County will invest according to investment strategies for each fund as they are adopted by Commissioners' Court resolution in accordance with PFIA 2256 of the Texas Government Code.

Safety of Principal

Kaufman County is concerned with the return of principal; therefore, safety of principal is a primary objective in any investment transaction. To attain this objective, diversification will be required in order to reduce risk resulting from over concentration of assets in a specific security or maturity.

Liquidity

The Kaufman County investment portfolio will remain sufficiently liquid to enable Kaufman County to meet all of the operating requirements reasonably anticipated. One consideration of liquidity is the marketability of the investment if the need arises to liquidate the investment before maturity.

Diversification

It will be the policy of Kaufman County to diversify its portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of investments. Investments of Kaufman County shall always be selected to provide for safety of principal, stability of income and reasonable liquidity prior to maturity. Kaufman County will diversify its investments by security type and institution, with the exception of U.S. Treasury securities, authorized pools and Depository Bank. No more than 50% of the County's total investment portfolio will be invested in a single security type with a single financial institution.

Yield

It will be the objective of Kaufman County to earn the maximum rate of return allowed on its investments within constraints imposed by the policies' safety and liquidity objectives, the investment strategies for each fund, and state and federal law governing investment of public funds.

Maturity

Portfolio maturities will be structured to meet the obligations of Kaufman County first and then to achieve the highest return of interest. When the County has funds that will not be needed to meet current year obligations, maturity restraints will be imposed based upon the investment strategy for each fund. The maximum allowable stated maturity of any individual investment owned by the county is thirty-six (36) months.

Quality and Capability of Investment Management

It is Kaufman County's policy to provide training as required by the Public Funds Investment Act, Sec. 2256.008 and periodic training in investments for the County Treasurer, who is also named County Investment Officer, and other employees of the Treasurer's Office who are involved in investment transactions, through courses and seminars offered by professional organizations and associations in order to insure the quality and capability of the County's Investment Officer in making investment decisions.

The County Investment Officer is required to obtain at least 10 hours of training related to the County Investment Officer responsibilities within twelve months (12) of assuming these duties. The County Investment Officer is also required to attend 10 hours of investment training every two years. The training must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio and compliance with the Public Funds Investment Act (PFIA).

Investment Strategy

In accordance with the Public Funds Investment Act, Section §2256.005 (d), a separate written investment strategy shall be developed for each of the funds under Kaufman County's control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities of importance:

- (1) understanding of the suitability of the investment to the financial requirements of the County;
- (2) preservation and safety of principal;
- (3) liquidity;
- (4) marketability of the investment if liquidation is necessary prior to maturity;
- (5) diversification of the investment portfolio; and
- (6) yield;
- (7) maturity restrictions; and
- (8) procedures to monitor rating changes.

Each fund type has varying cash flow requirements and liquidity needs. Therefore, specific strategies shall be implemented considering the fund's unique requirements. All funds will be pooled for investment purposes.

Kaufman County Pooled Funds:

General Operating Funds
Special Revenue Funds
Capital Projects Fund
Debt Service Fund

Pooled funds mean an internally created fund of an investing entity in which one or more institutional accounts of the investing entity are invested.

All invested funds of Kaufman County are invested by matching the maturity of investments with liabilities. Investments are made with the intention of holding to maturity, but with the ability to liquidate at any time should funds be needed.

This strategy is achieved by utilizing highly liquid short term Treasury Bills, Agency Discount Notes, Certificates of Deposit with a stated average maturity of thirty-six (36) months or less and pooled funds in Texas Class. The dollar weighted average maturity of 365 days or less will be calculated using the stated final maturity dates of each security.

Investment Strategies for all funds are attached. In accordance with the Public Funds Investment Act, Section 2256.005 (e), investment strategies will be reviewed and adopted by resolution at least annually.

III. INVESTMENT RESPONSIBILITY AND CONTROLS

Investment Institutions Defined

The Kaufman County Investment officer shall invest County funds with any or all of the following institutions or groups consistent with federal and state law and the current Depository Bank contract.

- (a) depository bank;

- (b) other state or national banks domiciled in the State of Texas and insured by the FDIC;
- (c) public funds investment pools; or
- (d) a government securities broker or dealer that has its main office or a branch office in this state; or
- (e) mutual fund companies and money managers.

Qualifications for Approval of Broker/Dealers

In accordance with Section 2256.005 (k-l), a written copy of this investment policy shall be presented to any person seeking to sell to the county an authorized investment. The qualified representative of the business organizations seeking to sell an authorized investment shall execute a written instrument attesting that the qualified representative has:

- (a) received and thoroughly reviewed the investment policy of the county; and
- (b) acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the county and the organization.

In accordance with Section 2256.025, the broker must be deemed by the Kaufman County Investment Advisory Committee as qualified and authorized to engage in investment transactions with Kaufman County.

A list will be maintained of no more than four (4) authorized broker/dealers meeting all of the following requirements:

- (a) provided proof of certification by the Financial Industry Regulatory Authority (FTNRA),
- (b) provided proof of current registration with the State Securities Commission, and,
- (c) completed the County Broker/Dealer questionnaire.

The investment officer shall not buy any securities from a person or firm that has not delivered to the county an instrument in substantially the form provided above according to Section 2256.005 (l).

Standards of Operation

The County Treasurer / Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program, consistent with this investment policy. It shall be the responsibility of the County Treasurer / Investment Office to:

- (a) Determine the amount of funds which are available for investment.
- (b) Determine the specific investment which will yield maximum income for a particular fund.
- (c) Determine the length of time for which investments shall be made.
- (d) Insure that sufficient funds are available to meet immediate and short-term needs for the operation of the county.

- (e) Make recommendations to the Commissioners' Court and Investment Advisory Committee concerning new types of investment instruments which may require approval from the Court.
- (f) Provide the Commissioners' Court with a monthly report of all investment transactions.
- (g) Receive and provide for the safekeeping of all pledged securities as collateral for invested funds.

Delivery vs. Payment

In accordance with Government Code Section 2256.005(b) (4) (e), it will be the policy of Kaufman County that all Treasury Bills, Notes and Bonds and Government Agencies' securities shall be purchased using the "Delivery vs. Payment" (DVP) method through the Federal Reserve System. By so doing, County funds are not released until the county has received, through the Federal Reserve wire, the securities purchased.

Audit Controls

The County Investment Officer will establish a liaison with the Kaufman County Auditor in preparing investment forms to assist the County Auditor for accounting and auditing control. The County Investment Officer is subject to audit by the Kaufman County Auditor. In addition, the Kaufman County Commissioners' Court, at a minimum, will have an annual financial audit of all County funds by an independent auditing firm, as well as a compliance audit of management controls on investments and adherence to the county established investment policies in accordance with PFIA Section 2256.005(m). The independent auditor will report the results of the audit to the Kaufman County Commissioners' Court after completion of the audit.

Standard of Care

In accordance with PFIA, Section 2256.006 (a-b), investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority: preservation and safety of principal, liquidity, and yield.

In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- (a) the investment of all funds, or funds under the county's control, over which the office had responsibility rather than a consideration as to the prudence of a single investment; and
- (b) whether the investment decision was consistent with the written investment policy of Kaufman County.

IV. INVESTMENT COLLATERAL AND SAFEKEEPING

Collateral or Insurance

The Kaufman County Investment Officer shall insure that all county funds are fully collateralized or insured consistent with federal and state laws and the current Bank Depository Contract in one or more of the following manners:

- (a) FDIC insurance coverage;
- (b) Obligations of the United States or its agencies and instrumentalities;
- (c) Any instrument that has been approved in this policy and that Kaufman County would be permitted to hold by state and federal law; and
- (d) Any other manner allowed by the Government Code Chapter 2257 (Public Funds Collateral Act).

Safekeeping

- (a) All purchased securities shall be held in safekeeping by the County, or a County account in a third party financial institution, or with the Federal Reserve Bank.
- (b) All certificates of deposit, insured by the FDIC, purchased outside the Depositor Bank shall be held in safekeeping by either the County or a County account in a third party financial institution.
- (c) All pledged securities by the Depository Bank shall be held in safekeeping by the County, or a County account in a third party financial institution, or with a Federal Reserve Bank.

Collateral Reporting

The Kaufman County Investment Officer shall report to the Kaufman County Commissioners' Court with his or her valuation of all collateral compared to all county deposits not less than quarterly. Collateral deficiencies should be identified and immediately corrected through additional collateral deposited or reductions in the volume of deposited funds.

V. ETHICS AND CONFLICTS OF INTEREST

General Statement

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of their County.

VI. INVESTMENT REPORTING AND PERFORMANCE EVALUATION

Quarterly Reporting

In accordance with PFIA, Section 2256.023, not less than quarterly, the Investment Officer shall prepare and submit to the Commissioners' Court a written report of investment transactions for all funds for the preceding reporting period within a reasonable time after the end of the period. The report must:

1. describe in detail the investment position of the County on the date of the report,
2. be prepared jointly by all investment officers of the County;
3. be signed by the investment officers of the County;
4. contain a summary statement of each pooled fund group that states the:
 - (a) beginning market value for the reporting period;
 - (b) ending market value for the period; and
 - (c) fully accrued interest for the reporting period.
5. state the book value and market value of each separately issued asset at the end of the reporting period by the type of asset and fund type invested;
6. state the yield and maturity date of each separately invested asset that has a maturity date;
7. state the account or fund or pooled group fund in the county for which each individual investment was acquired; and
8. state the compliance of the investment portfolio of the county as it relates to:
 - (a) the investment strategy expressed in the County's investment policy; and
 - (b) relevant provisions of the PFIA.

Methods to Monitor Market Value

The Kaufman County Investment officer shall monitor the market value of each security held in all portfolios at least on a monthly basis. On a monthly basis the collateral pledged to Kaufman County for bank deposits shall be valued from recognized market pricing sources.

Kaufman County shall take all prudent measures that are consistent with this policy to liquidate any investment that does not have the minimum rating.

Notification of Investment Changes

It shall be the duty of the County Investment Officer of Kaufman County to notify the Kaufman County Commissioners' Court of any significant changes in current investment methods and procedures prior to their implementation, regardless of whether they are authorized by this policy.

VII. INVESTMENTS TYPES

Suitable and Authorized Investments

The Kaufman County Investment Officer shall use any or all of the following authorized investment instruments consistent with governing laws and PFIA contained in Texas Government Code, Section 2256.

1. obligations, including letters of credit, of the United States or its agencies and Instrumentalities;
2. direct obligations of this state or its agencies and instrumentalities;
3. other obligations, the principal and interest which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; and
4. obligations of states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent.

(A) Certificates of deposit are an authorized investment if the certificate is issued by a depository institution that has its main office or a branch office in this state and is:

1. guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor;
2. secured by obligations that are described by Section 2256.009(a) of the Public Funds Investment Act, including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities of the nature described by Section 2256.009(b) of the Public Funds Investment Act; or
3. secured in any other manner and amount provided by law for deposits of the county.

(B) In addition to the authority to invest funds in certificates of deposit under Subsection (A), an investment in certificates of deposit made in accordance with the following conditions is an authorized investment if the funds are invested by the county through:

1. A broker that has its main office or a branch office in this state and is selected from a list adopted by the investing entity as required by Section 2256.025; or
2. the funds are invested by the county through a depository institution that has its main office or a branch office in this state and that is selected by the county;
3. the broker or the depository institution selected by the county under Subdivision (1) arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the county:

4. the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and
5. the investing entity appoints the depository institution selected by the investing entity under Subdivision (1), an entity described by Section 2257.041 (d), or a clearing broker dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C. F. R. Section 240.15c3-3) as custodian for the investing entity with respect to the certificates of deposit issued for the account of the investing entity.

Bids for Certificates of Deposit may be solicited orally, in writing, electronically, or in any combination of these methods.

(C) A fully collateralized repurchase agreement is an authorized investment, as defined in the Public Funds Investment Act if the repurchase agreement;

1. has a defined termination date;
2. is secured by a combination of cash and obligations described by Section 2256.009 (a)(1); and
3. requires the securities being purchased by the county or cash held by the county to be pledged to the county, held in the County name, and deposited at the time the investment is made with the County or with a third party selected and approved by the County; and
4. is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state.
5. Notwithstanding any other law, the term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered.
6. Money received by the county under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

(D) A bankers' acceptance is an authorized investment if the bankers' acceptance;

1. has a stated maturity of 270 days or fewer from the date of its issuance;
2. will be in accordance with its terms, liquidated in full at maturity;
3. is eligible for collateral for borrowing from a Federal Reserve Bank; and
4. is accepted by a bank organized and existing under the laws of the United States or any other state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.

(E) Commercial paper is an authorized investment if the commercial paper:

1. Has a stated maturity of 270 days or less from the date of its issuance; and
2. Is rated not less than A-1 or P-1 or an equivalent rating by at least:
 - (a) two nationally recognized credit rating agencies; or
 - (b) one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any other state.

(F) Mutual funds and money market mutual funds with limitations described below:

1. A no-load money market mutual fund is an authorized investment if it;
 - (a) Is registered with and regulated by the Securities and Exchange Commission;
 - (b) has a dollar-weighted average stated maturity of 90 days or fewer;
 - (c) includes in its investment objective the maintenance of a stable net asset value of \$1 for each share; and
 - (d) provides Investment Officer with an annual prospectus in accordance with Section 2256.014.
2. A no-load mutual fund is an authorized investment if;
 - (a) is registered with the Securities and Exchange Commission;
 - (b) has an average weighted maturity of less than two (2) years;
 - (c) is invested exclusively in obligations approved by this subchapter; and;
 - (d) is continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent; and
 - (e) conforms to the requirement set forth in Sections 2256.016 (b) and (c) relating to the eligibility of investment pools to receive and invest funds of investing entities such as Kaufman County.
3. Relative to mutual funds and money market mutual funds, the county may not:
 - (a) invest in the aggregate more than 15% of its monthly average fund balance, excluding bond proceeds, reserves and other funds held for debt service, in money market mutual funds or mutual funds, either separately or collectively;
 - (b) invest any portion of bond proceeds, reserves and funds held for debt service in mutual funds; or
 - (c) invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund or money market mutual fund in an amount that exceeds 10 percent of the total assets of the mutual fund.

(G) Eligible investment pools (as discussed in the Public Funds Investment Act, Section 2256.016-2256.019) if the Commissioners' Court, by rule, order, ordinance, or resolution,

as appropriate, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from the County in authorized investments permitted by the Public Funds Investment Act. The pool must maintain a rating of no less than AAA or AAA-m and have a weighted average maturity no greater than 90 days. An investment pool may invest its funds in money market mutual funds to the extent permitted by and consistent with this subchapter and the investment policies and objectives adopted by the investment pool.

(a) To be eligible to receive funds from and invest funds on behalf of the County, an investment pool must furnish to the investment officer or other authorized representative of the County, the following information;

- (a) the types of investments in which money is allowed to be invested;
- (b) the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;
- (c) the maximum stated maturity date any investment security within the portfolio has;
- (d) the objectives of the pool;
- (e) the size of the pool;
- (f) the names of the members of the advisory board of the pool and the dates their terms expire;
- (g) the custodian bank that will safe keep the pool's assets;
- (h) whether the intent of the pool is to maintain a net assets value of one dollar and the risk of market price fluctuation;
- (i) whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;
- (j) the name and address of the independent auditor of the pool;
- (k) the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool; and
- (l) the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios.

(b) To maintain eligibility to receive funds from and invest funds on behalf of the county, an Investment pool must furnish to the Kaufman County Investment Officer or other authorized representatives of the County, the following information;

- (1) investment transaction confirmations; and
- (2) a monthly report that contains, at a minimum, the following information:
 - (a) the types and percentage breakdown of securities in which the pool is invested;
 - (b) the current average dollar-weighted maturity, based on the stated maturity date, of the pool;

- (c) the current percentage of the pool's portfolio in investments that have stated maturities of more than one year;
 - (d) the book value versus the market value of the pool's portfolio, using amortized cost valuation;
 - (e) the size of the pool;
 - (f) the number of participants in the pool;
 - (g) the custodian bank that is safekeeping the assets of the pool;
 - (h) a listing of daily transaction activity of the entity participating in the pool;
-
- (i) the yield and expense ratio of the pool including a statement regarding how yield is calculated;
 - (j) the portfolio managers of the pool; and
 - (k) any changes or addenda to the offering circular the County by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.
-
- (3) in this section, "yield" shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the Federal Securities and Exchange Commission.
 - (4) to be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a \$1 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ratio between 0.995 and 1.005. In addition to the requirements of its investment policy and any other forms of reporting, a public funds investment pool created to function as a money market mutual fund shall report yield to its investors in accordance with regulations if the federal Securities and Exchange Commission applicable to reporting by money market funds.
 - (5) if the investment pool operates an Internet website, the information in a disclosure instrument or report described in Subsections (a), (b) (2), and (f) must be posted on the website.
 - (6) to maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must make available to the entity an annual audited financial statement of the investment pool in which the entity has funds in invested.
 - (7) if an investment pool offers fee breakpoints based on fund balances invested, the investment pool in advertising investment rates must include either all levels of return based on the breakpoints provided or state the lowest possible level of return based on the smallest level of funds invested.
 - (8) an Investment Pool must have an Advisory Board as set out in §2256.018 of the Government Code.

Exemption for Existing Investments

Kaufman County is not required to liquidate investments that were authorized investments at the time of purchase.

Ratings of Certain Investment Pools

A public funds investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.

Authorized Investment Pools

Authorized investment pools are Texpool, Texpool Prime and Texas Class.

Prohibited Investments

The Kaufman County Investment Officer is prohibited from purchasing any of the following investment instruments which are strictly prohibited:

- (a) obligations whose payment represent the coupon payments on the outstanding principle balance of the underlying mortgage-backed security collateral and pays no principal;
- (b) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
- (c) collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
- (d) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Effect of Loss Required Rating

Kaufman County shall take all prudent measures that are consistent with this policy to liquidate any investment that falls below accepted standards.

KAUFMAN COUNTY INVESTMENT POLICY

ATTACHMENT A

STRATEGY FOR INVESTMENTS

In accordance with the Public Funds Investment Act 2256.002 (d), a written investment strategy shall be developed for each of the funds under the county's control. The following strategy will apply for each of the funds listed in EXHIBIT-A.

- (1) Each fund under the control of the County Treasurer will be swept from the fund's depository Bank Account to its individual investment account in a PUBLIC FUNDS INVESTMENT POOL, currently, TexPool.
- (2) While at TexPool, each fund is invested until money is needed to cover the fund's expenses. Money is available daily at TexPool.
- (3) If money is not needed by a fund to cover expenses based on liquidity needs determined by the County Treasurer, the money may be invested in other investment tools as directed by this policy.
- (4) The stated final maturity of any one investment made by the County Treasurer, outside of a Public Funds Investment Pool, shall be three years or less.

(2256.005 (b) (4) (B))

KAUFMAN COUNTY INVESTMENT POLICY

LIST OF FUNDS

FUND	FUND NAME	FUND	FUND NAME
010	GENERAL HJND - CASH	111	CO & DIST CRT TECH CASH
011	REGIONAL CALL CTR. CONST.CASH	112	JP TECHNOLOGY CASH
016	INDIGENT HEALTH CARE	113	RECORDS ARCHIVE CASH
019	KAUFMAN CO EMERGENCY SHELTER	117	SCAAP DIVERSITY CASH
020	MAIN ROAD & BRIDGE CASH	119	2012 DJ BX 0406 TASER CASH
021	R&B PCT 1 CASH	121	H20 MITIGATION CASH
022	R&B PCT 2 CASH	122	EMW 2011SSOOOI9 CASH
023	R&B PCT 3 CASH	123	TAX ASSESSOR ADMIN FEE CASH
024	R&B PCT 4 CASH	124	JUV GRANT N CASH
025	LAW LIBRARY CASH	125	EMISSIONS ENFORCEMENT CASH
026	KC LIBRARY CASH	126	2013 DJBX0665 CASH
027	GENERAL ROW CASH	127	CAPITAL MURDER GRANT CASH
028	LAKE DAM MAINTENANCE CASH	129	BVP GRANT CASH
029	CRIMINAL JUSTICE CASH	130	ENS GRANT CASH
030	VOTER REGISTRATION CASH	131	CERTZ GRANT CASH
031	PROBATE EDUCATION CASH	132	DEFENSE EXPENSES CASH
032	INSURANCE CASH	133	ENHANCEMENT GRANT CASH
033	COMMUNITY CORRECTION CASH	012	WIRE TRANSFER FUND
034	ADULT PROBATION CASH	013	KSO FEDERAL SEIZED CASH
035	JUVENILE PROBATION CASH	014	KSO ASSET FORFEITURE CASH
036	APPELLATE JUSTICE CASH	015	D.A. ASSET FORFEITURE FUND
037	INTENSIVE SUPERV. CASH	044	CONSTRUCTION PROJECTS - CASH
038	JUV PROBATION DIVERSION CASH	058	PCT 4 CONSTABLE SEIZED CASH
039	VEHICLE IMPOUND CASH	061	SERIES 2015 BOND I&S CASH
040	JUVE PROBATION FEE CASH	062	JAIL CONSTRC. I&S DEBT CASH
042	RECORDS MGMT CASH	063	SIB I&S DEBT CASH
043	LIBRARY MEMORIAL CASH	064	ROAD BOND DEDT CASH
045	COURTHOUSE SECURITY CASH	071	LEVEE IMPROVEMENT DIST 1 CASH
046	CCT RECORDS MGMT CASH	073	LEVEE DISTRICTS CASH
047	DC RECORDS MGMT CASH	077	LEVEE DIST 15 CASH
048	PCT 1 SW CONV CASH	078	TXCDGB CASH
049	FIRE CODE CASH	079	BOIS D'ARC ISLAND CASH
051	JUV IV-E PROBATION CASH	080	JURY CASH
053	CCL DIVERSION CASH	081	HISTORICAL COMM. CASH
054	422ND DIVERSION COURT CASH	082	FARM MUSEUM CASH
056	DANGEROUS ANIMAL CASH	084	KC ACH CASH
057	STAR PROGRAM CASH	085	PAYROLL ACCOUNT CASH
060	JUSTICE CRT BLDG SECURITY CASH	086	EMPLOYEE SAVINGS CASH
06S	TOBACCO SETTLEMENT CASH	089	JP #1 FEE CASH
070	COMMUNITY SERV BOOT CAMP CASH	090	JP #2 FEE CASH
072	ADDICTION RECOVERY CASH	091	JP #3 FEE CASH
087	JUVE CASE MANAGER CASH	092	JP #4 FEE CASH
104	LOAN STAR LIBRARY CASH	101	LEVEE DISTRICT 6 CASH
105	2006 DJ BX 1061 CASH	128	2014 ROAD BOND CASH
109	TCLBOSE TRAINING CASH	135	SERIES 2015 BOND CASH

**KAUFMAN COUNTY INVESTMENT POLICY
ATTACHMENT B
APPOINTMENT TO KAUFMAN COUNTY INVESTMENT ADVISORY
COMMITTEE 2019**

Charles Mohnkern, County Treasurer
Chairman, Investment Advisory Committee
100 North Washington Street
Kaufman, Texas 75142

Karen MacLeod, County Auditor
100 North Washington Street
Kaufman, Texas 75142

Hon. Hal Richards, County Judge
100 W Mulberry Street
Kaufman, Texas 75142

**KAUFMAN COUNTY INVESTMENT POLICY
ATTACHMENT C
APPROVED BROKER/DEALERS
AND ACKNOWLEDGEMENT & CERTIFICATION FORM**

NONE

Account	Description	2017	2018	2019	2019	2019	Projected to Spend	Projected Actual	Inflation	Projected Changes	Cost of Change	Change to PY	New Budget	Varicance to PY
	ABC DEPARTMENT	Actual	Actual	Adopted	Revised	Year to Date								
				Budget	Budget									
010-0000-000	SALARY	10,000	10,000	10,000	10,000	5,000		5,000				0	5,000	- 5,000
010-0000-000	SOCIAL SECURITY	1,000	1,000	1,000	1,000	500		500				0	500	- 500
010-0000-000	RETIREMENT	1,000	1,000	1,000	1,000	500		500				0	500	- 500
010-0000-000	OFFICE SUPPLIES	1,000	1,000	1,000	1,000	500		500				0	500	- 500
010-0000-000	EQUIPMENT (NON-CAPITAL)	1,000	1,000	1,000	1,000	500		500				0	500	- 500
010-0000-000	MILEAGE, MEALS, LODGING	200	200	200	200	100		100				0	100	- 100
010-0000-000	TRAINING, EDUCATION, CONFERENC	200	200	200	200	100		100				0	100	- 100
010-0000-000	SOFTWARE	200	200	200	200	100		100				0	100	- 100
010-0000-000	DUES	200	200	200	200	100		100				0	100	- 100
010-0000-000	MISCELLANEOUS	50	50	50	50	25		25				0	25	- 25
		14,850	14,850	14,850	14,850	7,425	0	7,425			0	0	7,425	- 7,425

INSTRUCTIONS:

Enter data in the yellow highlighted areas

Projected to spend: Enter the amount of the remaining budget expected to be spent by year end

Inflation: Enter the inflation percentage projected for any category.....CPI/ECI, other

Projected Changes: Write out the items expected to change for next yearnew equipment, less staff, etc.

Cost of change: Enter the amount of the total of the changes per line item.

Projected IT Cost: Enter amount provided by IT dept.



<https://www.bls.gov/news.release/eci.nr0.htm>

<https://tradingeconomics.com/united-states/consumer-price-index-cpi>

https://www.bls.gov/regions/southeast/news-release/pdf/consumerpriceindex_south.pdf

Consumer Price Index- South Region			
Percent Change from-			
Category	Mar-18	Jan-19	Feb-19
Food	2.3	0.6	0.3
Shelter	3	0.8	0.3
Vehicles	0.7	0.0	0.5
Gasoline	-0.4	16.7	12.1
Education	0.2	0	-0.1
Paper Goods	-0.3	3.2	2.1
Energy	0	7.8	5.9