

THE STATE OF TEXAS

COUNTY OF SABINE

On this the 9th day of March, 1981, the Honorable Commissioners Court met in regular session with the following members present, to-wit:

Royce C. Smith	County Judge
R. E. Smith	Commissioner, Precinct No. 1
G. W. Russell, Jr.	Commissioner, Precinct No. 2
Eldridge Ellison	Commissioner, Precinct No. 3
Jimmy Vickers	Commissioner, Precinct No. 4
Minnie Gooch	Clerk of the Court

Marie White, Tax Assessor Collector appeared before the court to request more office space and extra help. Motion by Commissioner Eldridge Ellison seconded by Commissioner G. W. Russell, Jr. to hire Sandra Easley as temporary help until the office work is caught up. Motion carried. Motion by Commissioner G. W. Russell, Jr. seconded by Commissioner Eldridge Ellison to pay Sandra Easley out of Officers Salary Fund.

Ray Meleton, Representative from the Child Welfare board appeared before the court. Since the Board did not make an appearance at the Budget hearing he was requesting funds for child foster care. He was asked to meet with the court on April 13th.

The Jail plans drawn by Temple Eastex were examined by the Court. Motion by Commissioner G. W. Russell, Jr. seconded by Commissioner R. E. Smith to approve these Jail plans. All voted in favor of this motion.

George E. Cooper, Jr., Representative of the firm of Schneider, Bernet & Hickman, Inc. located at Towne Lake Square, 417 Spur 63 Longview, Texas 75601 appeared before the court. He explained the Financial Advisory Contract to the Court. Upon a motion by Commissioner Jimmy Vickers seconded by Commissioner Eldridge and by unanimous consent the Contract was approved and marked "Exhibit A" and attached to the minutes of this date.

Motion by Commissioner R. E. Smith seconded by Commissioner Jimmy Vickers to file a Pre-Application for Federal Assistance on financing construction of a new Jail through facilities of Farmers Home Administration. All voted in favor of the motion.

Attorney James Allen Payne appeared before the court to discuss the law suit filed against Sabine County concerning assessability to the Courthouse for the Handicapped. This item is to be placed on the Agenda for next court day.

Motion by Commissioner G. W. Russell, Jr. seconded by Commissioner R. E. Smith to split the Revenue Sharing Fund five ways that being the four Commissioner Precincts and the Administrative fund. After publication of the hearing fro request there was no response. All voted in favor of the motion.

Motion by Commissioner G. W. Russell, Jr., seconded by Commissioner R. E. Smith to hire Peggy Wright as Deputy County & District Clerk to replace Terry Ferguson effective April 1st., 1981. All voted in favor of the motion.

Accounts were allowed and made payable.

There being no further business, the court adjourned.

*R. E. Smith*  
COUNTY JUDGE

*R. E. Smith*  
COMMISSIONER, PRECINCT NO. 1

*E. J. Allison*  
COMMISSIONER, PRECINCT NO. 3

*G. W. Russell, Jr.*  
COMMISSIONER, PRECINCT NO. 2

*[Signature]*  
COMMISSIONER, PRECINCT NO. 4

*Clara Minnie Goach*  
CLERK OF THE COURT

See exhibits



# FINANCIAL ADVISORY CONTRACT

(M.A.C. Form C-1 Revised, Standard Form of Agreement between Political Subdivision and Financial Advisor Covering Issuance of Securities, Form approved by the Municipal Advisory Council for Use of Members Only.)

Date March 9, 1981

To: Sabine County Commissioners' Court  
Sabine County Courthouse  
Hemphill, Texas 75948

Gentlemen:

1. We understand that you are contemplating the issuance of securities of the kinds, in the amounts, and for the purposes indicated as follows:

\$ \_\_\_\_\_ General Obligation Bonds

and that in connection with the issuance of these securities you desire this proposal from us to perform professional services in the capacity of Financial Advisor for Sabine County, Texas (hereinafter called "Issuer").

2. By this proposal we offer our professional services and our facilities as Financial Advisor for the issuance and sale of the above-described securities, and in that capacity we agree to perform the following duties, and to perform such other duties, as, in our judgment, may be necessary or advisable:

- a. We will make a survey of the financial resources of the Issuer to determine the extent of its borrowing capacity. This survey will include an analysis of the existing debt structure as compared to existing and projected sources of income which may be pledged to secure payment of debt service, and where appropriate, will include a study of the trend of the assessed valuation of the Issuer, the Issuer's taxing power, and the present and estimated future taxing requirements. If the revenues of a system or facility are to be pledged to repayment of the securities in question, the survey will take into account any outstanding obligations which are payable from the net revenues thereof, additional net revenues to arise from any proposed rate increase, and the additional net revenues as projected by your consulting engineers as a result of the improvements to be financed by the securities in question. We will also take into account your future financing needs and operations as projected by your staff and/or your consulting engineers and other experts.
- b. On the basis of the information developed by the survey described in the above and foregoing paragraph, and on the basis of other information and experience available to us, we will submit our written recommendations on the financing in question. Our plan will include recommendations as to the date of issue, interest payment dates, schedule of principal maturities, options of prior payment, and any other necessary additional security provisions designed to make the issue more attractive to investors. All recommendations will be based on our best professional judgment, with the goal of designing securities which can be sold under terms most advantageous to Issuer, and at the lowest interest cost consistent with all other considerations.
- c. We will advise you of current bond market conditions, forthcoming bond issues, and other general information and economic data which might normally be expected to influence the interest rates or bidding conditions, so that the date for the sale of the securities can be set a time; which, in our opinion, will be favorable.
- d. If it is necessary to hold an election to authorize the securities, we will, under the direction of the bond attorneys, assist in coordinating the assembly and transmittal to the bond attorneys of such data as may be required for the preparation of the necessary petitions, orders, resolutions, notices and certificates in connection with the election.
- e. We will coordinate the preparation and submission of the Official Notice of Sale, the Official Statement or Offering Statement, and such other market documents which you may require. We will also supervise preparation of the uniform bid form, containing provisions recognized by the municipal securities industry as being consistent with the securities offered for sale. We will submit to you all such offering documents, including the Official Statement, for your proper examination, approval and certification. After such examination, approval and certification we will furnish you with a supply of such documents and shall mail a set of the same to a list of prospective bidders, a copy of which list shall be submitted to you upon request. We will also supply sufficient copies of the Official Statement or Offering Statement to the purchaser of the securities in accordance with the terms of the Notice of Sale.

"Exhibit A"

f. We will make recommendations to the Issuer on the matter of bond rating(s) for the proposed issue and when directed by you shall coordinate the preparation of such information as in our opinion is required for submission to the rating agency(ies). In those cases where the advisability of personal presentation of information to the bond rating agencies may be indicated, we will arrange for such personal presentation.

g. If the securities are to be sold at public sale we will disseminate information to prospective bidders, we will organize such information meetings as in our judgment may be necessary, and will work with prospective bidders to assist them in timely submitting proper bids. We will assist you at the bond sale for the purpose of coordinating the receipt of bids, and the furnishing of good faith checks where indicated, and for the purpose of tabulation and comparison of bids, and will advise you as to the best bid, and will provide our recommendation as to acceptance or rejection of such bid. As soon as a bid for the bonds shall be accepted by you, we will proceed to coordinate the efforts of all concerned to the end that the bonds may be delivered and paid for as expeditiously as possible. Should the bonds be eligible under Texas laws for purchase by the State Board of Education, the Financial Advisor will be responsible for the preparation of an Application for Purchase or Waiver and its timely submission to the Board. We shall assist you in the preparation or verification of final closing figures, and when requested, will provide suggestions on a program of temporary investment of bond proceeds, in consultation with the Issuer's architect or consulting engineer, consistent with the construction timetable for the project.

h. We will act as your agent in arranging for the printing of the securities, and will submit same for execution and impression of seal, and we will attend to their delivery to the Attorney General for approval and the Comptroller of Public Accounts for registration, it being understood that title to and ownership of the printed securities shall be in the Issuer until they are sold and delivered to the purchaser.

After closing we will deliver to you and your paying agent(s) definitive debt records, including a schedule of annual debt service requirements on the obligations being delivered to the purchaser.

3. We agree to direct and coordinate the entire program of financing herein contemplated. In that connection we understand that you have retained or expect to retain \_\_\_\_\_

\_\_\_\_\_, a firm of recognized municipal bond attorneys, who will prepare the proceedings and advise the steps necessary to be taken to issue the securities and who will issue an opinion approving their legality. We will maintain liaison with this firm of bond attorneys and shall assist in all financial advisory aspects involved in the preparation of appropriate legal proceedings and documents.

Where the issuance and sale of the securities, and construction of the project in question, requires the approval of any state or governmental agency, we shall assist you in the preparation of all financial information required for inclusion in applications for such approval, and when requested by you, shall appear on your behalf to provide appropriate testimony at public hearings before state and other governmental commissions and boards. We will also be available to participate with you in any preliminary conferences with the staffs of any state or governmental agencies involved, and we will, for qualified projects, coordinate the preparation of financial assistance applications required for state involvement.

4. In consideration for the services rendered by us in connection with the issuance and sale of the above-described securities it is understood and agreed that our fee will be as follows:

Amount determined by the use of the attached  
**FINANCIAL ADVISORY FEE SCHEDULE FOR GENERAL OBLIGATION BONDS**

In consideration of the above fee we will assume and be responsible for the following expenses:

Items 1 through 8 on page 7 of the attached booklet entitled,  
**FINANCIAL ADVISORY SERVICES FOR MUNICIPALITIES**

FINANCIAL ADVISORY FEE SCHEDULE FOR GENERAL OBLIGATION BONDS

If the Amount of Bonds  
Delivered to Purchaser is:

<u>More Than</u>	<u>And Not More Than</u>	<u>The Fee is:</u>							
\$ -0-	\$ 100,000	\$ 4,500							
100,000	500,000	4,500	plus \$12.00	per \$1,000	all over \$	100,000			
500,000	1,000,000	9,300	"	6.00	"	"	"	"	500,000
1,000,000	1,500,000	12,300	"	5.00	"	"	"	"	1,000,000
1,500,000	2,500,000	14,800	"	4.00	"	"	"	"	1,500,000
2,500,000	5,000,000	18,800	"	2.30	"	"	"	"	2,500,000
5,000,000	10,000,000	24,550	"	2.10	"	"	"	"	5,000,000
10,000,000	20,000,000	35,050	"	1.70	"	"	"	"	10,000,000

SAMPLE FEES

<u>Amount of Bonds</u>	<u>Financial Advisory Fee</u>
\$ 100,000	\$ 4,500
200,000	5,700
300,000	6,900
400,000	8,100
500,000	9,300
750,000	10,800
1,000,000	12,300
1,500,000	14,800
2,000,000	16,800
2,500,000	18,800
4,000,000	22,250
5,000,000	24,550
7,500,000	29,800
10,000,000	35,050
15,000,000	43,550
20,000,000	52,050

Our fee and reimbursable expenses shall become due and payable simultaneously with the delivery of the securities to the purchaser.

5. In the event any bond election be necessary, if such election shall fail, the fee due us shall be none; however, should the same or similar propositions again be submitted to election held within 24 months from date hereof, then at our option the agreement covered by this proposal shall apply to any such securities.

6. It is further understood and agreed that we reserve the right to submit a bid for the securities when offered for sale.

7. This agreement shall be terminated by the delivery to the purchaser of all the securities covered hereby, whether delivered all at one time, or in installments.

8. Special Conditions. In addition to the terms and obligations herein contained, this proposal and agreement is subject to the following special conditions:

County will pay local election expenses, which cost will be deducted from Financial Advisory Fee due when bonds are voted and sold.

9. This proposal is submitted in duplicate originals. When accepted by Issuer it will constitute the entire agreement between Issuer and the undersigned for the purpose and considerations herein specified. Your acceptance will be indicated by proper signatures of your authorized officers or representatives on both copies and the returning of one executed copy to us:

Respectfully submitted,  
SCHNEIDER, BERNET & HICKMAN, INC.  
By Raye E. Cooper, Vice President  
Authorized Representative

ACCEPTANCE

ACCEPTED pursuant to RESOLUTION adopted by the Commissioners'  
Court of Sabine County, Texas  
on this 9th of March, 19 81.

Raye E. Smith  
Title County Judge

ATTEST:

Minnie Gooch  
Title County Clerk

(SEAL)