



CITY OF
BEDFORD
Discover the Center

SWIFT Funding Application
June 5, 2015

King
ENGINEERING ASSOCIATES, INC.

Texas Water 
Development Board
P.O. Box 13231, Austin, Texas 78711-3231



**APPLICATION FOR FINANCIAL ASSISTANCE
FOR WATER AND WASTEWATER INFRASTRUCTURE PROJECTS**

This application is comprehensive, covering all loan and grant assistance applications for water and wastewater infrastructure financing through the various Texas Water Development Board (TWDB) programs. The format of the application is intended to expedite the review process for both the applicant and TWDB staff. This application can be used by political subdivisions, including water supply corporations.

Please submit one double-sided original and one indexed, electronic copy, via electronic storage media such as CD or flash drive using MS Word, Excel and/or Adobe Acrobat.

Please submit your application to:

Texas Water Development Board
Water Supply and Infrastructure-Regional Water Planning and Development
P O Box 13231
1700 N. Congress Avenue, 5th Floor
Austin, Texas 78711-3231
(78701 for courier deliveries)

A complete application consists of all of the applicable information and forms requested in this document. When preparing this application please review the Application and all Guidance and Forms, listed at the end.

For more information, please contact your Regional Project Implementation Team at:

http://www.twdb.texas.gov/financial/programs/swift/regional_project_teams.asp

Thank you.

TWDB Use Only

Name of Applicant: _____

Date application received: _____

Date administratively complete: _____

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

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Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part A: General Information

1. The legal authority under which the applicant was created and operates.
 - a) TYPE A GENERAL-LAW MUNICIPALITY (Texas Local Gov't Code Sec. 5.001)
 - b) TYPE B GENERAL-LAW MUNICIPALITY (Texas Local Gov't Code Sec. 5.002)
 - c) TYPE C GENERAL-LAW MUNICIPALITY (Texas Local Gov't Code Sec. 5.003)
 - d) HOME-RULE MUNICIPALITY (Texas Local Gov't Code Sec. 5.004)
 - e) SPECIAL-LAW MUNICIPALITY (Texas Local Gov't Code Sec. 5.005)
 - f) NONPROFIT ORGANIZATION (Business Organization Code Chapter 22)
 - g) NONPROFIT WATER SUPPLY OR SEWER SERVICE CORP. (Texas Water Code Chapter 67)
 - h) ALL DISTRICTS (Texas Water Code Chapter 49)
 - i) OTHER (attach)

2. Applicant Name and Contact Information:

Name:	City of Bedford
County:	Tarrant
Physical Address:	2000 Forest Ridge Drive, Bedford, Texas 76021
Mailing Address:	2000 Forest Ridge Drive, Bedford, Texas 76021
Phone:	817-952-2248
Fax:	817-952-2240
Website:	www.bedfordtx.gov

2. Brief description of the project: A City of Bedford, Texas conservation project will be implemented to reduce water lost through leaks and pipe breaks, as well as inaccurate and/or old water meters. The project involves the replacement of 150 miles of 8"-inch to 12"-inch water distribution piping. Current piping is over 60 years old that consists of cast iron or asbestos cement. Due to age, the piping is proving to be problematic as the City continues to experience leaks and pipe breakage. Recently, the City introduced a second high-pressure zone. With the implementation of the high pressure zone, the leakage problem will be further exacerbated. Current water audits show the City's unaccounted water loss at an acceptable level (+-10%); however, recent anecdotal evidence suggests a rapidly deteriorating situation. Numerous episodes of major line leaks and breaks suggests a more serious level of lost water. The City intends to replace, in like size, 150 miles of existing water distribution over the next 10 years. Construction of the replacement piping will not require any easements acquisitions.

Additionally, the City intends to upgrade outdated water meters with new state-of-the-art Automatic Meter Readers (AMR). Based upon a significant sample survey, it has been determined that a large percentage of the City's water meters read inaccurately. By improving meter accuracy, consumers will be more likely to curb water usage due to costs associated with consumption. Further, in the event of water pipe breakage on the consumer side, the AMR system will alert the City and ultimately the consumer, which will expedite repairs and curtail water loss.

4. Applicant's Officers and Members:

Name	Office Held
Jim Griffin	Mayor

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Roger Gibson	Interim City Manager

5. Applicant's **primary contact person** for day-to-day project implementation.

Name:	Thomas Hoover
Title:	Director of Public Works
Address:	1813 Reliance Parkway, Bedford, Texas 76021
Phone:	817-952-2248
Fax:	817-952-2240
Email:	thomas.hoover@bedfordtx.gov

6. Applicant's Consultants (Attach copies of all draft and/or executed contracts for consultant services to be used by the Applicant in applying for financial assistance or constructing the proposed project.):

a) Applicant Engineer N/A

Firm Name:	King Engineering Associates, Inc.
Contact:	William B. Moriarty
Address:	1250 Capital of Texas Highway South, Austin, Texas 78746
Phone:	512-462-4921
Fax:	512-462-1372
Email:	wmoriarty@kingengineering.com

b) Bond Counsel N/A

Firm Name:	Norton Rose Fulbright
Contact:	Robert D. Dransfield
Address:	2200 Ross Avenue, Suite 3600, Dallas, Texas 75201
Phone:	214-855-8068
Fax:	214-855-8200
Email:	robert.dransfield@nortonrosefulbright.com

c) Financial Advisor N/A

Firm Name:	First Southwest
Contact:	David Medanich/Nick Bulaich
Address:	777 Main Street, Suite 1200, Fort Worth, Texas 76102
Phone:	817-332-9710
Fax:	817-336-5572
Email:	david.medanich@firstsw.com / nick.bulaich@firstsw.com

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

d) Certified Public Accountant (or other appropriate rep) N/A

Firm Name:	BKD,LLP
Contact:	Kevin Kemp, CPA
Address:	14241 Dallas Parkway, Suite 1100, Dallas, Texas 75254-2961
Phone:	972-702-8283
Fax:	972-702-0673
Email:	kkemp@bkd.com

e) Legal Counsel (if other than Bond Counsel) N/A

Firm Name:	Boyle & Lowry, LLP
Contact:	Stan Lowry
Address:	4201 Wingren, Suite 108
Phone:	972-650-7102
Fax:	972-650-7105
Email:	slowry@boyle-lowry.com

f) Any other consultant representing the Applicant before the Board N/A

Firm Name:	
Contact:	
Address:	
Phone:	
Fax:	
Email:	

7. List the counties within the Applicant's service area. Tarrant

8. Identify the Applicant's total service area population: 49,054

9. Applicant is requesting funding from which programs? Check all that apply.

	PROGRAM	AMOUNT REQUESTED
a) <input type="checkbox"/>	Drinking Water State Revolving Fund (DWSRF)	\$ _____
b) <input type="checkbox"/>	Clean Water State Revolving Fund (CWSRF)	\$ _____
c) <input type="checkbox"/>	Texas Water Development Fund (DFund)	\$ _____
d) <input type="checkbox"/>	State Participation	\$ _____
e) <input type="checkbox"/>	Rural Water Assistance Fund (RwAF)	\$ _____
f) <input checked="" type="checkbox"/>	State Water Implementation Fund for Texas (SWIFT)	\$ <u>90,000,000</u>
g) <input type="checkbox"/>	Economically Distressed Areas Program (EDAP)	\$ _____
h) <input type="checkbox"/>	If other please explain: _____	\$ _____

10. Other Funding Sources: Provide a list of any other funding source(s) being utilized to complete the project, including Applicant's local contribution, if any, or commitments applied for and/or received from any other funding agency for this project or any aspect of this project. **Provide commitment letters if available. Additional funding sources must be included within the Project Budget (TWDB-1201).**

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Funding Source	Type of Funds (Loan/Grant)	Amount (\$)	Date Applied for Funding	Anticipated or Funding Secured Date
Total Funding from All Sources		\$		

Comments: N/A

11. Applicant is requesting funding for which phase(s)? Check all that apply.

- Planning
- Acquisition
- Design
- Construction

12. Is Applicant requesting funding to refinance existing debt?

- Yes If yes, attach a copy of the document securing the debt to be refinanced.
- Attached document**
- No

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part B: Legal Information

- 13. Cite the legal authority under which the Applicant can issue the proposed debt including the authority to make a proposed pledge of revenues. Chapter 271, Subchapter C, Texas Local Government Code, as amended and Chapter 1502, Texas Government Code, as amended.

- 14. What type of pledge will be used to repay the proposed debt?
 - Systems Revenue
 - Taxes
 - Combination of systems revenues and taxes
 - Other (Contract Revenue, etc.)

- 15. Provide the full legal name of the security for the proposed debt issue(s). City of Bedford, Texas Combination Tax and Surplus Revenue Certificates of Obligation, Series 2015.

- 16. Describe the pledge being offered and any existing rate covenants. City's ad valorem taxed and a surplus pledge of the City's water and wastewater systems. There will be no rate covenant.

- 17. Attach the resolution from the governing body requesting financial assistance.
TWDB-0201A (<http://www.twdb.texas.gov/financial/instructions/>)
 Attached Resolution

- 18. Attach the Application Affidavit
TWDB-0201 (<http://www.twdb.texas.gov/financial/instructions/>)
 Attached Applicant Affidavit

- 19. Attach the Certificate of Secretary
TWDB-201B (<http://www.twdb.texas.gov/financial/instructions/>)
 Attached Certificate of Secretary

- 20. Is the applicant a Water Supply Corporation (WSC)?
 - Yes If yes, attach each of the following:
 - Articles of Incorporation**
 - Certificate of Incorporation from the Texas Secretary of State evidencing that the current Articles of Incorporation are on file with the Secretary**
 - By-laws and any amendments**
 - Certificate of Status from the Texas Secretary of State (i.e. Certificate of Existence)**
 - Certificate of Account Status from the Texas Comptroller of Public Accounts (certifies that the WSC is exempt from the franchise tax and that the WSC is in good standing).**
 - No

- 21. Is the applicant proposing to issue revenue bonds?
 - Yes If yes, attach copies of the most recent resolution/ordinance(s) authorizing any outstanding parity debt. This is essential to insure outstanding bond covenants are consistent with covenants that might be required for TWDB financing.
 Attached resolution/ordinance(s)

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

22. No
 Yes If yes, attach a copy of the CCN and service area map showing the areas the applicant is allowed to provide water or wastewater services.
 Attached CCN and service area map
 No If no, indicate the status of the CCN. _____
 N/A
23. Has the applicant been the subject of any enforcement action by the Texas Commission on Environmental Quality (TCEQ), the Environmental Protection Agency (EPA), or any other entity within the past three years?
 Yes If yes, attach a brief description of every enforcement action within the past three years and action(s) to address requirements.
 Attached
 No
24. Are any facilities to be constructed or the area to be served within the service are of a municipality or other public utility?
 Yes If yes, has the applicant obtained an affidavit stating that the utility does not object to the construction and operation of the services and facilities in its service area?
 If yes, attach a copy of the affidavit.
 Attached affidavit
 If no, provide an explanation as to why not. _____
 No
25. If the assistance requested is more than \$500,000 a Water Conservation Plan (WCP) is required. The WCP cannot be more than **FIVE** years old and must have been adopted by the applicant. Has the applicant adopted a Board-approved WCP? (Check one and attach requested information, if any.)
 Yes Enter date of Applicant's WCP adoption: July 2014
 No If no, attach a copy of a draft Water Conservation Plan and Drought Contingency Plan prepared in accordance with the TWDB WCP Checklist (<http://www.twdb.state.tx.us/financial/instructions/doc/TWDB-1968.pdf>)
 Attached Draft WCP and Drought Contingency Plan
 Attached Utility Profile TWDB-1965
<http://www.twdb.state.tx.us/financial/instructions/doc/TWDB-1965.pdf>
 N/A (Request is \$500,000 or less per Water Code §§ 15.106(c), 17.125(c), 17.277(c), and 17.857(c))

Note: If the applicant will utilize the project financed by the TWDB to furnish services to another entity that in turn will furnish services to the ultimate consumer, the requirements for the WCP may be met through contractual agreements between the applicant and the other entity providing for establishment of a water conservation plan. The provision requiring a WCP shall be included in the contract at the earliest of: the original execution, renewal or substantial amendment of that contract, or by other appropriate measures.

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

26. Does the applicant provide retail water services?
 Yes If yes, has the applicant already submitted to the TWDB the annual water use survey of groundwater and surface water for the last **THREE** years?
 Yes
 No If no, please download survey forms and attach a copy of the completed water use surveys to the application.
<http://www.twdb.texas.gov/waterplanning/waterusesurvey/index.asp>
 Attached Water Use Survey
- No
27. Is the applicant a retail public utility that provides potable water?
 Yes If yes, has the applicant already submitted the most recently required water loss audit to the TWDB?
 Yes
 No If no, and if applying for a water supply project, please complete the online TWDB Water Audit worksheet found at <http://www.twdb.texas.gov/conservation/resources/waterloss-resources.asp> and attach a copy to the application.
 Attached TWDB Water Audit worksheet
- No
28. Does the Applicant provide wastewater services?
 Yes
 No

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part C: Financial Information

Regional or wholesale providers, complete questions 29-31.

Retail providers, complete questions 32-34.

29. List top **TEN** customers of the system by annual usage in gallons and percentage of total usage, including whether any are in bankruptcy. - **N/A**

Customer Name	Annual Usage (gal)	Percent of Usage	Bankruptcy (Y/N)

Comments: N/A

30. List the top TEN customers of the system by gross revenues and percent of total revenues, including whether any are in bankruptcy – **N/A**

Customer Name	Annual Revenue(\$)	Percent of Revenue	Bankruptcy (Y/N)

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

31. Provide a summary of the wholesale contracts with customers – **N/A**

Contract Type	Minimum annual amount	Usage fee per 1,000 gallons	Annual Operations and Maintenance	Annual Capital Costs	Annual Debt Service	Other

32. List top **TEN** customers of the water and/or wastewater system by annual revenue with corresponding usage and percentage of total use, including whether any are in bankruptcy.

a. **WATER**

Customer Name	Annual Usage (gal)	Percent of Total Water Revenue	Bankruptcy (Y/N)
Texas Health Resources Hospital	41,651	1.78%	No
Walden Residential	16,401	0.70%	No
The Courts of Bedford	12,277	0.53%	No
The Creek on Park Place	11,953	0.51%	No
Gardens of Bedford Apartments	10,825	0.46%	No
Telesis/DBA Parkwood Healthcare	7,381	0.32%	No
Speedway Car Wash	7,036	0.30%	No
Linbrook Apartments	6,651	0.28%	No
Q/W Coin Services, LTD	6,282	0.27%	No
Heartland of Bedford	6,036	0.26%	No

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

b. **WASTEWATER**

Customer Name	Annual Usage (gal)	Percent of Total Wastewater Revenue	Bankruptcy (Y/N)
The Creek on Park Place	11,953,000	0.84%	No
CRP/TBG Forestwood	9,136,000	0.81%	No
Texas Health Resources Hospital	22,834,000	0.74%	No
Waters Park Apartments	11,345,000	0.65%	No
Kensington Station Apartments	6,979,000	0.52%	No
Toscana Villas Apartments	10,983,000	0.49%	No
SIMC-Gentry's Walk Apartments	8,049,000	0.46%	No
The Courts of Bedford	8,402,000	0.44%	No
Gardens of Bedford Apartments	13,322,000	0.42%	No
Linbrook Apartments	9,096,000	0.41%	No

33. Current Average Residential Usage and Rate Information

Service	Date of Last Rate Increase	Avg. Monthly Usage (gallons)	Avg. Monthly Bill (\$)	Avg. Monthly Increase Per Customer(\$)	Projected Monthly Increase Necessary (\$)
Water	01/01/15	8,000 Gal.	\$45.26	\$0.09	\$0.10
Wastewater	01/01/15	5,000 Gal.	\$22.26	\$0.14	\$0.15

34. Provide the number of customers for each of the past five years.

Year	Number of Customers
2010	23,085
2011	23,085
2012	23,035
2013	23,018
2014	23,041

All applicants complete questions 35-51 of the financial section, as applicable.

35. Disclose all issues that may affect the project or the applicant's ability to issue and/or repay debt (such as anticipated lawsuits, judgments, bankruptcies, major customer closings, etc.).

N/A

36. Has the applicant ever defaulted on any debt?

Yes If yes, disclose all circumstances surrounding prior default(s). _____
 No

37. Does the applicant have taxing authority?

Yes

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

No

38. Provide the last five-years of data showing total taxable assessed valuation including net ad valorem taxes levied, corresponding tax rate (detailing debt service and general purposes), and tax collection rate.

Fiscal Year Ending	Net Taxable Assessed Value (\$)	Tax Rate	General Fund	Interest & Sinking Fund	Tax Levy \$	% Current Collections	% Total Collections
2011	\$2,877,028,431	\$0.491609	\$0.309075	\$0.182534	\$13,897,299	99.29%	99.97%
2012	\$2,965,988,327	\$0.504329	\$0.311257	\$0.193072	\$14,374,422	99.10%	99.54%
2013	\$2,961,094,384	\$0.499115	\$0.306043	\$0.193072	\$14,437,257	98.80%	99.15%
2014	\$3,121,183,647	\$0.494830	\$0.303214	\$0.191616	\$14,524,393	99.30%	99.41%
2015	\$3,129,000,882	\$0.494830	\$0.289907	\$0.204923	\$15,053,001	87.44%	87.50%

Comments: 2015 collections are for partial year only (through February 1, 2015).

39. Attach the last five-years of tax assessed values delineated by Classification (Residential, Commercial and Industrial). **If applicant does not have taxing authority, provide the assessed values of the county.**

- a) 2011 attached
- b) 2012 attached
- c) 2013 attached
- d) 2014 attached
- e) 2015 attached

40. Attach the direct and overlapping tax rate table:

Attached tax rate table

41. Provide the current top **TEN** taxpayers showing percentage of ownership to total assessed valuation. State if any are in bankruptcy and explain anticipated prospective impacts in the Comments blank, below. If any of these have changed in the past three years, please provide information on the changes to the top ten.

Taxpayer Name	Assessed Value	Percent of Total	Bankruptcy (Y/N)
CMF 15 Portfolio, LLC	\$76,100,000	2.43%	No
Wal-Mart Real Estate Business Trust	\$26,425,138	0.84%	No
Oncor Electric Delivery	\$21,166,300	0.68%	No
Pem 121 Airport Centre II LP	\$20,344,608	0.65%	No
Park Plaza Homes LP	\$17,947,689	0.57%	No
WDOP SUB II LP	\$17,051,147	0.54%	No
Paramount Villages LLC	\$16,500,000	0.53%	No
State National Insurance Co, Inc.	\$16,471,289	0.53%	No
Point Loma Woods Dallas LLC	\$15,800,000	0.50%	No
Arbors of Central Park ICG LLC	\$15,300,000	0.49%	No

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Comments: N/A

42. Provide the maximum tax rate permitted by law per \$100 of property value. \$2.50

43. Does the applicant collect sales tax?

Yes Provide the sales tax collection history for the past five years.

Fiscal Year Ending	Total Collections
2010	\$9,531,017
2011	\$9,060,295
2012	\$9,363,047
2013	\$9,629,427
2014	\$9,985,658

No

44. Indicate the tax status of the proposed loan?

Tax-Exempt

Taxable

45. Proforma (**Select one of the four listed below**) Please be sure the proforma reflects the schedule requested, including multi-phased funding options.

a. System revenues are anticipated to be used to repay the proposed debt. Attach a proforma indicating the following information for each year the debt is outstanding:

- projected gross revenues
- operating and maintenance expenditures
- outstanding and proposed debt service requirements
- net revenues available for debt service and coverage of current and proposed debt paid from revenues

b. Taxes are anticipated to be used to repay the proposed debt. Attach a pro forma indicating the following information for each year the debt is outstanding:

- outstanding and proposed debt service requirements
- the tax rate necessary to repay current and proposed debt paid from taxes
- list the assumed collection rate and tax base used to prepare the schedule

c. Combination of system revenues and taxes to be used to repay the proposed debt. Attach a pro forma indicating the following information for each year the debt is outstanding:

- projected gross revenues, operating and maintenance expenditures, net revenues available for debt service
- outstanding and proposed debt service requirements
- the tax rate necessary to pay the current and proposed debt
- list the assumed collection rate and tax base used to prepare the schedule

d. Another type of pledge will be used to repay the proposed debt. Attach a pro forma with information for each year the debt is outstanding, which includes projected revenues, annual expenditures, outstanding debt requirements, and revenues available for debt service.

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Attached

46. Attach a **FIVE** year comparative system operating statement (not condensed) including audited prior years and an unaudited year-to-date statement. Unaudited year-to-date statement must reflect the financial status for a period not exceeding the latest six months.

Attached Operating Statement.

47. Attach **ONE** copy of an annual audit of financial statements, including the management letter, for the preceding fiscal year prepared by a certified public accountant or firm of accountants and, if the last annual audit was more than 6 months ago, then, provide interim financial information.

Attached Annual Audit

Attached Management Letter

If applicable, attached interim financial information

48. Does the applicant have any outstanding debt? (Check all that apply)

Yes, General obligation debt

Yes, Revenue debt

Yes, Authorized but unissued debt

No

49. Attach a listing of total outstanding debt and identify the debt holder. Segregate by type (General Obligation or Revenue) and present a consolidated schedule for each, showing total annual requirements. Note any authorized but unissued debt.

a. General Obligation Debt:

Yes

Attached schedule. The schedule should also identify the debt holder.

No

b. Revenue:

Yes

Attached schedule. The schedule should also identify the debt holder.

No

c. Authorized by Unissued Debt:

Yes

Attached schedule. The schedule should also identify the debt holder.

No

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

50. List the ten largest employers of the Applicant's service area:

Name	Number of Employees
Texas Health Resources Hospital	1,800
Wal-Mart Supercenter	892
Carter Blood Care	860
Warrantech	415
City of Bedford	369
State National Insurance	350
The Beryl Companies	330
Daystar Television Network	279
H-E-B ISD (Administrative Offices)	175
Grubb's Nissan	140

Comments (example, any anticipated changes to the tax base, employers etc.) N/A

51. Provide any current bond ratings with date received.

	Standard & Poor's	Date Received	Moody's	Date Received	Fitch	Date Received
G.O.	AA Rating	03/15/14	N/A	N/A	N/A	N/A
Revenue	N/A	N/A	N/A	N/A	N/A	N/A

52. Is the project intended to allow the applicant to provide or receive water or sewer services to or from another entity?

- Yes. If yes, the applicant must attach, at a minimum, the proposed agreement, contract, or other documentation establishing the service relationship, with the final and binding agreements provided prior to loan closing.
- Attached**
- No.

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part D: Project Information

53. Description of Project Need (for example, is the project needed to address a current compliance issue, avoid potential compliance issues, extend service, expand capacity, etc.):

The City of Bedford's water distribution system consists of approximately 165 miles of 8"-inch to 12"-inch water distribution piping. Approximately 90% of the distribution system is made up of old cast iron pipe or asbestos cement pipe all of which is more than 60 years old. These older pipes are proving problematic in that the city is experiencing more and more leaks and pipe breakages.

Also, the city is in the process of introducing a second, higher-pressure zone. It is well recognized that with higher pressures, the leakage problem will be further exacerbated. Current water audits show the City of Bedford's unaccounted for water loss is at an acceptable level (+-10%). Evidence exists that the lost water amount will continue to grow. A snapshot evaluation of January 2015 water loss showed this unaccounted for water loss growing to exceed 11.5%. We estimated that "unaccounted for" water in the City of Bedford water distribution system would reach 20% by the year 2020 and remain at this level through 2060. We felt this was a highly conservative estimate given we are already at 11.5% and pipe breaks in the system, because of general pipe age and poor pipe materials, are increasing at a significant rate.

Mr. Thomas Hoover, the Public Works Director, reported that the water distribution system is in dire need of repair. Mr. Hoover reported that the water distribution is experiencing an increasing number of breaks, which of course are a major cause of lost water. The water distribution system map found in the Engineering Feasibility Report has been color coded showing the number of breaks by year and pipe age. This break history is very troubling. The break history is tabulated below.

YEAR	NUMBER OF BREAKS
2010	27
2011	34
2012	49
2013	55
2014	51

Bedford feels that if the water distribution is not addressed with a major replacement program, that the 20% level of water loss would be quickly achieved, easily by 2020, and likely exceeded. The city in fact feels that this 20% water loss estimate may be conservative.

The city's intention is to replace, in like size, 150 miles of existing water distribution main over the next 10 years. The City does not expect the need to acquire any easements. The permitting will be very simple, given that almost all of the mains are in public streets or previously dedicated easements.

The city is also interested in upgrading their outdated water meters with new state-of-the-art Automatic Meter Readers (AMR). A large percentage of the city's water meters read inaccurately, based upon a significant sample survey. By improving meter accuracy, this will send an important price signal to consumers and further curb water usage. Further, in the event of water pipe breakage on the customer side, the AMR system can alert the city and ultimately the customer, to expedite repairs and curtail water loss.

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

We attach an exhibit which shows the results of an in depth study of the City's water meters, demonstrating water metering error from 3% to 13%. Some meters may register higher and some meters may register lower so it is uncertain what total effect accurate meters may have on the amount of "unaccounted for" water. But what is undeniable, with the ability to quickly monitor and respond to unusual water usage on the customer side (pipe break inside the house, leaking toilet, etc.), AMR will have a positive conservation benefit that would be in addition to the benefit of repairing the leaking mains in the distribution system.

54. Description of Project, including a bulleted list of project elements/components, and alternatives considered (including existing facilities):

- o Replace 150 miles of water main
- o Install 15,000 Automatic Meter Readers

A complete preliminary engineering feasibility data must include:

- a. A description and purpose of the project, including existing facilities.
 - Note: CWSRF and DWSRF must address issues scored in Intended Use Plan submittal

Attached

- b. **If project is for Construction only, then attach** the appropriate Engineering Feasibility Report:

a) Water (TWDB-0555

at <http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0555.pdf>)

Please see Attached Engineering Feasibility Report Section

b) Wastewater (TWDB-0556

at <http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0556.pdf>)

Attached

- c. DWSRF applicants must complete a Projected Draw Schedule (TWDB-1202 at <http://www.twdb.texas.gov/financial/instructions/doc/TWDB-1202.xls>)

55. Water Made Available (For projects requesting a construction component):

a. *New supply* _____ (*acre-feet/year*) _____ (*\$*) *capital cost*

- o The **increase** in the total annual volume of water supply that will be made available to the recipient(s) by the proposed project.
- o Water Plan project examples: new groundwater wells, reservoir development, pipelines to sources.

b. *New Conservation savings 2,716 (acre-feet/year) \$ 90 million capital cost*

- o Annual volume of anticipated water savings resulting from implementation of the proposed conservation project including water loss) and other conservation activities,
- o Water Plan project examples: municipal conservation, advanced Water Conservation, on-farm conservation, brush control, irrigation conservation.

c. *New Reuse supply* _____ (*acre-feet/year*) _____ (*\$*) *capital cost*

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

- Increase in the annual volume of (direct or indirect) reuse water supply that will be made available to the recipient(s) by the proposed project.
- Water Plan project examples: direct reuse, non-potable reuse, recycled water programs.

d. Maintenance of Current Supply _____ (acre-feet/year) _____ (\$) capital cost

- Volume of recipients' current supplies that will be maintained by implementing the proposed project
- Water Plan project examples: None. Not a water plan project. (Examples of these type projects: treatment rehabilitation, system storage facilities, system upgrades).

56. Project Location:
City of Bedford, Texas

Attach a map of the service area and drawings as necessary to locate and describe the project. The map should show the project footprint and major project components.

Attached Engineering Feasibility Section w/Age, Break, Contour Maps

57. Attach the Census tract numbers in which the applicant's service area is within. The Census tracts within your area may be found at: <http://factfinder2.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>.

Please follow these steps:

- Select Advanced Search.
- Select the Geographies button located below Topics (left side of page).
- On the top of the window select the Name tab.
- In the text box, type "All Census Tracts within ____" (Fill in the blank with the name of a County Subdivision or a Place.) Select "Go".
- If your town is a County Subdivision, select the geography labeled "All Census Tracts (or parts) within City, County, State" from the Geography Results. If your town is a place select the geography labeled "All Census Tracts (or parts) full-or-partially within City, State" from the Geography Results.
- Close the Geographies Search window.
- Use the Topics on the left side of the page to further refine your search or to select a table(s) from your search results.

Attached Census tracts

58. Project Schedule:

- a) Requested loan closing date.
December 2015
- b) Estimated date to submit environmental planning documents.
March 2015
- c) Estimated date to submit engineering planning documents.
December 2015
- d) Estimated date for completion of design.
Initial: December 2025
Estimated Construction start date for first contract.
March 2015

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

e) Estimated Construction end date for last contract.
December 2015

59. **Attach** a copy of current and future populations and projected water use or wastewater flows. Include entities to be served.

Attached

60. Attach the most current itemized project cost estimate (include all costs and funding sources). Utilize the budget format provided (TWDB-1201 at <http://www.twdb.texas.gov/financial/instructions/>. If applying for pre-construction costs only (i.e., P, A, D) then itemize only the relevant portions in the attached budget template

Attached Engineering Feasibility Report Section

61. Attach the appropriate Project Information Form:

Wastewater: Attached a completed Wastewater Project Information Form WRD-253a <http://www.twdb.texas.gov/financial/instructions/index.asp>

Water: Attached a completed Water Project Information Form WRD-253d <http://www.twdb.texas.gov/financial/instructions/index.asp>

62. If the project is for Construction only, wastewater projects that involve the construction of a new plant or the expansion of an existing plant and/or associated facilities, attach evidence that an application for a new Texas Pollution Discharge Elimination System Permit or amendment to an existing permit related to the proposed project has been filed with the Texas Commission on Environmental Quality (TCEQ). Final permit authorization must be obtained from the TCEQ before funds can be released for construction activities.

Attached

No. Provide explanation: Water Project

63. If this project will result in: (a) an increase by the applicant in the use of groundwater, (b) drilling a new water well, or (c) an increase by the applicant in use of surface water, then the applicant must demonstrate that it has acquired – by contract, ownership or lease – the necessary property rights, groundwater permits, and/or surface water rights sufficient for the project before funds can be released for construction.

a) Does the applicant currently own all the property rights, groundwater permits and surface water rights needed for this project?

Yes If yes, please attach the completed, appropriate form.

1. WRD 208A (<http://www.twdb.texas.gov/financial/instructions/index.asp>) (Surface Water)

Attached

2. WRD 208B (<http://www.twdb.texas.gov/financial/instructions/index.asp>) (Groundwater)

Attached

No

N/A

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

- b) If all property rights, groundwater permits, and surface water rights, needed for this project have not yet been acquired, identify the rights and/or permits that will need to be acquired and provide the anticipated date by which the applicant expects to have acquired such rights and/or permits. **NOT APPLICABLE**

Type of Permit Water Right	Entity from which the permit or right must be acquired	Acquired by lease or full ownership	Expected acquisition date	Permit / Water Right ID No.

- c) List any major permits not identified elsewhere that are necessary for completion of project. Also, list any more necessary minor permits that may involve particular difficulty due to the nature of the proposed project. **NOT APPLICABLE**

Permit	Issuing Entity	Permit Acquired (Y/N)

64. Has the applicant obtained all necessary land and easements for the project?

- Yes. If yes, attach the site certificate (ED-101 at <http://www.twdb.texas.gov/financial/instructions/index.asp>)
 Attached

- No. If no, **fill out the table below** and describe the land or easements that will need to be acquired, provide the anticipated date by which the applicant expects to have the land or easements, and indicate if funding from TWDB is to be used for the acquisition.

Description of Land or Easement Permit	Entity from which the permit or right must be acquired	Acquired by lease or full ownership	Expected acquisition date	To Be Funded by TWDB (Yes/No)

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

65. Has a Categorical Exclusion (CE), Determination of No Effect (DNE), Finding of No Significant Impact (FONSI), Record of Decision (ROD), or any other environmental determination been issued for this project?
- Yes
 Attach a copy of the finding.
 No
66. Is the project potentially eligible for a Categorical Exclusion (CE)/ Determination of No Effect (DNE) because it involves only minor rehabilitation or the functional replacement of existing equipment?
- Yes
 No
67. Are there potentially adverse environmental or social impacts that may require mitigation or extensive regulatory agency or public coordination (e.g. known impacts to properties eligible for listing on the National Register of Historic Places; potentially significant public controversy; need for an individual permit from the U.S. Army Corps of Engineers)?
- Yes
 If yes, attach additional information
 No

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part E: State Water Implementation Fund for Texas (SWIFT) Applicants Only:

68. Identify the type of SWIFT funding (If more than one funding option is being requested indicate the amount of funding for each):

- | | | |
|-------------------------------------|---------------------|--------------|
| <input type="checkbox"/> | Deferred | \$ |
| <input checked="" type="checkbox"/> | Low Interest Loan | \$90,000,000 |
| <input type="checkbox"/> | Board Participation | \$ |

69. For multi-year funding request or phased commitments, provide a schedule reflecting the closing dates for each loan requested.

Attached

70. **Notice to SWIFT Applicants:** Texas Water Code Sec. 15.435(h) requires all recipients of financial assistance from the SWIFT to acknowledge any applicable legal obligations in federal law, related to contracting with disadvantaged business enterprises, and state law, related to contracting with historically underutilized businesses. Checking the boxes below serves as this acknowledgement.

As an applicant for financial assistance from SWIFT, I acknowledge that this project must comply with any applicable legal obligations in federal law related to contracting with disadvantaged business enterprises.

As an applicant for financial assistance from SWIFT, I acknowledge that this project must comply with applicable legal obligations in state law (Texas Government Code Chapter 2161 and Texas Administrative Code Chapter 20, Subchapter B) related to contracting with historically underutilized businesses.

71. Provide drafts of the following documents:

a. Proposed Bond Ordinance

Attached

b. Private Placement Memorandum

Attached

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part F: Economically Distressed Programs (EDAP) Applicants Only: N/A

In accordance with TWDB Rules (31 TAC Chapter 363), an application for EDAP will **not** be considered until the County has adopted and is enforcing the Model Subdivision Rules (MSRs) Texas Water Code § 16.343. If the proposed project is within a municipality or its extraterritorial jurisdiction (ETJ), or if the applicant is a municipality, the municipality must also have adopted and be enforcing MSRs.

72. Describe procedures for collecting monthly customer bills (include procedures for collection of delinquent accounts)

73. Is financing being requested for a **wastewater** project?
 Yes If yes, does the applicant have the required resolution/ordinance establishing a mandatory hookup policy?
 Yes. If yes, attach a copy of the resolution/ordinance.
 Attached
 No. If no, explain _____
 No
74. Required documentation for the project area for Preliminary EDAP Eligibility (31 TAC Chapter 363)
 Attached documentation of inadequacy of water and/or wastewater services.
 Attached documentation regarding the financial resources of the residential users in the EDAP area. Census data or documentation regarding median household income should be provided.
 Attached documentation demonstrating existence of a residence in the project area prior to **June 1, 2005**. This could include tax records of residence, dated aerial maps, or, other documentation demonstrating existence of a residence.
75. Has the Department of State Health Services issued a determination stating a public health nuisance exists in the project area?
 Yes If yes, attach a copy of the determination.
 Attached
 No If no determination exists, attach documentation demonstrating a public health nuisance exists in the project area. (*Photographs may be submitted, but they **must** be labeled with location and date when taken. If the soil types are mentioned in the project area as an issue, include soil profile maps*) *This documentation will be used by TWDB staff to request a determination from the Department of State Health Services*
 Attached
76. Is this project providing new service?
 Yes If yes, attach plats of the affected subdivisions.
 Attached
 No
77. Attach an EDAP Facility Engineering Plan/Scope of Services report that complies with the requirements of WRD-023A. <http://www.twdb.texas.gov/financial/instructions/index.asp>
 Attached

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part G: CWSRF/DWSRF Applicants Only – N/A

Only applicants applying for funding from the CWSRF and DWSRF Programs must complete this section.

Pursuant to Federal Funding Accountability and Transparency Act (FFATA) the applicant is required to obtain a DUNS number that will represent a universal identifier for all federal funding assistance. DUNS numbers can be obtained from Dun and Bradstreet at <http://fedgov.dnb.com/webform/>

78. Applicant's Data Universal Number System (DUNS) Number:
DUNS _____

Pursuant to Federal Funding Accountability and Transparency Act (FFATA) the applicant is required to register with System for Award Management (SAM) and maintain current registration at all times during which the Board loan agreement is active or under consideration by the Board. Register at: <https://sam.gov>.

79. The applicant has registered and will maintain current SAM registration at all times during which a federal subaward is active or under consideration by the Board.
 Yes
 No

80. Federal Awards information:

1. Did applicant receive over 80% of their revenue from Federal Awards last year?

Yes
 No

2. Did applicant receive over \$25 million in Federal Awards last year?

Yes
 No

3. Public does not have access to executive compensation information via SEC or IRS reports?

Yes
 No

81. If applicant checked **YES** to **ALL** three boxes in 3 above, applicant is required to disclose the name and compensation of the five most highly compensated officers.

Officer's Name	Officer's Compensation (\$)

82. Complete form WRD 213 (<http://www.twdb.texas.gov/financial/instructions/index.asp>) - Certification Regarding Lobbying

Attached Yes
 No
 N/A

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

83. If applying for CWSRF Equivalency or DWSRF, **attach** the Certification Regarding Debarment, Suspension and Other Responsibility. SRF-404
(<http://www.twdb.texas.gov/financial/instructions/doc/SRF-404.pdf>)

- Attached** Yes
 No
 N/A

84. If applying for CWSRF Equivalency or DWSRF, **attach** the Assurances – Construction Programs. EPA-424D (<http://www.twdb.texas.gov/financial/doc/EPA-424D.pdf>)

- Attached** Yes
 No
 N/A

85. The applicant must comply with the Davis-Bacon Act regarding prevailing wage rates. The applicant acknowledges that they are aware of, and will abide by, the Davis-Bacon Act requirements.

- Yes
 No

Further information on the Davis-Bacon requirement is available through the TWDB Guidance document, DB-0156 (<http://www.twdb.texas.gov/financial/instructions/index.asp>)

All project costs funded by the TWDB through CWSRF Equivalency or DWSRF must comply with the federal Disadvantaged Business Enterprise (DBE) program rules and requirements. The federal DBE program requires a good faith effort to contract with DBE's for all procurements including: professional and non-professional consulting services, equipment, supplies and construction to be funded by federal equivalency dollars. Guidance and forms are found at:

TWDB-0210 (<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0210.pdf>)

86. **At a minimum, you must complete and attach** the Applicant Affirmative Steps Certification and Goals. This form is required to obtain a financial assistance commitment.

TWDB-0215 (<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0215.pdf>)

- Attached** Yes
 No

87. If you have already solicited contractors, complete and attach the Affirmative Steps Solicitation Report. This form is required prior to loan closing and release of any funds; therefore, if this question is not applicable at this time, select N/A.

TWDB-216 (<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0216.pdf>)

- Attached** Yes
 No
 N/A

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

88. If you have awarded contracts to contractors, complete and attach the Loan/Grant Participation Summary. This form must be submitted for review prior to loan closing and release of funds. This form is required prior to loan closing and release of any funds; therefore, if this question is not applicable at this time, select N/A.

TWDB-0373 (<http://www.twdb.texas.gov/financial/doc/TWDB-0373.pdf>)

Attached Yes
 No
 N/A

89. All Contractors that have been awarded will need to complete and attach the Prime Contractor Affirmative Steps Certification and Goals This form is required prior to loan closing and release of any funds; therefore, if this question is not applicable at this time, select N/A.

TWDB-217 (<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0217.pdf>)

Attached Yes
 No
 N/A

90. **All CWSRF applicants** must be a Designated Management Agency (DMA) for wastewater collection and treatment. Please complete and attach DMA resolutions. WRD-210 (<http://www.twdb.texas.gov/financial/doc/WRD-210.pdf>) is an example of this type of resolution.

 Attached
 N/A

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part H: Documentation of "Green" Projects and Project Components – N/A
CWSRF and DWSRF Applicants Only

All SRF applicants must complete this section if green benefits are all or part of the project (more than an incidental benefit). Project is defined as the entire project or a stand-alone component of the project. This section is required so that the TWDB may determine whether the project qualifies as "green" pursuant to Environmental Protection Agency (EPA) Guidance.

A project (or project component) is "green" if the primary purpose qualifies under EPA Guidance as one of the following:

- a. Green Infrastructure,
- b. Water Efficiency-related,
- c. Energy Efficiency-related, or
- d. Environmentally Innovative.

You must use the Green Project Reserve guidance to complete this section. Current guidance may be found at: **Green Project Reserve: Guidance for determining project eligibility**
TWDB-0161 (<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0161.pdf>)

91. Does your project or a component of your project qualify as Green, per EPA guidance?
 Yes
 No

If Yes, Please complete the remainder of Section G.

92. Type of Green Project
 Water Efficiency Energy Efficiency Green Infrastructure Environmentally Innovative

93. The correct worksheets must be completed.
Green Project Reserve: CWSRF Green Project Worksheets
TWDB-0162 (<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0162.pdf>)
Attached Yes
 No
 N/A

- Green Project Reserve: DWSRF Green Project Worksheets**
TWDB-0163 (<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0163.pdf>)
Attached Yes
 No
 N/A

TWDB will make the final determination whether your project (or project component) meets federal criteria as "green". You may be required to submit a **business case, utilizing the Green guidance**

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part I: Summary of attachments to application

Following is a list of the documents that may be necessary in order to process this application. While not all of the listed information below may be required for all projects, an applicant should review the application carefully because incomplete applications will not be processed until all of this information has been provided. In addition, please make sure your entity system name appears on every attachment. **Label each attachment with the number of the pertinent application section (i.e. "Part B5").**

Check list for your convenience

Part A

- No. 6
- No. 12

General Information

Draft or executed consulting contracts (engineering, financial advisor, bond counsel)
Existing security document for refinancing – N/A

Part B

- No. 17
- No. 18
- No. 19
- No. 20

Legal

Resolution (TWDB-0201A)
Application Affidavit (TWDB-0201)
Certificate of Secretary (TWDB-201B)
Water Supply Corporations – N/A

- Articles of Incorporation
- Certificate of incorporation from the Texas Secretary of State
- By-laws and any amendments
- Certificate of status from the Texas Secretary of State
- Certificate of account status from Texas Comptroller

- No. 21
- No. 22
- No. 23
- No. 24
- No. 25
- No. 26

Resolution/ordinance authorizing the issuance of parity debt N/A
Certificate of Convenience & Necessity
Enforcement Actions - N/A
Affidavit of No Objection – N/A
Two copies of the Water Conservation Plan (TWDB-1968 and TWDB-1965)
Water use surveys

- No. 27

Water Loss Audit – N/A
<http://www.twdb.texas.gov/waterplanning/waterusesurvey/index.asp>
<http://www.twdb.texas.gov/conservation/resources/waterloss-resources.asp>

Part C

- No. 39
- No. 40
- No. 45
- No. 46
- No. 47
- No. 49
- No. 52

Financial

Assessed Values by Classifications
Direct and Overlapping Tax Table
Proforma for each year of debt outstanding
Five year comparative system operating statement.
Annual audit and management letter
Outstanding debt schedule
Service provider contracts - N/A

Part D

Project Information

- No. 54a Preliminary Engineering Feasibility Data (PEFD)
- No. 54b Engineering Feasibility Report
 - Water (TWDB-0555) (Please see Separate EFR document)
 - Wastewater (TWDB-0556)
- No. 54c Project Draw Schedule (TWDB-1202)
- No. 56 Project Map (Please see maps in EFR)
- No. 57 Census Tract(s)
- No. 59 Current and future populations and projected water use or wastewater flows
- No. 60 Project Cost Estimate Budget (TWDB-1201) (See EFR document)
- No. 61 Wastewater Project Information Form (WRD-253a)
Water Project Information Form (WRD-253d)
- No. 62 Texas Pollution Discharge Elimination System Permit
- No. 63 If applicant has property rights and permits
 - a. WRD-208A (Surface Water)
 - b. WRD-208B (Groundwater)
- No. 63c Additional Permits
- No. 64 Site certificate, evidencing land ownership for the project. (ED-101)
- No. 65 Categorical Exclusion (CE), Finding of No Significant Impact (FONSI), Record of Decision or any other supporting document
- No. 67 Social or environmental issues

Part E

State Water Implementation Fund for Texas

- No. 69 Multi-year/phased commitment schedule
- No. 71a Draft Bond Ordinance
- No. 71b Private Placement Memorandum

Part F

Economically Distressed Areas Program – N/A

- No. 73 Resolution/ordinance establishing a mandatory hookup policy
- No. 74 EDAP applicants
 - Inadequacy documentation
 - Financial resources documentation
 - Existence of residences prior to 06/01/2005
- No. 75 Public health nuisance
- No. 76 Plats
- No. 77 EDAP Planning Phase – Facility Engineering Plan/Scope of Services (WRD-023A)

Part G

CWSRF/DWSRF Applicants Only – N/A

- No. 82 Lobbying Activities (WRD-213)
- No. 83 Certification Regarding Debarment, Suspension and Other Responsibility Requirements. (SRF-404)
- No. 84 Assurances – Construction Programs (EPA-424D)
Disadvantaged Business Requirements Guidance (TWDB-0210)
- No. 86 Affirmative Steps Certification and Goals (TWDB-0215)
- No. 87 Affirmative Steps Solicitation Report (TWDB-216)
- No. 88 Loan/ Grant Participation Summary (TWDB-0373)
- No. 89 Prime Contractor Affirmative Steps Certification and Goals (TWDB-217)
- No. 90 Designated Management Agency (WRD-210)

Part H

Green Projects – N/A

- No. 93 Guidance (TWDB-0161)
CWSRF Green Project Worksheets (TWDB-0162)
DWSRF Green Project Worksheets (TWDB-0163)

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part J: Guidance and Forms

Part A

General Information

CWSRF – 31 TAC 375

DWSRF – 31 TAC 371

EDAP and SWIFT - 31 TAC 363

For more information visit, <http://www.twdb.texas.gov/about/rules/index.asp>.

Part D

Project Information

[State Programs - 31 TAC 363](#)

[Drinking Water State Revolving Fund - 31 TAC 371](#)

[Clean Water State Revolving Fund / Equivalency - 31 TAC 375](#)

[Clean Water State Revolving Fund / Non-Equivalency - 31 TAC 375](#)

Guidelines for Environmental Assessment, Clean Water Non-Equivalency (ED-001A)

Clean Water EID Instructions (SRF-099)

Guidelines for Environmental Assessment, State Participation, DFund, RWAFF and WIF,
(ED-001B)

Guidelines for Environmental Assessment, EDAP (ED-001C)

Drinking Water EID Instructions (DW-001)

Part H

Green Projects and Project Components

Green Project Reserve: Guidance for determining project eligibility
(TWDB-0161)



CITY OF BEDFORD

Discover the Center

Financial Assistance Application to the
Texas Water Development Board
June 5, 2015

Attachment A General Information



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PART A.6a



SERVICES

Civil Engineering
Environmental Engineering
Transportation Planning & Engineering
Pavement Management
Land Planning
Ecological Services
Surveying & Mapping
Construction Management
GIS Mapping
Landscape Architecture
(FL #LC26000183)

OFFICE LOCATIONS

FLORIDA

Jacksonville
Miami
Sarasota
Tampa

TEXAS

Austin
Dallas

December 8, 2014

Mr. Tom Hoover
Director of Public Works
City of Bedford
2000 Forest Ridge Drive
Bedford TX 76021

Re: SWIFT Funding For Water Main Rehabilitation and Replacement Conservation Program

Dear Mr. Hoover,

I am pleased to present this proposal on behalf of King Engineering Associates Inc. to assist the City of Bedford in obtaining a State Water Implementation Fund for Texas (SWIFT) state subsidized low interest loan from the Texas Water Development Board. As you know, in November 2013 voters across Texas approved this statewide funding program to assist communities in financing certain eligible water system improvements. After consultation with the Texas Water Development Board (TWDB), I have confirmed that the City of Bedford's Water Main Rehabilitation and Replacement Program would be eligible. Because of the considerable savings this funding program will offer communities, and the finite amount of funding available each year (\$800-\$900 Million Statewide per year), we expect strong competition for the money. However given the category for which Bedford will compete (Conservation), we are optimistic on behalf of the City.

The City has developed cost estimates of \$80 Million to replace or rehabilitate nearly three-fourths of the City's water mains which leak excessively because of pipe age and material. It is expected that the Program will be undertaken over a ten year period. Our analysis would suggest that Swift Funding would save the City of Bedford approximately \$12,000,000 in repayment cost over the 20-year loan period.

We present an outline of our proposed Scope of Services to secure this funding.

1. Meet with Texas Water Development Board and establish eligibility for SWIFT funding.
2. Develop materials to submit to the Region C Water Planning Group to allow an Amendment to the Regional and State Water Plans, to establish Bedford's eligibility. This task will be based on readily available materials from the City of Bedford.

2211 South IH-35
Suite 200
Austin Texas 78741
Phone 512.462.4921
Fax 512.462.1372



PART A.6a

SERVICES

- Civil Engineering
- Environmental Engineering
- Transportation Planning & Engineering
- Pavement Management
- Land Planning
- Ecological Services
- Surveying & Mapping
- Construction Management
- GIS Mapping
- Landscape Architecture
(FL #LC26000183)

OFFICE LOCATIONS

FLORIDA

- Jacksonville
- Miami
- Sarasota
- Tampa

TEXAS

- Austin
- Dallas

3. Prepare the Abridged Application for the TWDB State Water Implementation Fund for Texas (SWIFT). Applications are due by February 3, 2015. Assist the City of Bedford in responding to questions from TWDB. Prepare two more applications until successful.
4. Assist City of Bedford through loan closure, working with City's financial team.

We propose to perform this work for a fixed fee in the amount of \$14,900.00. We would bill on a percent complete basis through the course of the project.

Should you have any questions or concerns regarding this proposal, please don't hesitate to contact me at (512) 422-3731 or wmoriarty@kingengineering.com.

Respectfully submitted,

William B. Moriarty, P.E., BCEE
King Engineering, Vice President

2211 South IH-35
Suite 200
Austin Texas 78741
Phone 512.462.4921
Fax 512.462.1372

Authorized:
James Howell
12.29.14

PART A.6b



May 19, 2015

Honorable Mayor and City Council
City of Bedford, Texas
2000 Forest Ridge Drive
Bedford, Texas 76021

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201-7932
United States

Tel +1 214 855 8000
Fax +1 214 855 8200
nortonrosefulbright.com

Re: City of Bedford, Texas, Combination Tax and Surplus Revenue Certificates of Obligation, Series 2015

Mayor and Members of the City Council:

This letter confirms that Norton Rose Fulbright US LLP will represent the City of Bedford, Texas as bond counsel in connection with the proposed authorization, sale, and issuance of the referenced obligations (the "Obligations"). Our acceptance of that representation (the "Representation") becomes effective upon the execution and return of the enclosed copy of this letter.

Terms of Engagement

This letter sets out the terms of our engagement in the Representation. Certain of those terms are included in the body of this letter, and additional terms are contained in the attached document, entitled *Additional Terms of Engagement*. That document is expressly incorporated into this letter, and it should be read carefully. The execution and return of the enclosed copy of this letter constitutes an unqualified agreement to all the terms set forth in this letter and in the attached *Additional Terms of Engagement*.

It is understood and agreed that our engagement is limited to the Representation. We are not being retained as general counsel, and our acceptance of this engagement does not imply any undertaking to provide legal services other than those set forth in this letter.

As bond counsel, we expect to perform the following duties:

- (1) subject to completion of proceedings to our satisfaction, render our legal opinion (the "Bond Opinion") regarding the validity and binding effect of the Obligations, the source of payment and security for the Obligations, and the federal income tax treatment of interest on the Obligations;
- (2) prepare and review documents necessary or appropriate to the authorization, issuance, sale, and delivery of the Obligations, and coordinate the authorization and execution of such documents;
- (3) assist you in seeking from other governmental authorities such approvals, permissions, and exemptions as we determine are necessary or appropriate in connection with the authorization, issuance, sale, and delivery of the Obligations;
- (4) review legal issues relating to the structure of the Obligations;
- (5) prepare election proceedings if appropriate;

PART A.6b

May 19, 2015
Page 2

 NORTON ROSE FULBRIGHT

- (6) assist you in reviewing those sections of the official statement, private placement memorandum, or other form of offering or disclosure document which describe the terms of the Obligations and the opinion described in paragraph (1) above to be disseminated in connection with the sale of the Obligations; and
- (7) assist in presenting information relating to the legality of the Obligations to bond rating organizations and providers of credit enhancement if applicable.

The Bond Opinion will be based on facts and law existing as of its date. In rendering our Bond Opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation.

Our engagement is to advise you with respect to legal issues only; we understand that you have engaged First Southwest Company, LLC, as your financial advisor, and unless otherwise instructed by you we will consult with and take direction from you and your financial advisor in the issuance of the Obligations. Our duties as bond counsel specifically do not include:

- (1) except as described in paragraph (6) above, or except as specifically engaged for such purpose, assisting in the preparation or review of an official statement or any other disclosure document with respect to the Obligations, or performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document or rendering advice that the official statement or other disclosure document does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;
- (2) preparing requests for tax rulings from the Internal Revenue Service;
- (3) preparing blue sky or investment surveys with respect to the Obligations;
- (4) drafting of state constitutional amendments or preparation of authorizing legislation;
- (5) making an investigation or expressing any view of the creditworthiness of you or of the Obligations or any obligor therefor;
- (6) except if specifically engaged for such purpose, assisting in the preparation of, or opining on, a continuing disclosure undertaking pertaining to the Obligations and, after initial delivery of the Obligations, providing advice concerning any actions necessary to assure compliance with any continuing disclosure undertaking;
- (7) responding to Internal Revenue Service audits or Securities and Exchange Commission investigations; or
- (8) any other matter not specifically set forth above that is not required to render the Bond Opinion.

Our Personnel Who Will Be Working on the Obligations

I would have primary responsibility for servicing the account of the City. However, we would propose a project team approach, which project team would include Paul Braden, a public finance partner here in Dallas, Jenny Hackler, a senior paralegal and myself. Tax support would be provided by Joy Ellis, a partner in our tax section. You may call, write, or e-mail me whenever you have any questions about the Representation. Other firm personnel, including firm lawyers and paralegals will participate in the Representation if, in our judgment, their participation is necessary or appropriate.

Our Legal Fees and Costs

For and in consideration of serving as Bond Counsel, our suggested fee schedule is attached hereto as Attachment 1. It should also be noted that payment of our fee and the reimbursement of expenses is contingent on the issuance and delivery of the obligations.

Conflicts of Interest

Before accepting the Representation, we have undertaken reasonable and customary efforts to determine whether there are any potential conflicts of interest that would bar our firm from representing you in connection with the issuance of the Obligations. Based on information available to us, we are not aware of any potential disqualification. We reviewed that issue in accordance with the rules of professional responsibility adopted in Texas. We believe that those rules, rather than the rules of any other jurisdiction, are applicable to the Representation; and the execution and return of the enclosed copy of this letter by you represents an express agreement to the applicability of those rules.

Conclusion

This letter and the attached *Additional Terms of Engagement* constitute the entire terms of the engagement of Norton Rose Fulbright US LLP in the Representation. These written terms of engagement are not subject to any oral agreements or understandings, and they can be modified only by further written agreement signed both by you and Norton Rose Fulbright US LLP. Unless expressly stated in these terms of engagement, no obligation or undertaking shall be implied on the part of either the City of Bedford, Texas or Norton Rose Fulbright US LLP.

Please carefully review this letter and the attached *Additional Terms of Engagement*. If both documents are acceptable, please sign and return the enclosed copy of this letter so that we may commence the Representation.

Sincerely,

NORTON ROSE FULBRIGHT US LLP

By 
Robert D. Dransfield

CITY OF BEDFORD, TEXAS, AGREES TO AND ACCEPTS THIS LETTER AND THE ATTACHED TERMS OF ENGAGEMENT:

CITY OF BEDFORD, TEXAS

By: _____

Title: _____

Date: _____

PART A.6b

ATTACHMENT 1 FEE SCHEDULE

For and in consideration of serving as Bond Counsel, our fee would be \$5,000.00, plus \$1.00 per \$1,000 in principal amount of Obligations issued. In addition to our fee, we would also seek reimbursement for our out of pocket expenses incurred, such as telephone, travel, reproduction charges (at 10 cents per page), delivery charges, etc. Assuming no travel costs are incurred and exclusive of the processing fee of the Attorney General of Texas, such out-of-pocket expenses generally do not exceed \$750.00 per issue. Our fee will be contingent upon, and will be billed and become due promptly after, the actual delivery of the Obligations to or for the account of the initial purchaser.

PART A.6b

NORTON ROSE FULBRIGHT US LLP

ADDITIONAL TERMS OF ENGAGEMENT

This is a supplement to our engagement letter, dated May 19, 2015. The purpose of this document is to set out additional terms of our agreement to provide the representation described in our engagement letter (the "Representation") concerning representation of you in connection with the issuance of the Obligations described in the engagement letter. Because these additional terms of engagement are a part of our agreement to provide legal services, you should review them carefully and should promptly communicate to us any questions concerning this document. We suggest that you retain this statement of additional terms along with our engagement letter and any related documents.

The Scope of the Representation

As lawyers, we undertake to provide representation and advice on the legal matters for which we are engaged. It is important for our clients to have a clear understanding of the legal services that we have agreed to provide. Thus, if there are any questions about the scope of the Representation that we are to provide in connection with issuance of the Obligations, please raise those questions promptly, so that we may resolve them at the outset of the Representation.

Any expressions on our part concerning the outcome of the Representation, or any other legal matters, are based on our professional judgment and are not guarantees. Such expressions, even when described as opinions, are necessarily limited by our knowledge of the facts and are based on our views of the state of the law at the time they are expressed.

Upon accepting this engagement on your behalf, Norton Rose Fulbright US LLP agrees to do the following: (1) provide legal counsel in accordance with these terms of engagement and the related engagement letter, and in reliance upon information and guidance provided by you; and (2) keep you reasonably informed about the status and progress of the Representation.

To enable us to provide effective representation, you agree to do the following: (1) disclose to us, fully and accurately and on a timely basis, all facts and documents that are or might be material or that we may request, (2) keep us apprised on a timely basis of all developments relating to the Representation that are or might be material, (3) attend meetings, conferences, and other proceedings when it is reasonable to do so, and (4) otherwise cooperate fully with us.

Our firm has been engaged to provide legal services as Bond Counsel in connection with the Representation, as specifically defined in our engagement letter. After completion of the Representation, changes may occur in the applicable laws or regulations that could affect your future rights and liabilities in regard to the Obligations. Unless we are actually engaged after the completion of the Representation to provide additional advice on such issues, the firm has no continuing obligation to give advice with respect to any future legal developments that may pertain to the Obligations, as specifically defined in our engagement letter. After completion of the Representation, changes may occur in the applicable laws or regulations that could affect your future rights and liabilities in regard to the Obligations.

It is further agreed that the attorney-client relationship terminates upon initial issuance of the Obligations.

PART A.6b

Who Will Provide the Legal Services

Customarily, each client of the firm has a relationship principally with one attorney, or perhaps a few attorneys. At the same time, however, the work required in the Representation, or parts of it, may be performed by other firm personnel, including lawyers and legal assistants. Such delegation may be for the purpose of involving other firm personnel with special expertise in a given area or for the purpose of providing services on an efficient and timely basis.

Our Relationships With Others

Our law firm represents many companies and individuals. In some instances, the applicable rules of professional conduct may limit our ability to represent clients with conflicting or potentially conflicting interests. Those rules of conduct often allow us to exercise our independent judgment in determining whether our relationship with one client prevents us from representing another. In other situations, we may be permitted to represent a client only if the other clients consent to that representation.

Rules concerning conflicts of interest vary with the jurisdiction. In order to avoid any uncertainty, it is our policy that the governing rules will be those applicable to the particular office of our firm that prepares the engagement letter for a particular matter. The acceptance by you of our engagement letter constitutes an express agreement with that policy, unless the engagement letter specifically states that some other rules of professional responsibility will govern our attorney-client relationship.

If a controversy unrelated to the Obligations develops between you and any other client of the firm, we will follow the applicable rules of professional responsibility to determine whether we may represent either you or the other client in the unrelated controversy.

You understand that we represent many investment banking firms, commercial banks, and other parties to public finance transactions from time to time in connection with other issues, including your financial advisor and potential underwriters for your securities, and you do not object to our continued representation (in connection with other issues) of any such firm with respect to which you choose to do business in connection with issuance of the Obligations, since doing so is how we are able to gain the experience we need to represent you effectively.

In addition to our representation of other companies and individuals, we also regularly represent lawyers and law firms. As a result, opposing counsel to any party in connection with the issuance of the Obligations may be a lawyer or law firm that we may represent now or in the future. Likewise, opposing counsel to any party in connection with the issuance of the Obligations may represent our firm now or in the future. Further, we have professional and personal relationships with many other attorneys, often because of our participation in bar associations and other professional organizations. It is our professional judgment that such relationships with other attorneys do not adversely affect our ability to represent any client. The acceptance of these terms of engagement represents an unqualified consent to any such relationships between our firm and other lawyers or law firms, even counsel who is representing a party that is adverse to you in connection with the issuance of the Obligations that is the subject of this engagement or in some other matter.

PART A.6b

Disclaimer

Norton Rose Fulbright US LLP has made no promises or guarantees to you about the outcome of the Representation or the issuance of the Obligations, and nothing in these terms of engagement shall be construed as such a promise or guarantee. Our representation of you will not affect our responsibility to render an objective bond counsel Bond Opinion.

Termination

At any time, you may, with or without cause, terminate the Representation by notifying us of your intention to do so. Any such termination of services will not affect the obligation to pay legal services rendered and expenses incurred before termination, as well as additional services and charges incurred in connection with an orderly transition of the matters relating to issuance of the Obligations.

We are subject to the codes or rules of professional responsibility for the jurisdictions in which we practice. There are several types of conduct or circumstances that could result in our withdrawing from representing a client, including, for example, the following: non-payment of fees or costs; misrepresentation or failure to disclose material facts; fraudulent or criminal conduct; action contrary to our advice; and conflict of interest with another client. We try to identify in advance and discuss with our clients any situation that may lead to our withdrawal.

A failure by you to meet any obligations under these terms of engagement shall entitle Norton Rose Fulbright US LLP to terminate the Representation. In that event, you will take all steps necessary to release Norton Rose Fulbright US LLP of any further obligations in the Representation or the issuance of the Obligations, including without limitation the execution of any documents necessary to effectuate our withdrawal from the Representation or the issuance of the Obligations. The right of Norton Rose Fulbright US LLP to withdraw in such circumstances is in addition to any rights created by statute or recognized by the governing rules of professional conduct.

Billing Arrangements and Terms of Payment

Our engagement letter specifically explains our fees for services in connection with issuance of the Obligations. It is agreed that you will make full payment within 30 days of receiving our statement. We will give notice if an account becomes delinquent, and it is further agreed that any delinquent account must be paid upon the giving of such notice. If the delinquency continues and you do not arrange satisfactory payment terms, we may withdraw from the Representation and pursue collection of our account.

Document Retention

At the close of any matter, we send our files in that matter to a storage facility for storage at our expense. The attorney closing the file determines how long we will maintain the files in storage. After that time, we will destroy the documents in the stored files.

At the conclusion of the Representation, we return to the client any documents that are specifically requested to be returned. As to any documents so returned, we may elect to keep a copy of the documents in our stored files.

PART A.6b

Charges for Other Expenses and Services

Typically, our invoices will include amounts, not only for legal services rendered, but also for other expenses and services. Examples include charges for photocopying, long-distance telephone calls, travel and conference expenses, messenger deliveries, computerized research, and facsimile and other electronic transmissions. In addition, we reserve the right to send to you for direct payment any invoices delivered to us by others, including experts and any vendors.

It is not our policy to make any profit on any of these other expenses and services. Our invoices will reflect the cost to us of the products and services. In some situations, the actual cost of providing the product or service is difficult to establish, in which case we will use our professional judgment on the charges to be made. In some situations, we can arrange for ancillary services to be provided by third parties with direct billing to the client. Attached is a copy of our current recharge schedule for other expenses and services, which is subject to change from time to time.

Standards of Professionalism and Attorney Complaint Information

Pursuant to rules promulgated by the Texas Supreme Court and the State Bar of Texas, we are to advise our clients of the contents of the Texas Lawyer's Creed, a copy of which is attached. In addition, we are to advise clients that the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. A brochure entitled *Attorney Complaint Information* is available at all of our Texas offices and is likewise available upon request. A client that has any questions about State Bar's disciplinary process should call the Office of the General Counsel of the State Bar of Texas at 1-800-932-1900 toll free.

PART A.6b

THE TEXAS LAWYER'S CREED — A Mandate for Professionalism

The Texas Supreme Court and the Texas Court of Criminal Appeals adopted this Creed, with the requirement that lawyers advise their clients of its contents when undertaking representation.

I am a lawyer; I am entrusted by the People of Texas to preserve and improve our legal system. I am licensed by the Supreme Court of Texas. I must therefore abide by the Texas Disciplinary Rules of Professional Conduct, but I know that Professionalism requires more than merely avoiding the violation of laws and rules. I am committed to this Creed for no other reason than it is right.

I. OUR LEGAL SYSTEM. A lawyer owes to the administration of justice personal dignity, integrity, and independence. A lawyer should always adhere to the highest principles of professionalism. I am passionately proud of my profession. Therefore, "My word is my bond." I am responsible to assure that all persons have access to competent representation regardless of wealth or position in life. I commit myself to an adequate and effective pro bono program. I am obligated to educate my clients, the public, and other lawyers regarding the spirit and letter of this Creed. I will always be conscious of my duty to the judicial system.

II. LAWYER TO CLIENT. A lawyer owes to a client allegiance, learning, skill, and industry. A lawyer shall employ all appropriate means to protect and advance the client's legitimate rights, claims, and objectives. A lawyer shall not be deterred by any real or imagined fear of judicial disfavor or public unpopularity, nor be influenced by mere self-interest. I will advise my client of the contents of this Creed when undertaking representation. I will endeavor to achieve my client's lawful objectives in legal transactions and in litigation as quickly and economically as possible. I will be loyal and committed to my client's lawful objectives, but I will not permit that loyalty and commitment to interfere with my duty to provide objective and independent advice. I will advise my client that civility and courtesy are expected and are not a sign of weakness. I will advise my client of proper and expected behavior. I will treat adverse parties and witnesses with fairness and due consideration. A client has no right to demand that I abuse anyone or indulge in any offensive conduct. I will advise my client that we will not pursue conduct which is intended primarily to harass or drain the financial resources of the opposing party. I will advise my client that we will not pursue tactics which are intended primarily for delay. I will advise my client that we will not pursue any course of action which is without merit. I will advise my client that I reserve the right to determine whether to grant accommodations to opposing counsel in all matters that do not adversely affect my client's lawful objectives. A client has no right to instruct me to refuse reasonable requests made by other counsel. I will advise my client regarding the availability of mediation, arbitration, and other alternative methods of resolving and settling disputes.

III. LAWYER TO LAWYER. A lawyer owes to opposing counsel, in the conduct of legal transactions and the pursuit of litigation, courtesy, candor, cooperation, and scrupulous observance of all agreements and mutual understandings. Ill feelings between clients shall not influence a lawyer's conduct, attitude, or demeanor toward opposing counsel. A lawyer shall not engage in unprofessional conduct in retaliation against other unprofessional conduct. I will be courteous, civil, and prompt in oral and written communications. I will not quarrel over matters of form or style, but I will concentrate on matters of substance. I will identify for other counsel or parties all changes I have made in documents submitted for review. I will attempt to prepare documents which correctly reflect the agreement of the parties. I will not include provisions which have not been agreed upon or omit provisions which are necessary to reflect the agreement of the parties. I will notify opposing counsel, and, if appropriate, the Court or other

persons, as soon as practicable, when hearings, depositions, meetings, conferences or closings are canceled. I will agree to reasonable requests for extensions of time and for waiver of procedural formalities, provided legitimate objectives of my client will not be adversely affected. I will not serve motions or pleadings in any manner that unfairly limits another party's opportunity to respond. I will attempt to resolve by agreement my objections to matters contained in pleadings and discovery requests and responses. I can disagree without being disagreeable. I recognize that effective representation does not require antagonistic or obnoxious behavior. I will neither encourage nor knowingly permit my client or anyone under my control to do anything which would be unethical or improper if done by me. I will not, without good cause, attribute bad motives or unethical conduct to opposing counsel nor bring the profession into disrepute by unfounded accusations of impropriety. I will avoid disparaging personal remarks or acrimony towards opposing counsel, parties and witnesses. I will not be influenced by any ill feeling between clients. I will abstain from any allusion to personal peculiarities or idiosyncrasies of opposing counsel. I will not take advantage, by causing any default or dismissal to be rendered, when I know the identity of an opposing counsel, without first inquiring about that counsel's intention to proceed. I will promptly submit orders to the Court. I will deliver copies to opposing counsel before or contemporaneously with submission to the court. I will promptly approve the form of orders which accurately reflect the substance of the rulings of the Court. I will not attempt to gain an unfair advantage by sending the Court or its staff correspondence or copies of correspondence. I will not arbitrarily schedule a deposition, Court appearance, or hearing until a good faith effort has been made to schedule it by agreement. I will readily stipulate to undisputed facts in order to avoid needless costs or inconvenience for any party. I will refrain from excessive and abusive discovery. I will comply with all reasonable discovery requests. I will not resist discovery requests which are not objectionable. I will not make objections nor give instructions to a witness for the purpose of delaying or obstructing the discovery process. I will encourage witnesses to respond to all deposition questions which are reasonably understandable. I will neither encourage nor permit my witness to quibble about words where their meaning is reasonably clear. I will not seek Court intervention to obtain discovery which is clearly improper and not discoverable. I will not seek sanctions or disqualification unless it is necessary for protection of my client's lawful objectives or is fully justified by the circumstances.

IV. LAWYER AND JUDGE. Lawyers and judges owe each other respect, diligence, candor, punctuality, and protection against unjust and improper criticism and attack. Lawyers and judges are equally responsible to protect the dignity and independence of the Court and the profession. I will always recognize that the position of judge is the symbol of both the judicial system and administration of justice. I will refrain from conduct that degrades this symbol. I will conduct myself in court in a professional manner and demonstrate my respect for the Court and the law. I will treat counsel, opposing parties, the Court, and members of the Court staff with courtesy and civility. I will be punctual. I will not engage in any conduct which offends the dignity and decorum of proceedings. I will not knowingly misrepresent, mischaracterize, misquote or miscite facts or authorities to gain an advantage. I will respect the rulings of the Court. I will give the issues in controversy deliberate, impartial and studied analysis and consideration. I will be considerate of the time constraints and pressures imposed upon the Court, Court staff and counsel in efforts to administer justice and resolve disputes.

PART A.6c

AGREEMENT FOR FINANCIAL ADVISORY SERVICES

By and Between

CITY OF BEDFORD, TEXAS

And

FIRST SOUTHWEST COMPANY

This Agreement is entered into by and between the City of Bedford, Texas (the "Issuer") and First Southwest Company ("FSWC"), effective as of the date of execution by the Issuer.

1. This Agreement shall apply to any and all evidences of indebtedness or debt obligations that may be authorized and issued or otherwise created or assumed by the Issuer (hereinafter referred to collectively as the "Debt Instruments") from time to time during the period in which this Agreement shall be effective.

2. FSWC agrees to provide its professional services and its facilities as Financial Advisor and agrees to direct and coordinate all programs of financing as may be considered and authorized during the period in which this Agreement shall be effective and to assume and pay those expenses set out in Appendix A, provided, however, that its obligations to pay expenses shall not include any costs incident to litigation, mandamus action, test case or other similar legal actions.

3. The Issuer has retained, or will retain municipal bond attorneys ("Bond Counsel"). The fees and expenses of Bond Counsel will be paid by the Issuer.

4. FSWC agrees to perform the following duties and all other duties as, in its judgment, may be necessary or advisable:

a. FSWC will conduct a survey of the financial resources of the Issuer to determine the extent of its capacity to authorize, issue and service debt. This survey will include an analysis of existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, will include a study of the trend of the assessed valuation, taxing power and present and future taxing requirements of the Issuer. In the event revenues of existing or projected facilities operated by the Issuer are to be pledged to repayment of the Debt Instruments then under consideration, the survey will take into account any outstanding indebtedness payable from the revenues thereof, additional revenues to be available from any proposed rate increases and additional revenues, as projected by consulting engineers employed by the Issuer, resulting from improvements to be financed by the Debt Instruments under consideration. FSWC will also take into account future financing needs and operations as projected by the Issuer's staff and consulting engineers or other experts, if any, employed by the Issuer.

PART A.6c

b. On the basis of the information developed by the survey described above, FSWC will provide to the Issuer its recommendations on the Debt Instruments under consideration including such elements as the date of issue, interest payment dates, schedule of principal maturities, portions of prior payment, security provisions, and any other additional provisions designed to make the issue attractive to investors.

c. FSWC will advise the Issuer of current bond market conditions, forthcoming bond issues and other general information and economic data which, in the judgment of FSWC could be expected to influence interest rates or bidding conditions so that the date of sale of the Debt Instruments may be set at a time which, in the opinion of FSWC, will be favorable.

d. In the event it is necessary to hold an election to authorize the Debt Instruments then under consideration, FSWC will assist in coordinating the assembly and transmittal to Bond Counsel of such data as may be required for the preparation of necessary petitions, orders, resolutions, ordinances, notices and certificates in connection with the election.

e. FSWC will recommend the method of sale of the Debt Instruments that, in its opinion, is in the best interest of the Issuer and will proceed, as directed by the Issuer, with one of the following methods:

(i) Advertised Sale: FSWC will supervise the sale of the Debt Instruments at a public sale in accordance with procedures set out herein. FSWC reserve the right, alone or in conjunction with others, to submit a bid for any Debt Instruments issued under this Agreement which the Issuer advertises for competitive bids. In compliance with Rule G-23 of the Municipal Securities Rulemaking Board, FSWC will request consent to bid in writing, in any instance wherein FSWC elects to bid, prior to submitting a bid for each installment of Debt Instruments.

(ii) Negotiated Sale: FSWC will recommend one or more investment banking firms as managers of an underwriting syndicate for the purposes of negotiating the purchase of the Debt Instruments. FSWC will collaborate with any managing underwriter selected and Counsel to the underwriters in the preparation of the Official Statement or Offering Memorandum. FSWC will cooperate with the underwriters in obtaining any Blue Sky Memorandum and Legal Investment Survey, preparing Bond Purchase Contract, Underwriters Agreement and any other related documents. The costs thereof, including the printing of the documents, will be paid by the underwriters.

f. When appropriate, FSWC will advise financial publications of the forthcoming sale of the Debt Instruments and provide them with all pertinent information.

g. FSWC will coordinate the preparation of the Notice of Sale and Bidding Instructions, Official Statement, Official Bid Form and such other documents as may be required. FSWC will submit to the Issuer all such documents for examination, approval and certification. After such examination, approval and certification, FSWC will provide the Issuer with a supply of all such documents sufficient to its needs and will distribute by mail sets of the same to prospective bidders and to banks, life, fire and casualty insurance companies, investment counselors and other prospective purchasers of the Debt Instruments. FSWC will also provide sufficient copies of the Official Statement to the purchaser of the Debt Instruments in accordance with the Notice of Sale and Bidding Instructions. The expenses associated with printing and distribution of these documents will be paid by the Issuer.

PART A.6c

h. FSWC will, after consulting with the Issuer, arrange for such reports and opinions of recognized independent consultants deemed necessary by FSWC and required for the successful marketing of the Debt Instruments.

i. Subject to the approval of the Issuer, FSWC will organize and make arrangements for such information meetings as, in the judgement of FSWC, may be necessary.

j. FSWC will make recommendations to the Issuer as to the advisability of obtaining a credit rating, or ratings, for the Debt Instruments and, when directed by the Issuer, FSWC will coordinate the preparation of such information as, in the opinion of FSWC, is required for submission to the rating agency, or agencies. Any fees and expenses incurred in obtaining a rating or ratings will be paid by the Issuer. In those cases where the advisability of personal presentation of information to the rating agency, or agencies, may be indicated, FSWC will arrange for such personal presentations. The travel expenses for such presentations will be paid by the Issuer.

k. FSWC will make recommendations to the Issuer as to the advisability of obtaining municipal bond insurance or other credit enhancement, or qualifications for same, for the Debt Instruments and, when directed by the Issuer, FSWC will coordinate the preparation of such information as, in the opinion of FSWC, is required for submission to the appropriate company, institution or institutions. In those cases where the advisability of personal presentation of information to the appropriate company, institution or institutions, may be indicated, FSWC will arrange for such personal presentations. The premiums for said insurance, if deemed advisable, will be paid by the Issuer if purchased directly or the underwriters if purchased as bidders option.

l. FSWC will assist the staff of the Issuer at any advertised sale of Debt Instruments in coordinating the receipt, tabulation and comparison of bids and FSWC will advise the Issuer as to the best bid. FSWC will provide the Issuer with its recommendations as to acceptance or rejection of such bid.

m. As soon as a bid for the Debt Instruments is accepted by the Issuer, FSWC will proceed to coordinate the efforts of all concerned to the end that the Debt Instruments may be delivered and paid for as expeditiously as possible. FSWC will assist the Issuer in the preparation or verification of final closing figures incident to the delivery of the Debt Instruments.

n. FSWC will maintain liaison with Bond Counsel in the preparation of all legal documents pertaining to the authorization, sale and issuance of the Debt Instruments. It is understood that Bond Counsel will provide an unqualified legal opinion as to the legality of the issuance of the Debt Instruments at the time of delivery.

o. If requested, FSWC will advise the Issuer with respect to the selection of a Paying Agent/ Registrar for the Debt Instruments, and will assist in the preparation of agreements pertinent to these services and the fees incident thereto.

p. In the event formal verification by an independent auditor of any calculations incident to the Debt Instruments is required, FSWC will make arrangements for such services.

q. FSWC agrees to coordinate, at the Issuer's expense, all work incident to printing of the Debt Instruments, obtaining approval, as may be required by the Attorney General, registration by the Comptroller of Public Accounts and delivery to the purchaser.

PART A.6c

r. After the closing of the sale and delivery of the Debt Instruments, FSWC will deliver to the Issuer a schedule of annual debt service requirements on the Debt Instruments. In coordination with Bond Counsel, FSWC will assure that the Paying Agent/Registrar has been provided with a copy of the authorizing ordinance, order or resolution.

s. FSWC will attend any and all meetings of governing body of the Issuer, its staff, representatives or committees as requested at all times when we may be of assistance or service and the subject of financing is to be discussed.

t. FSWC will advise the Issuer of changes, proposed or enacted, in Federal and State laws and regulations which would in the opinion of FSWC significantly affect the municipal bond market.

u. FSWC will work with the Issuer, its staff and any consultants employed by the Issuer in developing financial feasibility studies and analyzing alternative financing plans.

5. In addition to the services set out above, FSWC agrees to provide the following services when so requested:

a. FSWC will provide its advice as to the investment of certain funds of the Issuer. FSWC will, when so directed, purchase those investments authorized to be purchased and FSWC will charge a normal and customary commission for each such transaction.

b. FSWC will provide its advice and assistance with regard to exercising any call and refunding of any outstanding Debt Instruments.

c. FSWC will provide its advice and assistance in the development of and financing for, any capital improvements programs of the Issuer.

d. FSWC will provide its advice and assistance in the development of the long-range financing plan of the Issuer.

e. FSWC will provide any other appropriate services when so requested by the Issuer for such fee as is mutually agreed upon by the Issuer and FSW.

6. The fee due to FSWC in accordance with Appendix A which attached hereto and incorporated herein, any other fees as may be mutually agreed and all expenses for which FSWC is entitled to reimbursement, shall become due and payable concurrently with the delivery of the Debt Instruments to the purchaser.


7. This Agreement shall become effective at the date of acceptance by the Issuer set out herein below and shall remain in effect thereafter for a period of five (5) years from the date of acceptance. This Agreement will be automatically renewed for successive one (1) year periods on each anniversary date unless otherwise terminated, in writing, by either party. This Agreement may be terminated without cause by the Issuer or First Southwest upon thirty (30) days' written notice to the other party. In the event of such termination, it is understood and agreed that only the amount due First Southwest for services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement.

PART A.6c

This Agreement is submitted in triplicate originals. When accepted by the Issuer, it, together with Appendix A attached hereto, will constitute the entire agreement between the Issuer and FSWC for the purposes and the considerations herein specified. Acceptance will be indicated by the signature of authorized officials of the Issuer together with the date of acceptance on all three copies and the return of two executed copies to FSWC.

Respectfully submitted,


FIRST SOUTHWEST COMPANY

By: 
Hill A. Feinberg
President and Chief Executive Officer

By: 
David K. Medanich
Director

ACCEPTANCE CLAUSE

The above and foregoing is hereby in all things accepted and approved by the City Council on this the 19th day of March 1996.

By: 
Linda M. Barton
City Manager
City of Bedford, Texas

ATTEST:


Secretary

(SEAL)

PART A.6c

APPENDIX A

In consideration for the financial advising services rendered by FSWC in connection with the authorization and issuance of Debt Instruments, it is agreed that the Issuer shall pay FSWC a fee in accordance with the schedule below. Such fee shall become due and payable upon the delivery of the Debt Instruments to the purchaser.

Base Fee - Any Issue	\$5,000.00 or
\$ 10.00 per \$1,000	up to \$ 250,000 of bonds issued
9.00 per \$1,000	next 250,000 of bonds issued
6.00 per \$1,000	next 500,000 of bonds issued
4.00 per \$1,000	next 1,500,000 of bonds issued
2.50 per \$1,000	next 2,500,000 of bonds issued
1.50 per \$1,000	next 5,000,000 of bonds issued
1.25 per \$1,000	next 10,000,000 of bonds issued
1.00 per \$1,000	next 10,000,000 of bonds issued

The above schedule does not apply to any advance refunding of any of the City's outstanding debt. In the event of an advance refunding, whether or not in conjunction with the issuance of new debt, our fee shall be 125% of the above schedule.

The charges for ancillary services, including computer structuring and official statement printing, shall be levied in accordance with the applicable Internal Service Charge schedules of FSWC.

The Issuer will be responsible for the payment of the expenses listed below. The payment of reimbursable expenses that FSWC has assumed on behalf of the Issuer shall not be contingent upon the delivery of the Debt Instruments.

- Bond counsel
- Bond printing
- Bond ratings
- Computer structuring
- Credit enhancement
- Official statement printing
- Paying agent/registrar/trustee
- Travel expenses of Company personnel, with prior approval
- Underwriter and underwriters counsel
- Miscellaneous, including copy, delivery, and phone charges



Sealed Dollar Cost Bid

Proposal for
Professional Auditing Services 2012-0213

March 16, 2012

City of Bedford, Texas

BKD, LLP
14241 Dallas Parkway
Suite 1100
Dallas, TX 75254
Phone: 972.702.8262
Kevin Kemp, CPA

C. Sealed Dollar Cost Bid:

1. Total All-Inclusive Maximum Price

The sealed dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this request for proposal. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses stated separately.

The City of Bedford will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost bid. Such costs should not be included in the proposal.

The first page of the sealed dollar cost bid should include the following information:

a. Name of Firm

BKD, LLP

b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid and authorized to sign a contract with the City of Bedford.

As partner of the firm, Kevin Kemp is entitled to represent the firm, empowered to submit the bid and authorized to sign a contract with the City of Bedford.

c. A Total All-Inclusive Maximum Price for the fiscal year ending September 30, 2012, 2013, 2014, 2015 and 2016 engagement. (Appendix E) Include price for the preparation of the CAFR, typing and printing the camera ready master copy of the CAFR and the required fifteen (15) copies, as well as the electronic (PDF file) version of entire document.

APPENDIX E

FIVE YEAR MAXIMUM PRICE SUMMARY

2012	\$53,600
2013	\$55,310
2014	\$56,920
2015	\$58,600
2016	\$60,350

COMMENTS:

2. Rates by Partner, Specialist, Supervisory & Staff Level & Hours Anticipated for Each

The second page of the sealed dollar cost bid should include a schedule of professional fees and expenses, presented in the format provided in the attachment, that supports the total all-inclusive maximum price. The cost of special services described in Section II E of this request for proposal should be disclosed as separate components of the total all-inclusive maximum price (See Appendix D).

APPENDIX D

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

FOR THE AUDIT OF THE 9/30/2012 FINANCIAL STATEMENTS

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	<u>30</u>	<u>\$350</u>	<u>\$220</u>	<u>\$ 6,600</u>
Managers	<u>40</u>	<u>\$250</u>	<u>\$180</u>	<u>\$ 7,200</u>
Supervisory Staff	<u>120</u>	<u>\$175</u>	<u>\$135</u>	<u>\$16,200</u>
Staff	<u>200</u>	<u>\$140</u>	<u>\$100</u>	<u>\$20,000</u>
Other (specify): Clerical	<u>30</u>	<u>\$ 90</u>	<u>\$ 70</u>	<u>\$ 2,100</u>
Subtotal				<u>\$52,100</u>
Out-of-Pocket expenses:				
Meals and Lodging				<u>\$ 0</u>
Transportation				<u>\$ 0</u>
Other (specify):				<u>\$ 1,500</u>
Total All-Inclusive Maximum price for 9/30/2012 audit				<u>\$ 53,600</u>

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as gross deduction from the total All-Inclusive Maximum Price.

APPENDIX D-1

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE 9/30/2013 FINANCIAL STATEMENTS

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	<u>30</u>	<u>\$ 360</u>	<u>\$ 227</u>	<u>\$ 6,810</u>
Managers	<u>40</u>	<u>\$ 255</u>	<u>\$ 185</u>	<u>\$ 7,400</u>
Supervisory Staff	<u>120</u>	<u>\$ 180</u>	<u>\$ 140</u>	<u>\$ 16,800</u>
Staff	<u>200</u>	<u>\$ 145</u>	<u>\$ 103</u>	<u>\$ 20,600</u>
Other (specify):	<u>30</u>	<u>\$ 90</u>	<u>\$ 70</u>	<u>\$ 2,100</u>
 Subtotal				 <u>\$ 53,710</u>
 Out-of-Pocket expenses:				
Meals and Lodging				<u>\$ 0</u>
Transportation				<u>\$ 0</u>
Other (specify):				<u>\$ 1,600</u>
 Total All-Inclusive Maximum price for 9/30/2013 audit				 <u>\$ 55,310</u>

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as gross deduction from the total All-Inclusive Maximum Price.

APPENDIX D-2

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE 9/30/2014 FINANCIAL STATEMENTS

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	<u>30</u>	<u>\$ 365</u>	<u>\$ 230</u>	<u>\$ 6,900</u>
Managers	<u>40</u>	<u>\$ 260</u>	<u>\$ 188</u>	<u>\$ 7,520</u>
Supervisory Staff	<u>120</u>	<u>\$ 185</u>	<u>\$ 145</u>	<u>\$ 17,400</u>
Staff	<u>200</u>	<u>\$ 150</u>	<u>\$ 106</u>	<u>\$ 21,200</u>
Other (specify):	<u>30</u>	<u>\$ 95</u>	<u>\$ 75</u>	<u>\$ 2,250</u>
Subtotal				<u>\$ 55,270</u>
Out-of-Pocket expenses:				
Meals and Lodging				<u>\$ 0</u>
Transportation				<u>\$ 0</u>
Other (specify):				<u>\$ 1,650</u>
Total All-Inclusive Maximum price for 9/30/2014 audit				<u>\$ 56,920</u>

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as gross deduction from the total All-Inclusive Maximum Price.

APPENDIX D-3

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE 9/30/2015 FINANCIAL STATEMENTS

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	<u>30</u>	<u>\$375</u>	<u>\$235</u>	<u>\$ 7,050</u>
Managers	<u>40</u>	<u>\$270</u>	<u>\$190</u>	<u>\$ 7,600</u>
Supervisory Staff	<u>120</u>	<u>\$190</u>	<u>\$150</u>	<u>\$18,000</u>
Staff	<u>200</u>	<u>\$150</u>	<u>\$110</u>	<u>\$22,000</u>
Other (specify):	<u>30</u>	<u>\$ 95</u>	<u>\$ 75</u>	<u>\$ 2,250</u>
Subtotal				<u>\$56,900</u>
Out-of-Pocket expenses:				
Meals and Lodging				<u>\$ 0</u>
Transportation				<u>\$ 0</u>
Other (specify):				<u>\$ 1,700</u>
Total All-Inclusive Maximum price for 9/30/2015 audit				<u>\$ 58,600</u>

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as gross deduction from the total All-Inclusive Maximum Price.

APPENDIX D-4

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE 9/30/2016 FINANCIAL STATEMENTS

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	<u>30</u>	<u>\$ 380</u>	<u>\$ 240</u>	<u>\$ 7,200</u>
Managers	<u>40</u>	<u>\$ 275</u>	<u>\$ 195</u>	<u>\$ 7,800</u>
Supervisory Staff	<u>120</u>	<u>\$ 190</u>	<u>\$ 155</u>	<u>\$ 18,600</u>
Staff	<u>200</u>	<u>\$ 155</u>	<u>\$ 113</u>	<u>\$ 22,600</u>
Other (specify):	<u>30</u>	<u>\$ 100</u>	<u>\$ 80</u>	<u>\$ 2,400</u>
Subtotal				<u>\$ 58,600</u>
Out-of-Pocket expenses:				
Meals and Lodging				<u>\$ 0</u>
Transportation				<u>\$ 0</u>
Other (specify):				<u>\$ 1,750</u>
Total All-Inclusive Maximum price for 9/30/2016 audit				<u>\$ 60,350</u>

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as gross deduction from the total All-Inclusive Maximum Price.

3. Out-Of-Pocket Expenses Included in the Total All-inclusive Maximum Price & Reimbursement Rates

Out-of-pocket expenses for firm personnel (e.g., travel, lodging and subsistence) will be reimbursed at the rates used by the City of Bedford for its employees. All estimated out-of-pocket expenses to be reimbursed should be presented on the second page of the sealed dollar cost bid. All expense reimbursements will be charged against the total all-inclusive maximum price submitted by the firm.

In addition, a statement must be included in the sealed dollar cost bid stating the firm will accept reimbursement for travel, lodging and subsistence at the prevailing City of Bedford rates for its employees.

BKD will accept reimbursement for travel, lodging and subsistence at the prevailing City of Bedford rates for its employees.

4. Rates for Additional Professional Services

If it should become necessary for City of Bedford to request the auditor to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between City of Bedford and the firm. Any such additional work agreed to between City of Bedford and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the sealed dollar cost bid.

BKD understands that additional work to supplement the services requested or to perform additional work as a result of specific recommendations included in any report issued on this engagement agreed to between the City and BKD shall be performed at the same rates set forth in the schedule of fees and expenses included in the sealed dollar cost bid.

5. Manner of Payment

Progress payments will be made on invoices for no less than one month of professional services rendered.

Our pricing for this engagement and our fee structure is based upon the expectation that our invoices will be paid promptly. We will issue monthly progress billings during the course of our engagement, and payment of our invoices is due upon receipt. Interest will be charged on any unpaid balance after 45 days at the rate of 10 percent per annum.

Our acceptance of this engagement is subject to completion of our normal client acceptance procedures. Upon acceptance, the actual terms of our engagement will be documented in a separate letter to be signed by you and us. All information contained within this proposal is proprietary and confidential. © 2012

PART A.6e

PROFESSIONAL SERVICES AGREEMENT

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

THIS AGREEMENT, made and entered into this 9th day of May, 1995, between the CITY OF BEDFORD, State of Texas, a municipal corporation (hereinafter referred to as the "City") and John F. Boyle, Jr., of the firm of Boyle and Lowry, L. L. P. (hereinafter referred to as the "Attorney").

WITNESSETH

WHEREAS, City desires to engage the services of John F. Boyle, Jr., of the firm of Boyle and Lowry, L. L. P. as City Attorney of the City of Bedford, as provided by the City Charter of the City of Bedford, Texas; and

WHEREAS, it is the desire of the Governing Body (hereinafter referred to as "Council"), to establish certain conditions of engagement of said Attorney; and

WHEREAS, it is the desire of the Council to (1) secure and retain the services of the Attorney, and (2) to provide a just means for terminating Attorney's services at such time as Attorney may be unable fully to discharge the duties of the office or when the City may otherwise desire to terminate Attorney's services; and

WHEREAS, Attorney desires to accept engagement as City Attorney of said City;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

SECTION 1 - DUTIES

City hereby agrees to engage said John F. Boyle, Jr., of the firm of Boyle and Lowry, L. L. P. as City Attorney of said City to perform the functions and duties specified in said City Charter and by provisions of said City Code, and to perform other legally permissible and proper duties and functions as the Council or City Manager shall from time to time assign. Attorney is engaged to fulfill the role of legal counsel for the City.

The Attorney shall provide all legal services including (1) advice to and consultation with Staff and elected officials, (2) prosecution in municipal court, (3) drafting of ordinances and resolutions which require attorney expertise, (4) approval and editing of ordinances and resolutions prepared by Staff or Council, (5) preparation and/or approval of contracts between the City and other parties, (6) preparation of conveyance documents to or from the City, (7) attendance at Council Meetings as need requires, (8) general legal services to each department of the City and (9) Supervision of the prosecuting attorney.

The Attorney agrees to accommodate the City in providing needed services, to attend all Council meetings unless notified otherwise, to spend a minimum of eight (8) hours per week at the City Hall during normal working hours; to be available by telephone a minimum of one (1) hour per week; to respond to phone calls within one (1) working day; and to respond to requests for legal expertise within three (3) working days, longer as agreed upon. Attorney agrees to designate in advance the hours each week when he/she shall be available to the Council and Staff for consultation and advice on City legal matters. Attorney shall be entitled to change these hours by giving notice of the change to the City Manager. Should the Attorney be occasionally unable to comply with these provisions due to scheduling conflicts, Attorney shall designate an alternate attorney, fully qualified to practice in the State of Texas, who shall provide the services herein stated.

The rights and duties provided in the Bedford Charter are given to and imposed upon the Attorney.

SECTION 2 - COMPENSATION AND TERMS

The City agrees to pay and Attorney agrees to accept for services rendered pursuant hereto a fee of \$800 per week for a minimum of eight (8) hours on site at City Hall and \$125 per hour for regular non-litigation work including meetings with City Council, Boards and Commissions. Either party may terminate the Agreement by giving notice in writing to the other party at least 60 days prior to the date of termination. If such notice is not given by either party the Agreement shall remain in full force and effect.

Prosecution in Municipal Court will be billed at \$500.00 per session or \$100.00 per hour, whichever is the lessor.

The Attorney shall also represent the City in all litigation and administrative hearings, and shall be paid separately for services involving litigation at the rate of \$150 per hour for John F. Boyle, Jr., and \$125 per hour for L. Stanton Lowry. Attorney agrees that charges for court appearances and actual trial relating to litigation will be limited to the same hourly rate of \$150 per hour for John F. Boyle, Jr., and \$125 per hour for L. Stanton Lowry.

SECTION 3 - NOTICES

Notices required pursuant to this agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service. Notice shall be provided as follows:


- (1) CITY: Linda M. Barton, City Manager
2000 Forest Ridge Drive
Bedford, Texas 76021
- (2) ATTORNEY: John F. Boyle, Jr.
Boyle and Lowry, L. L. P.
1700 W. Pioneer
Irving, Texas 75061-6842

SECTION 4 - GENERAL PROVISIONS

- A. The text herein shall constitute the entire agreement between the parties.
- B. This agreement shall become effective commencing on the 9th day of May, 1995.
- C. Any and all notices between the parties provided for or permitted under this Agreement, or by law shall be in writing and shall be deemed duly served when personally delivered to a party, or in lieu of such personal service, when deposited in the United States Mail, Certified, postage prepaid, address to such party at the address of the principal place of business of the party or to such other place as may from time to time be specified in a notice given pursuant to the paragraph as the address for service of notice on such party.
- D. If any term, provision, covenant, or condition of the Agreement is held by a Court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated.
- E. This instrument contains the entire agreement between the parties relating to the rights herein granted, and the obligations herein assumed. Any oral representations or modifications concerning this instrument shall be of no force or effect unless in writing and signed by the parties to this agreement.
- F. This agreement shall be construed under and according to the laws of the State of Texas, from time to time in force and effect.

SIGNED IN DUPLICATE on the date first above written.

CITY OF BEDFORD, STATE OF TEXAS



R. D. Hurt, Mayor

ATTEST:



Rita Frick, City Secretary

PART A.6e
BOYLE & LOWRY, L.L.P. RECEIVED SEP 29 1998

JOHN F. BOYLE, JR.
(972) 650-7101
L. STANTON LOWRY
(972) 650-7102
MATTHEW C. G. BOYLE
(972) 650-7104

ATTORNEYS AND COUNSELORS
4201 WINGREN, SUITE 108
IRVING, TEXAS 75062-2763

(972) 650-7100
FAX (972) 650-7105

September 28, 1998

Ms. Susan K. Thorpe
City Manager
City of Bedford
P.O. Box 157
Bedford, Texas 76095

Re: Legal Fees

Dear Susan:

As part of our annual review of the firm's fee structure for its regular municipal clients we make an effort to establish consistent fee policies and to make adjustments when it appears necessary to reflect the attorney and other members of the staff's experience and responsibility. This proposed adjustment also reflects recent discussions concerning our regular weekly hours.

This proposed adjusted fee structure is of course subject to your review and approval.

Our current fee structure and the proposed adjustment are as follows:

General Municipal Work

John F. Boyle, Jr. \$125.00 an hour - no change

L. Stanton Lowry \$125.00 an hour - no change

Matthew C. G. Boyle \$100.00 an hour - no change

Attendance at City:

John Boyle and Stan Lowry 4 hour minimum service - \$400.00 per session -
on Tuesday

Monday a 2 hour session - \$200.00

8 hours a month at \$100.00 an hour to replace current
2 hours on Monday. Stan Lowry will be the attorney
generally in attendance.

PART A.6e 6/16/00
BOYLE & LOWRY, L.L.P.

ATTORNEYS AND COUNSELORS
4201 WINGREN, SUITE 108
IRVING, TEXAS 75062-2763

www.boyle-lowry.com

writer's e-mail
lslowry@boyle-lowry.com

June 7, 2000

*Please copy
to [redacted]
FYI for
budget calculations*
(972) 650-7100
FAX (972) 650-7105

SKT

JOHN F. BOYLE, JR.
(972) 650-7101
L. STANTON LOWRY
(972) 650-7102
MATTHEW C. G. BOYLE
(972) 650-7104
DOUGLAS H. CONNER, III
(972) 650-7106

Ms. Susan K. Thorpe
City Manager
City of Bedford
2000 Forest Ridge Dr.
Bedford, Texas 76021

RECEIVED JUN 09 2000

Dear Susan:

Recognizing that you are in the process of commencing budget considerations for fiscal year 2000-2001, we have, likewise, reviewed the firm's fee structure for continuing general municipal representation and litigation. Based on that review, as we discussed, we are proposing to increase our fees from \$125.00 an hour for general representation to \$150.00 per hour and on litigation from \$150.00 an hour to \$175.00 per hour commencing October 1, 2000 for all attorneys and from \$60.00 an hour to \$75.00 for paralegal work by a certified paralegal. There would be no change in Municipal Court prosecution. These proposed fees, of course, are conditioned upon your acceptance and approval.

We greatly appreciate the opportunity to represent the City and know it is vital that your representation be of the highest quality and responsive to your needs, both immediate and long-term. We pledge to make every effort at all times to provide that quality of representation. In addition, we recognize the budgetary constraints and importance of keeping expenditures within reason, while at the same time providing the City with able and vigorous representation.

Our relationship with the City is very important and we look forward to providing that representation in the future. If we can answer any questions, please call.

Thank you.

Very truly yours,

BOYLE & LOWRY, L.L.P.


L. Stanton Lowry

PART A.6e

BOYLE & LOWRY, L.L.P.

JOHN F. BOYLE, JR.
L. STANTON LOWRY
MATTHEW C. G. BOYLE
DOUGLAS H. CONNER, III
MICHAEL K. KALLAS
KRISTY J. ORR
DAVID H. BRUNE*
LISA H. TOMASELLI*

*OF COUNSEL

ATTORNEYS AND COUNSELORS
4201 WINGREN, SUITE 108
IRVING, TEXAS 75062-2763

www.boyle-lowry.com

(972) 650-7100
Fax: (972) 650-7105

Writer's Direct Line:
(972) 650-7102
E-mail: lslowry@boyle-lowry.com

June 16, 2006

Beverly Qucen
Interim City Manager
City of Bedford
2000 Forest Ridge Drive
Bedford, Texas 76021

Re: Boyle & Lowry Legal Fees – City of Bedford, Texas

Dear Beverly:

Recognizing that you and your staff are commencing the annual budget process, we, likewise, are reviewing our expenses and standard fees for representation of cities.

Our last fee adjustment was for the 2001-2002 fiscal year. During this time period the rate of inflation has been approximately 2.5% annually, or approximately 12%. Unfortunately, our firm is like all businesses and the City – the cost of living impacts our overall expenses of doing business.

As you are aware, our current established and approved rates are as follows:

Litigation	\$175.00 per hour
General Non-Litigation	\$150.00 per hour
Municipal Court	\$140.00 per hour
Legal Assistant	\$ 75.00 per hour

We propose for fiscal year 2006-2007, commencing October 1, 2006, the following fees:

Litigation	\$190.00 per hour (8.6% increase)
General Non-Litigation	\$165.00 per hour (9% increase)
Municipal Court	No change
Legal Assistant	No change

Both increases are less than ten percent (10%) and the inflation rate, which appears fair to us, and hopefully to you, and allows us to establish a fee structure comparable to our existing structure with a portion of the rate of inflation incorporated and recognized.

PART A.6e

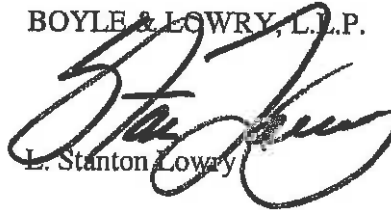
Beverly Queen
Interim City Manager
City of Bedford
June 16, 2006
Page 2

As always, we are very appreciative and honored to represent the City of Bedford and, of course, we will be guided by your thinking.

Thanks.

Very truly yours,

BOYLE & LOWRY, L.L.P.



L. Stanton Lowry

PART A.6e
BOYLE & LOWRY, L.L.P.

JOHN F. BOYLE, JR.
L. STANTON LOWRY
MATTHEW C. G. BOYLE
DOUGLAS H. CONNER, III
CATHY CUNNINGHAM
LISA H. TOMASELLI*
JENNIFER GAITHER*
HOLLY FOX*
JIM DEATHERAGE*
JILL LOWRY*
ALAN WAYLAND*
*OF COUNSEL

ATTORNEYS AND COUNSELORS
4201 WINGREN, SUITE 108
IRVING, TEXAS 75062-2763

www.boyle-lowry.com

(972) 650-7100
Fax: (972) 650-7105

Writer's Direct Line:
(972) 650-7102
E-mail: slowry@boyle-lowry.com

June 29, 2011

Beverly Griffith
City Manager
City of Bedford
2000 Forest Ridge Drive
Bedford, Texas 76021

Re: Boyle & Lowry Legal Fees – City of Bedford (Commencing FY 2011-2012)

Dear Beverly:

Recognizing that you and your staff are commencing the annual budget process, we, likewise, are reviewing our expenses and standard fees for representation of cities.

Our last fee adjustment was for the 2006-2007 fiscal year. During this time period the rate of inflation has been approximately 2.5% annually, or approximately 12.5%. Unfortunately, our firm is like all businesses and the City – the cost of living impacts our overall expenses of doing business and consequently we believe it is necessary that we make adjustments in order to place us in the same position we were in during the 2006-2007 fiscal year.

As you are aware, our current established and approved rates are as follows:

Litigation	\$190.00 per hour
General Non-Litigation	\$165.00 per hour
Municipal Court	\$140.00 per hour
Legal Assistant	\$ 75.00 per hour

We propose for fiscal year 2011-2012, commencing October 1, 2011, the following fees:

Litigation	\$200.00 per hour (5% increase)
General Non-Litigation	\$175.00 per hour (6% increase)
Municipal Court	\$150.00 per hour (7% increase)
Legal Assistant	\$ 80.00 per hour (6.5% increase)

JUL 1 2011

Beverly Griffith
City Manager
City of Bedford
June 29, 2011
Page 2

PART A.6e

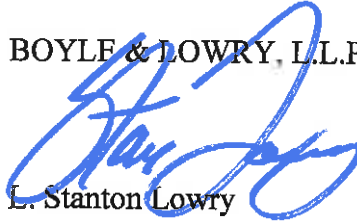
Each increase is seven percent (7%) or less and the inflation rate, which appears fair to us, and hopefully to you, and allows us to establish a fee structure comparable to our existing structure with a portion of the rate of inflation incorporated and recognized.

As always, we are very appreciative and honored to represent the City of Bedford and, of course, we will be guided by your thinking.

Thank you.

Very truly yours,

BOYLE & LOWRY, L.L.P.



L. Stanton Lowry

LSL:dkm



CITY OF BEDFORD

Discover the Center

Financial Assistance Application to the
Texas Water Development Board
June 5, 2015

Attachment B Legal Information



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PART B.17

RESOLUTION NO. 15-47

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS REQUESTING FINANCIAL ASSISTANCE FROM THE TEXAS WATER DEVELOPMENT BOARD; AUTHORIZING THE FILING OF AN APPLICATION FOR ASSISTANCE; AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

SECTION 1. That an application is hereby approved and authorized to be filed with the Texas Water Development Board seeking financial assistance in an amount not to exceed \$90,000,000 to provide for the costs of the Water Distribution System Conservation Program.

SECTION 2. That Interim City Manager, Roger Gibson, be and is hereby designated the authorized representative of the City of Bedford for the purposes of furnishing such information and executing such documents as may be required in connection with the preparation and filing of such application for financial assistance and the rules of the Texas Water Development Board.

SECTION 3. That the following firms and individuals are hereby authorized and directed to aid and assist in the preparation and submission of such application and appear on behalf of and represent the City of Bedford before any hearing held by the Texas Water Development Board on such application, to wit:

Financial Advisor: David Medanich/Nick Bulaich
First Southwest
777 Main Street, Suite 1200
Fort Worth, Texas 76102

Engineer: William B. Moriarty, P.E., BCEE
King Engineering Associates, Inc.
1250 Capital of Texas Highway South
Building 3, Suite 400
Austin, Texas 78746

Bond Counsel: Bob Dransfield
Norton Rose Fulbright
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201

PRESENTED AND PASSED on this 12th day of May 2015, by a vote of 7 ayes, 0 nays and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.



Jim Griffin, Mayor

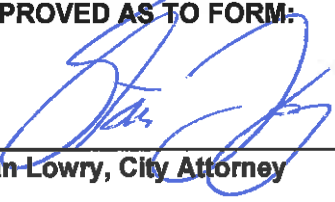
ATTEST:



Michael Wells, City Secretary

PART B.17

APPROVED AS TO FORM:



Stan Lowry, City Attorney

FILED
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COUNTY CLERK
BY: *[Signature]*

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CCN 10075 & 20027 Certification

THE STATE OF TEXAS &
COUNTY OF TARRANT'S

CERTIFICATION

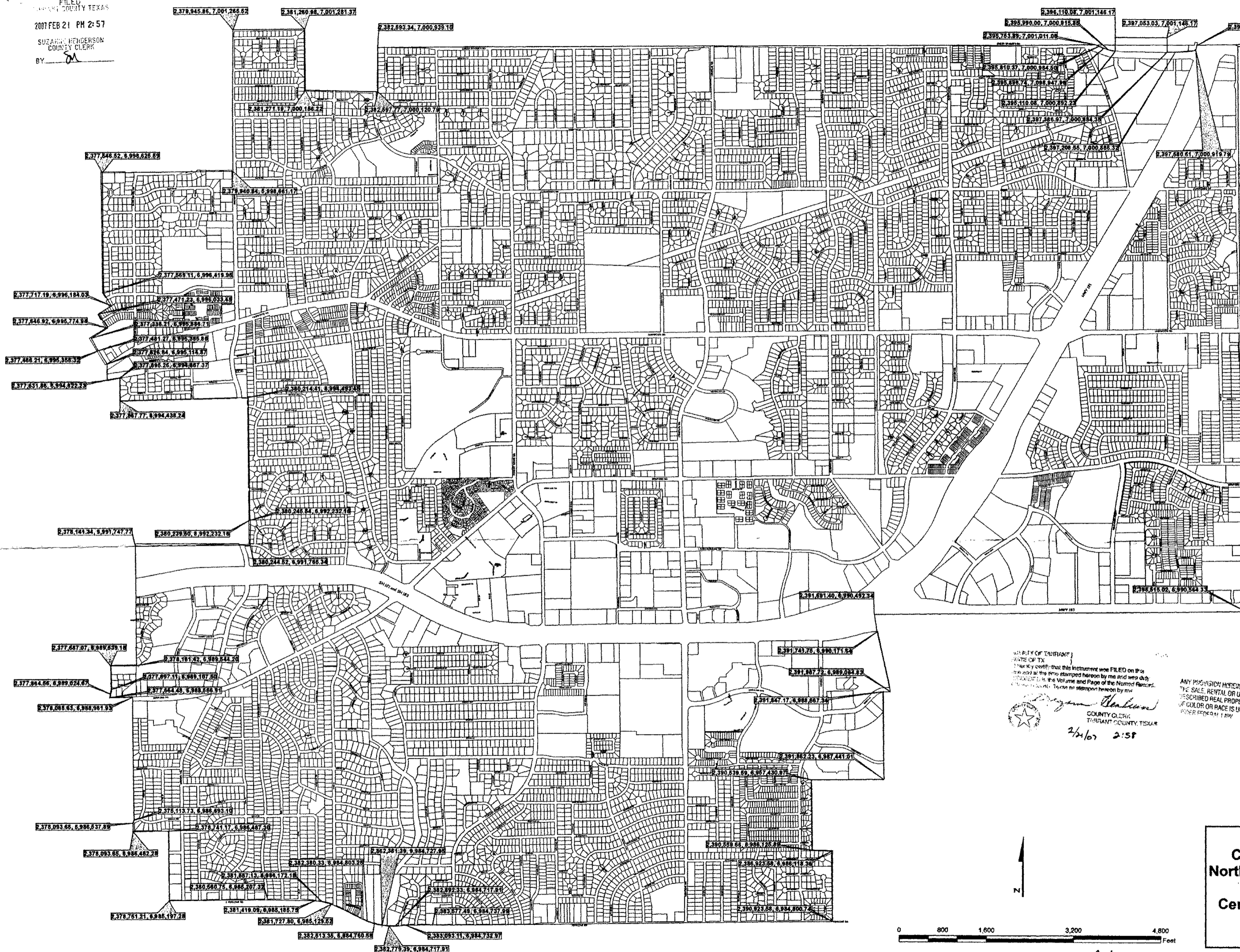
I, Shanae Jennings, City Secretary for the City of Bedford, Texas, do hereby certify that I am the custodian of the records of the City of Bedford, Texas, and that the attached is a true and correct copy of the map and boundary description of the service area by: The Texas State Plane Coordinate System.

WITNESS MY HAND AND OFFICIAL SEAL of the City of Bedford, Texas this the 21st day of February 2007.

[Signature]
Shanae Jennings
City Secretary
City of Bedford



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CLERK OF TARRANT COUNTY TEXAS
I hereby certify that this instrument was FILED on this day at the time stamped hereon by me and was duly recorded in the Volume and Page of the Named Record. This is to certify. To be stamped hereon by me.
[Signature]
COUNTY CLERK
TARRANT COUNTY, TEXAS
2/21/07 2:58

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS UNENFORCEABLE UNDER FEDERAL LAW.

[Signature]
2/21/07



City Limits
City of Bedford, Tarrant County, Texas
North Central Texas State Plane Coordinates
NAD 1983
Certificate of Convenience and Necessity
#10075-Water and #20027- Sewer
February 2007



A 11716



**WATER
CONSERVATION
PLAN FOR THE
CITY OF
BEDFORD**

**Prepared:
MAY 2009**

**Revised:
July 2014**

Thomas L. Hoover, P.E.
Public Works Director

Jerry Laverty
Environmental Supervisor

**CITY OF BEDFORD
PUBLIC WORKS**
1813 Reliance Pkwy
Bedford, TX 76021
(817) 952-2200

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ACKNOWLEDGEMENTS

This water conservation plan is based on the model water conservation plan prepared by the Tarrant Regional Water District (TRWD). The TRWD adapted the plan to maintain a consistent and regional approach to water conservation strategies. This plan was prepared pursuant to Texas Commission on Environmental Quality rules. Some material is based on the existing water conservation plans listed in Appendix A.

Questions regarding this water conservation plan should be addressed to the following:

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Public Works
Director
(817) 952-2200
Thomas.hoover@bedfordtx.gov

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Texas Commission on Environmental Quality Rules on Municipal Water Conservation Plans

- Texas Administrative Code Title 30, Part 1, Chapter 288, Subchapter A, Rule §288.1 – Definitions (Page B-1)
- Texas Administrative Code Title 30, Part 1, Chapter 288, Subchapter A, Rule §288.2 – Water Conservation Plans for Municipal Uses by Public Water Suppliers (Page B-4)

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- Municipal Ordinance Pertaining to Illegal Water Connections and Theft of Water

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Water Conservation Plan

City of Bedford

July 2014

1. INTRODUCTION AND OBJECTIVES

Having a dependable water supply has always been a key issue in the development of Texas. The growing population and economic expansion occurring in North Central Texas are placing increased demands on our water supplies. The latest population projections predict the number of people residing in Texas to more than double between the years 2000 and 2060, growing from about 21 million to nearly 46 million within that time span. The Texas Water Development Board predicts water demands to increase by 27 percent. In order to meet the challenge of providing for our current and future needs we must learn to use the water we already have more efficiently. By stretching our existing supplies we can delay the need for new supplies, minimize the environmental impacts associated with developing new water resources, and postpone the high cost of building the infrastructure (dams, treatment facilities, and pipelines) necessary to capture, treat, and transport the additional water into our homes and businesses.

Recognizing the need for efficient use of existing water supplies, the Texas Commission on Environmental Quality (TCEQ) has developed guidelines and requirements governing the development of water conservation plans for public water suppliers¹. TCEQ guidelines and requirements are included in Appendix B.

The objectives of this water conservation plan are as follows:

- To reduce water consumption from the levels that would prevail without conservation efforts.
- To reduce the loss and waste of water.
- To improve efficiency in the use of water.
- To extend the life of current water supplies by reducing the rate of growth in demand.

¹ Superscripted numbers match references listed in Appendix A.

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2. TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES

The TCEQ rules governing development of water conservation plans for public water suppliers are contained in Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2 of the Texas Administrative Code, which is included in Appendix B. For the purpose of these rules, a water conservation plan is defined as “A strategy or combination of strategies for reducing the volume of water withdrawn from a water supply source, for reducing the loss or waste of water, for maintaining or improving the efficiency in the use of water, for increasing the recycling and reuse of water, and for preventing the pollution of water.”¹ The elements in the TCEQ water conservation rules covered in this conservation plan are listed below.

Minimum Conservation Plan Requirements

The minimum requirements in the Texas Administrative Code for Water Conservation Plans for Public Water Suppliers are covered in this report as follows:

- 288.2(a)(1)(A) – Utility Profile – Section 3 and Appendix C
- 288.2(a)(1)(C) – Specification of Goals – Section 4
- 288.2(a)(1)(D) – Accurate Metering – Sections 5.1 and 5.2
- 288.2(a)(1)(E) – Universal Metering – Section 5.2
- 288.2(a)(1)(F) – Determination and Control of Unaccounted Water – Section 5.4
- 288.2(a)(1)(G) – Public Education and Information Program – Section 6
- 288.2(a)(1)(H) – Non-Promotional Water Rate Structure – Section 7
- 288.2(a)(1)(I) – Reservoir System Operation Plan – Section 8.1
- 288.2(a)(1)(J) – Means of Implementation and Enforcement – Section 9
- 288.2(a)(1)(K) – Coordination with Regional Water Planning Group – Section 8.6 and Appendix E

Conservation Additional Requirements (Population over 5,000)

The Texas Administrative Code includes additional requirements for water conservation plans for cities with a population over 5,000:

- 288.2(a)(2)(A) – Leak Detection, Repair, and Water Loss Accounting – Sections 5.4, 5.5, and 5.6
- 288.2(a)(1)(B) – Record Management System – Section 5.3
- 288.2(a)(2)(B) – Requirement for Water Conservation Plans by Wholesale Customers – Section 8.5

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Additional Conservation Strategies

TCEQ rules also list additional optional but not required conservation strategies, which may be adopted by suppliers. The following optional strategies are included in this plan:

- 288.2(a)(3)(A) – Conservation Oriented Water Rates – Section 7
- 288.2(a)(3)(B) – Ordinances, Plumbing Codes or Rules on Water-Conserving Fixtures – Section 8.3
- 288.2(a)(3)(D) – Reuse and Recycling of Wastewater – Section 8.2
- 288.2(a)(3)(F) – Considerations for Landscape Water Management Regulations – Section 8.4 and Appendix D
- 288.2(a)(3)(G) – Monitoring Method – Section 5.6

TCEQ rules for landscape irrigation include water conservation requirements in Title 30 Chapter 344:

- 344.6 – 344.65 – Subchapter F Standards for Designing, Installing, and Maintaining Landscape Irrigation Systems – Section 8.4

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3. WATER UTILITY PROFILE

Appendix C to this water conservation plan is a modified water utility profile based on the format recommended by the TCEQ. Some additional sections were added in order to gather the information necessary to assess the effectiveness of the City water conservation plan.

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4. SPECIFICATION OF WATER CONSERVATION GOALS

Current TCEQ rules require the adoption of specific water conservation goals for a water conservation plan. As part of plan adoption, The City will develop 5-year and 10-year goals for per capita municipal use, following TCEQ procedures described in the water utility profile (Appendix C). The goals for this water conservation plan include the following:

- Keep the per capita municipal water use below the specified amount in gallons per capita per day in a dry year. Municipal use for 2008 was 156 GPDC.

Target Goal Year	2019	2029
Target Goal for Municipal Use GPCD (gallons per capita per day)	153 GPCD	140 GPCD
Target Goal for Residential Use GPCD	141 GPCD	140 GPCD

The goals are based on the recommendations of the Texas Water Conservation Implementation Task Force which suggest a 1% reduction in gallons per capita per day per year. A water consumption level of 140 gallons per person per day is the statewide recommendation of the Task Force. The Task Force was established per Senate Bill 1094 in 2004 to evaluate matters concerning water conservation.

It should be noted that all the performance indicators outlined above are developed assuming a year of average rainfall.

- Keep the level of unaccounted water in the system below 12% annually in 2008 and subsequent years, as discussed in Section 5.4.
- Implement and maintain a program of universal metering and meter replacement and repair, as discussed in Section 5.2.
- Decrease waste in lawn irrigation by implementation and enforcement of landscape water management regulations, as discussed in Section 8.4.
- Raise public awareness of water conservation and encourage responsible public behavior by a public education and information program, as discussed in Section 6.
- Develop a system specific strategy to conserve water during peak demands, thereby reducing the peak use.

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5. METERING, WATER USE RECORDS, CONTROL OF UNACCOUNTED WATER, AND LEAK DETECTION AND REPAIR

One of the key elements in water conservation is careful tracking of water use and control of losses through illegal diversions and leaks. Careful metering of water deliveries and water use, detection and repair of leaks in the distribution system and regular monitoring of unaccounted water are important in controlling losses.

5.1 Accurate Metering of Treated Water Deliveries from the Trinity River Authority

Trinity River Authority supplies all of the water used by the City of Bedford. Water deliveries are metered by the Trinity River Authority using meters with accuracy of $\pm 2\%$. These meters are calibrated on a monthly basis by the Trinity River Authority to maintain the required accuracy.

5.2 Metering of Customer and Public Uses and Meter Testing, Repair, and Replacement

All connections to the water system are metered connections. All meters will be maintained with acceptable operating accuracy range as defined by the manufacturer or AWWA Standard for meter accuracy, whichever is more stringent. The City of Bedford changes out 100 residential meters per month. A dead meter list is maintained on a monthly basis to detect stopped meters. The City does not conduct meter testing; instead these meters are replaced on a 10 year replacement cycle.

5.3 Record Management System

As required by TAC Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2(a)(1)(B), the City record management system allows for the separation of water sales and uses into residential, commercial, public/institutional, and industrial categories. This information is maintained and tracked by the Customer Service Department.

5.4 Determination and Control of Unaccounted Water

Unaccounted water is the difference between water delivered to customers and metered deliveries to customers plus authorized but unmetered uses. (Authorized but unmetered uses would include use for fire fighting, releases for flushing of lines, and uses associated with new construction.) Unaccounted water can include several categories:

- Inaccuracies in customer meters.
- Accounts which are being used but have not yet been added to the billing system.
- Losses due to water main breaks and leaks in the water distribution system.
- Losses due to illegal connections and theft. (Included in Appendix G.)

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- Other.

Measures to control unaccounted water are part of the routine operations of the City of Bedford. Maintenance crews and personnel are asked to look for and report evidence of leaks in the water distribution system. The leak detection and repair program is described in Section 5.5 below. Meter readers are asked to watch for and report signs of illegal connections, so they can be addressed quickly.

Unaccounted water is calculated in Appendix C. With the measures described in this plan, the City intends to maintain the unaccounted water below 6% in 2013 and subsequent years. If unaccounted water exceeds this goal, The City will implement a more intensive audit to determine the source(s) of and reduce the unaccounted water. The annual conservation report described below is the primary tool used to monitor unaccounted water.

5.5 Leak Detection and Repair

As described above, City crews and personnel are asked to look for and report evidence of leaks in the water distribution system. Areas of the water distribution system in which numerous leaks and line breaks occur are targeted for replacement as funds are available.

5.6 Monitoring of Effectiveness and Efficiency - Annual Water Conservation Report

Appendix C is a Water Utility Profile form that will be used in the development of an annual water conservation report for the City. This form will be completed by May 1 of the following year and will be used to monitor the effectiveness and efficiency of the water conservation program and to plan conservation-related activities for the next year. The form records the water use by category, per capita municipal use, and unaccounted water for the current year and compares them to historical values. The Water Utility Profile and annual Water Conservation Report will also be sent to TRWD, which will monitor regional water conservation trends.

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6. CONTINUING PUBLIC EDUCATION AND INFORMATION CAMPAIGN

The continuing public education and information campaign on water conservation includes the following elements:

- Insert water conservation information with water bills. Inserts will include material developed by City staff and material obtained from TRWD, TWDB, TCEQ, and other sources.
- Encourage local media coverage of water conservation issues and the importance of water conservation.
- Notify local organizations, schools, and civic groups, such as Home Owners' Associations and the Beautification Committee, that City staff and staff of the Tarrant Regional Water District are available to make presentations on the importance of water conservation and ways to save water.
- Make information on *Texas Smartscape* principles, water conservation brochures, and other water conservation materials available to the public at City Hall and other public places.
- Continue to update the information on water conservation available on the City website and include links to the *Texas Smartscape* Web site and to information on water conservation on TRWD, TWDB, and TCEQ Web sites.

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7. WATER RATE STRUCTURE

The City will adopt, within five years or in conjunction with any water rate study, an increasing block rate structure. Current water rates can be found in the Schedule of Fees.

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8. OTHER WATER CONSERVATION MEASURES

8.1 Reservoir System Operation Plan

The City of Bedford is a customer of the Trinity River Authority, which purchases untreated surface water from the Tarrant Regional Water District. The City of Bedford does not have surface water supplies for which to implement a reservoir system operation plan.

8.2 Reuse and Recycling of Wastewater

The City of Bedford is a customer of the Trinity River Authority, which treats the City's wastewater.

8.3 Ordinances, Plumbing Codes, or Rules on Water-Conserving Fixtures

The State of Texas has required water-conserving fixtures in new construction and renovations since 1992. The state standards call for flows of no more than 2.5 gallons per minute (gpm) for faucets, 3.0 gpm for showerheads, and 1.6 gallons per flush for toilets. Similar standards are now required nationally under federal law. These state and federal standards assure that all new construction and renovations will use water-conserving fixtures.

The City of Bedford will collaborate with the Tarrant Regional Water District and other customer cities in exploring the possibility of a joint purchase effort to establish a regional rebate or incentive program to encourage citizens to retrofit their homes with water-conserving fixtures. The City's participation would be dependent upon available funding.

8.4 Landscape Water Management Regulations

Appendix D is a summary of landscape water management regulations adopted as part of the development of this water conservation plan. These regulations are intended to minimize waste in landscape irrigation. The regulations include the following elements:

- Prohibition of outdoor watering with sprinklers from 10:00 a.m. to 6:00 p.m. every day from June 1 through September 30. (Resetting of watering times in sprinkler systems is recommended to comply with the water schedule. Watering with hand-held hoses, soaker hoses, or dispensers is allowed.)
Requirement that all new irrigation systems include rain and freeze sensors capable of multiple programming. Any irrigation system installed before August 1, 2008 may not be operated after August 1, 2010 without being equipped with rain and freeze sensors. This requirement does not apply to a single family residential or duplex property, or an individual metered townhome or condominium unit. Existing residential irrigation systems are encouraged to be retrofitted with similar rain and freeze sensors.

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- Requirement that all new irrigation systems be in compliance with state design and installation regulations (TAC Title 30, Part 1, Chapter 344).
- Prohibition of irrigation systems that spray directly onto impervious surfaces or onto other non-irrigated areas. (Wind driven water drift will be taken into consideration.)
- Prohibition of use of poorly maintained sprinkler systems that waste water.
- Prohibition of outdoor watering during any form of precipitation.
- Enforcement of the regulations by a system of warnings followed by fines for continued or repeat violations.

8.5 Coordination with Regional Water Planning Group and TRWD

Appendix E includes a letter sent to the Chair of the Region C Water Planning Group with this water conservation plan. Each customer (direct and indirect) is required to send a copy of their draft ordinance(s) or regulation(s) implementing the plan and their water utility profile to TRWD for review and comment. The adopted ordinance(s) or regulation(s) and the adopted water utility profile will also be sent to TRWD.

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9. IMPLEMENTATION AND ENFORCEMENT OF THE WATER CONSERVATION PLAN

Appendix F contains a copy of the ordinance adopted by the City Council that designates responsible officials to implement and enforce the water conservation plan.

Appendix D contains copies of ordinances currently in place to enforce proper landscape water management, which also includes information about enforcement.

Appendix G contains a copy of an ordinance related to illegal connections and water theft.

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APPENDIX A

LIST OF REFERENCES

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Appendix A List of References

- (1) Title 30 of the Texas Administrative Code, Part 1, Chapter 288, Subchapter A, Rules 288.1 and 288.5, and Subchapter B, Rule 288.22, downloaded from <http://www.tceq.state.tx.us/assets/public/legal/rules/rules/pdflib/288a.pdf>, March 2007.
- (2) Texas Water Development Board: "Report 362 – Water Conservation Best Management Practices," prepared by Water Conservation Implementation Task Force, Austin, November 2004.

The TRWD model water conservation plan used in developing this plan was largely adapted from the following two plans:

- North Texas Municipal Water District: "Model Drought Contingency Plan for North Texas Municipal Water District Member Cities and Customers," prepared by Freese and Nichols, Inc., Fort Worth, August 2004.
- Tarrant Regional Water District: "Water Conservation and Drought Contingency Plan," adopted by the Board of Directors, Fort Worth, May 2005 with revisions in May 2007.

The following conservation and drought contingency plans and related documents were reviewed in the development of this plan. References marked with a * were used heavily in the development of this plan.

- *City of Dallas Water Utilities Department: "City of Dallas Water Management Plan," adopted by the City Council, Dallas, September 1999.
- *City of Dallas Water Utilities Department: "City of Dallas Water Conservation Plan," adopted by the City Council, Dallas, September 1999.
- *City of Fort Worth: "Water Conservation plan for the City of Fort Worth," Fort Worth, August 1999.
- *City of Fort Worth: "Emergency Water Management Plan for the City of Fort Worth," Fort Worth, August 19, 2003.
- *City of Dallas: "City of Dallas Ordinances, Chapter 49, Section 21.1," Dallas, October 1, 2001.

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APPENDIX B

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES ON MUNICIPAL WATER CONSERVATION PLANS

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**Texas Commission on Environmental Quality Rules on Water Conservation Plans for
Municipal Uses by Public Water Suppliers
Texas Administrative Code**

TITLE 30

PART 1

CHAPTER 288

SUBCHAPTER A

RULE §288.1

ENVIRONMENTAL QUALITY

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

CONSERVATION PLANS, DROUGHT CONTINGENCY PLANS,
GUIDELINES AND REQUIREMENTS

WATER CONSERVATION PLANS

Definitions

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise

(1) Agricultural or Agriculture--Any of the following activities:

(A) cultivating the soil to produce crops for human food, animal feed, or planting seed or for the production of fibers;

(B) the practice of floriculture, viticulture, silviculture, and horticulture, including the cultivation of plants in containers or non-soil media by a nursery grower

(C) raising, feeding, or keeping animals for breeding purposes or for the production of food or fiber, leather, pelts, or other tangible products having a commercial value;

(D) raising or keeping equine animals;

(E) wildlife management; and

(F) planting cover crops, including cover crops cultivated for transplantation, or leaving land idle for the purpose of participating in any governmental program or normal crop or livestock rotation procedure.

(2) Agricultural use--Any use or activity involving agriculture, including irrigation.

(3) Best management practices--Voluntary efficiency measures that save a quantifiable amount of water, either directly or indirectly, and that can be implemented within a specific time frame.

(4) Conservation--Those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water, or increase the recycling and reuse of water so that a water supply is made

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available for future or alternative uses.

(5) Commercial use--The use of water by a place of business, such as a hotel, restaurant, or office building. This does not include multi-family residences or agricultural, industrial, or institutional users.

(6) Drought contingency plan--A strategy or combination of strategies for temporary supply and demand management responses to temporary and potentially recurring water supply shortages and other water supply emergencies. A drought contingency plan may be a separate document identified as such or may be contained within another water management document(s).

(7) Industrial use--The use of water in processes designed to convert materials of a lower order of value into forms having greater usability and commercial value, and the development of power by means other than hydroelectric, but does not include agricultural use.

(8) Institutional use--The use of water by an establishment dedicated to public service, such as a school, university, church, hospital, nursing home, prison or government facility. All facilities dedicated to public service are considered institutional regardless of ownership.

(9) Irrigation--The agricultural use of water for the irrigation of crops, trees, and pastureland, including, but not limited to, golf courses and parks which do not receive water from a public water supplier.

(10) Irrigation water use efficiency--The percentage of that amount of irrigation water which is beneficially used by agriculture crops or other vegetation relative to the amount of water diverted from the source(s) of supply. Beneficial uses of water for irrigation purposes include, but are not limited to, evapotranspiration needs for vegetative maintenance and growth, salinity management, and leaching requirements associated with irrigation.

(11) Mining use--The use of water for mining processes including hydraulic use, drilling, washing sand and gravel, and oil field re-pressuring.

(12) Municipal use--The use of potable water provided by a public water supplier as well as the use of sewage effluent for residential, commercial, industrial, agricultural, institutional, and wholesale uses.

(13) Nursery grower--A person engaged in the practice of floriculture, viticulture, silviculture, and horticulture, including the cultivation of plants in containers or nonsoil media, who grows more than 50% of the products that the person either sells or leases,

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regardless of the variety sold, leased, or grown. For the purpose of this definition, grow means the actual cultivation or propagation of the product beyond the mere holding or maintaining of the item prior to sale or lease, and typically includes activities associated with the production or multiplying of stock such as the development of new plants from cuttings, grafts, plugs, or seedlings.

(14) Pollution--The alteration of the physical, thermal, chemical, or biological quality of, or the contamination of, any water in the state that renders the water harmful, detrimental, or injurious to humans, animal life, vegetation, or property, or to the public health, safety, or welfare, or impairs the usefulness or the public enjoyment of the water for any lawful or reasonable purpose.

(15) Public water supplier--An individual or entity that supplies water to the public for human consumption.

(16) Residential use--The use of water that is billed to single and multi-family residences, which applies to indoor and outdoor uses.

(17) Residential gallons per capita per day--The total gallons sold for residential use by a public water supplier divided by the residential population served and then divided by the number of days in the year.

(18) Regional water planning group--A group established by the Texas Water Development Board to prepare a regional water plan under Texas Water Code, §16.053.

(19) Retail public water supplier--An individual or entity that for compensation supplies water to the public for human consumption. The term does not include an individual or entity that supplies water to itself or its employees or tenants when that water is not resold to or used by others.

(20) Reuse--The authorized use for one or more beneficial purposes of use of water that remains unconsumed after the water is used for the original purpose of use and before that water is either disposed of or discharged or otherwise allowed to flow into a watercourse, lake, or other body of state-owned water.

(21) Total use--The volume of raw or potable water provided by a public water supplier to billed customer sectors or nonrevenue uses and the volume lost during conveyance, treatment, or transmission of that water.

(22) Total gallons per capita per day (GPCD)--The total amount of water diverted and/or pumped for potable use divided by the total permanent population divided by the days of the year. Diversion volumes of reuse as defined in this chapter shall be credited against total diversion volumes for the purposes of calculating GPCD for targets and goals.

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(23) Water conservation plan--A strategy or combination of strategies for reducing the volume of water withdrawn from a water supply source, for reducing the loss or waste of water, for maintaining or improving the efficiency in the use of water, for increasing the recycling and reuse of water, and for preventing the pollution of water. A water conservation plan may be a separate document identified as such or may be contained within another water management document(s).

(24) Wholesale public water supplier--An individual or entity that for compensation supplies water to another for resale to the public for human consumption. The term does not include an individual or entity that supplies water to itself or its employees or tenants as an incident of that employee service or tenancy when that water is not resold to or used by others, or an individual or entity that conveys water to another individual or entity, but does not own the right to the water which is conveyed, whether or not for a delivery fee.

(25) Wholesale use--Water sold from one entity or public water supplier to other retail water purveyors for resale to individual customers.

Source Note: The provisions of this §288.1 adopted to be effective May 3, 1993, 18 TexReg 2558; amended to be effective February 21, 1999, 24 TexReg 949; amended to be effective April 27, 2000, 25 TexReg 3544; amended to be effective August 15, 2002, 27 TexReg 7146; amended to be effective October 7, 2004, 29 TexReg 9384; amended to be effective January 10, 2008, 33 TexReg 193; amended to be effective December 6, 2012, 37 TexReg 9515

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Texas Administrative Code

TITLE 30

PART 1

CHAPTER 288

SUBCHAPTER A

RULE §288.2

ENVIRONMENTAL QUALITY

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

WATER CONSERVATION PLANS, DROUGHT CONTINGENCY PLANS, GUIDELINES AND REQUIREMENTS

WATER CONSERVATION PLANS

Water Conservation Plans for Municipal Uses by Public Water Suppliers

(a) A water conservation plan for municipal water use by public water suppliers must provide information in response to the following. If the plan does not provide information for each requirement, the public water supplier shall include in the plan an explanation of why the requirement is not applicable.

(1) Minimum requirements. All water conservation plans for municipal uses by public water suppliers must include the following elements:

(A) a utility profile in accordance with the Texas Water Use Methodology, including, but not limited to, information regarding population and customer data, water use data (including total gallons per capita per day (GPCD) and residential GPCD), water supply system data, and wastewater system data;

(B) a record management system which allows for the classification of water sales and uses into the most detailed level of water use data currently available to it, including, if possible, the sectors listed in clauses

(i) - (vi) of this subparagraph. Any new billing system purchased by a public water supplier must be capable of reporting detailed water use data as described in clauses (i) - (vi) of this subparagraph:

- (i) residential;
- (I) single family;
- (II) multi-family;
- (ii) commercial;
- (iii) institutional;
- (iv) industrial;
- (v) agricultural; and,
- (vi) wholesale.

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(C) specific, quantified five-year and ten-year targets for water savings to include goals for water loss programs and goals for municipal use in total GPCD and residential GPCD. The goals established by a public water supplier under this subparagraph are not enforceable;

(D) metering device(s), within an accuracy of plus or minus 5.0% in order to measure and account for the amount of water diverted from the source of supply;

(E) a program for universal metering of both customer and public uses of water, for meter testing and repair, and for periodic meter replacement;

(F) measures to determine and control water loss (for example, periodic visual inspections along distribution lines; annual or monthly audit of the water system to determine illegal connections; abandoned services; etc.);

(G) a program of continuing public education and information regarding water conservation;

(H) a water rate structure which is not "promotional," i.e., a rate structure which is cost-based and which does not encourage the excessive use of water;

(I) a reservoir systems operations plan, if applicable, providing for the coordinated operation of reservoirs owned by the applicant within a common watershed or river basin in order to optimize available water supplies; and

(J) a means of implementation and enforcement which shall be evidenced by:

(i) a copy of the ordinance, resolution, or tariff indicating official adoption of the water conservation plan by the water supplier; and

(ii) a description of the authority by which the water supplier will implement and enforce the conservation plan; and

(K) documentation of coordination with the regional water planning groups for the service area of the public water supplier in order to ensure consistency with the appropriate approved regional water plans.

(2) Additional content requirements. Water conservation plans for municipal uses by public drinking water suppliers serving a current population of 5,000 or more and/or a projected population of 5,000 or more within the next ten years subsequent to the effective date of the plan must include the following elements:

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(A) a program of leak detection, repair, and water loss accounting for the water transmission, delivery, and distribution system;

(B) a requirement in every wholesale water supply contract entered into or renewed after official adoption of the plan (by either ordinance, resolution, or tariff), and including any contract extension, that each successive wholesale customer develop and implement a water conservation plan or water conservation measures using the applicable elements in this chapter. If the customer intends to resell the water, the contract between the initial supplier and customer must provide that the contract for the resale of the water must have water conservation requirements so that each successive customer in the resale of the water will be required to implement water conservation measures in accordance with the provisions of this chapter.

(3) Additional conservation strategies. Any combination of the following strategies shall be selected by the water supplier, in addition to the minimum requirements in paragraphs (1) and (2) of this subsection, if they are necessary to achieve the stated water conservation goals of the plan. The commission may require that any of the following strategies be implemented by the water supplier if the commission determines that the strategy is necessary to achieve the goals of the water conservation plan:

(A) conservation-oriented water rates and water rate structures such as uniform or increasing block rate schedules, and/or seasonal rates, but not flat rate or decreasing block rates;

(B) adoption of ordinances, plumbing codes, and/or rules requiring water-conserving plumbing fixtures to be installed in new structures and existing structures undergoing substantial modification or addition;

(C) a program for the replacement or retrofit of water-conserving plumbing fixtures in existing structures;

(D) reuse and/or recycling of wastewater and/or gray water;

(E) a program for pressure control and/or reduction in the distribution system and/or for customer connections;

(F) a program and/or ordinance(s) for landscape water management;

(G) a method for monitoring the effectiveness and efficiency of the water conservation plan; and

PART B.25

(H) any other water conservation practice, method, or technique which the water supplier shows to be appropriate for achieving the stated goal or goals of the water conservation plan.

(b) A water conservation plan prepared in accordance with 31 TAC §363.15 (relating to Required Water Conservation Plan) of the Texas Water Development Board and substantially meeting the requirements of this section and other applicable commission rules may be submitted to meet application requirements in accordance with a memorandum of understanding between the commission and the Texas Water Development Board.

(c) A public water supplier for municipal use shall review and update its water conservation plan, as appropriate, based on an assessment of previous five-year and ten-year targets and any other new or updated information. The public water supplier for municipal use shall review and update the next revision of its water conservation plan every five years to coincide with the regional water planning group.

Source Note: The provisions of this §288.2 adopted to be effective May 3, 1993, 18 TexReg 2558; amended to be effective February 21, 1999, 24 TexReg 949; amended to be effective April 27, 2000, 25 TexReg 3544; amended to be effective October 7, 2004, 29 TexReg 9384; amended to be effective December 6, 2012, 37 TexReg 9515

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APPENDIX C

2014 WATER UTILITY PROFILE

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Texas Commission on Environmental Quality

**UTILITY PROFILE AND WATER CONSERVATION PLAN
REQUIREMENTS FOR MUNICIPAL WATER USE
BY RETAIL PUBLIC WATER SUPPLIERS**

This form is provided to assist retail public water suppliers in water conservation plan development. If you need assistance in completing this form or in developing your plan, please contact the conservation staff of the Resource Protection Team in the Water Availability Division at (512) 239-4691.

Name: City of Bedford

Address: 1813 Reliance Parkway

Telephone Number: (817) 952-2258 Fax: (817) 952-2240

Water Right No.(s): _____

Regional Water Planning Group: C

Form Completed by: Jerry Lavery

Title: Environmental Supervisor

Person responsible for implementing conservation program: Jerry Lavery Phone: (817) 952-2258

Signature: _____

A handwritten signature in blue ink, appearing to read 'Jerry Lavery', written over a horizontal line.

Date: 8/26/2014

NOTE: If the plan does not provide information for each requirement, include an explanation of why the requirement is not applicable.

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0207062629

GEN. ORDER & BOND CONDITIONS

THE STATE OF TEXAS
COUNTY OF TARRANT

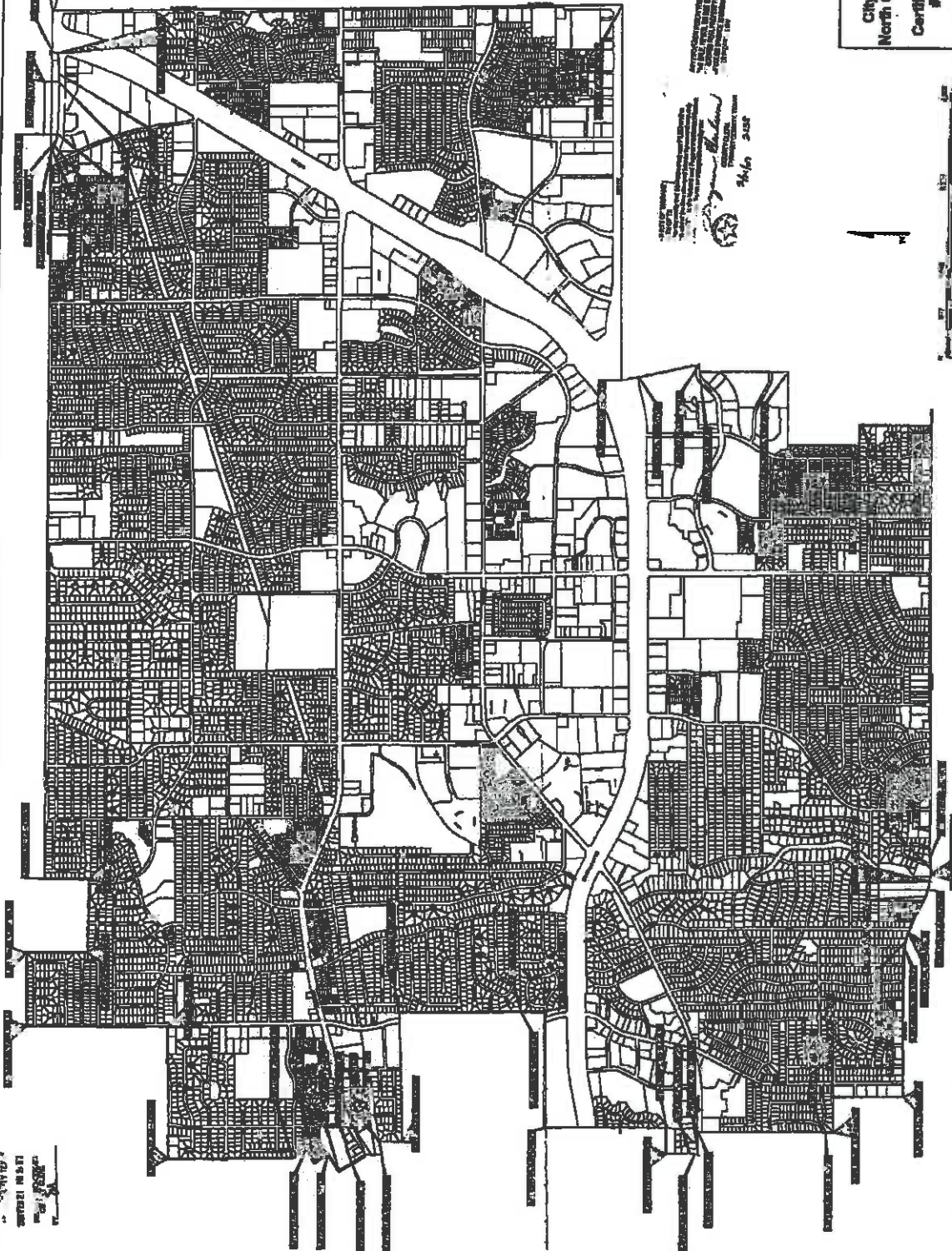
CERTIFICATION

I, *[Signature]*, City Engineer of the City of Bedford, Texas, do hereby certify that the above and foregoing is a true and correct copy of the original as the same appears on file in the office of the City Engineer of the City of Bedford, Texas.

[Signature]
City Engineer



City Limits
City of Bedford, Tarrant County, Texas
North Central Texas State Plane Coordinates
NAD 1983
Certificate of Convenience and Necessity
#10076-Water and #20027-Sewer
February 2007



City of Bedford
Tarrant County, Texas

Scale
0 50 100 150 200 Feet
0 0.1 0.2 Miles

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UTILITY PROFILE

I. POPULATION AND CUSTOMER DATA

A. Population and Service Area Data

1. Attach a copy of your service-area map and, if applicable, a copy of your Certificate of Convenience and Necessity (CCN).
2. Service area size (in square miles): 10
(Please attach a copy of service-area map)
3. Current population of service area: 48,952
4. Current population served for:
 - a. Water 48,952
 - b. Wastewater 48,952

5. Population served for previous five years:

<i>Year</i>	<i>Population</i>
2013	48,952
2012	47,183
2011	49,645
2010	49,700
2009	49,700

6. Projected population for service area in the following decades:

<i>Year</i>	<i>Population</i>
2020	52,395
2030	54,407
2040	56,098
2050	57,519
2060	58,713

7. List source or method for the calculation of current and projected population size.
2011 Regional Water Plan, Population Projections for 2000 – 2060, for Cities, Utilities, and County – Other by Region by County Dated: 07/22/2010

B. Customers Data

Senate Bill 181 requires that uniform consistent methodologies for calculating water use and conservation be developed and available to retail water providers and certain other water use sectors as a guide for preparation of water use reports, water conservation plans, and reports on water conservation efforts. A water system must provide the most detailed level of customer and water use data available to it, however, any new billing system purchased must be capable of reporting data for each of the sectors listed below. http://www.tceq.texas.gov/assets/public/permitting/watersupply/water_rights/sbi181_guidance.pdf

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1. Current number of active connections. Check whether multi-family service is counted as Residential or Commercial?

<i>Treated Water Users</i>	<i>Metered</i>	<i>Non-Metered</i>	<i>Totals</i>
Residential	13,903		13,903
Single-Family	13,607		13,607
Multi-Family	296		296
Commercial	796		796
Industrial/Mining	0		0
Institutional	0		0
Agriculture	0		0
Other/Wholesale	519		519

2. List the number of new connections per year for most recent three years.

<i>Year</i>	<i>2013</i>	<i>2012</i>	<i>2011</i>
<i>Treated Water Users</i>			
Residential	1304	1137	1110
Single-Family	1300	1131	1104
Multi-Family	4	6	6
Commercial	43	42	64
Industrial/Mining			
Institutional			
Agriculture			
Other/Wholesale			

3. List of annual water use for the five highest volume customers.

	<i>Customer</i>	<i>Use (1,000 gal/year)</i>	<i>Treated or Raw Water</i>
1.	HEB Hospital	38,645,000	Treated
2.	Parkland Health Care	8,679,000	Treated
3.	The Woods of Bedford Apartments	7,733,000	Treated
4.	The Courts of Bedford Apartments	7,709,000	Treated
5.	Heartland Health Care Center	7,052,000	Treated

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II. WATER USE DATA FOR SERVICE AREA

A. Water Accounting Data

1. List the amount of water use for the previous five years (in 1,000 gallons). Indicate whether this is diverted or treated water.

<u>Year</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Month</u>					
January	188,084	134,815	169,032	141,369	186,547
February	139,323	117,924	157,005	119,228	176,380
March	142,672	141,259	246,827	131,912	186,161
April	135,807	169,421	264,465	179,642	186,265
May	154,564	271,354	241,250	255,306	197,984
June	188,608	286,119	354,111	335,394	259,453
July	219,999	391,880	454,359	297,740	339,469
August	263,401	396,756	467,537	400,905	314,464
September	289,794	356,293	340,793	253,957	212,805
October	297,242	245,214	237,668	260,051	147,008
November	229,832	215,036	179,709	201,297	150,024
December	176,224	142,548	154,259	184,186	181,547
Totals	2,425,550	2,868,619	3,367,015	2,760,987	2,538,107

Describe how the above figures were determine (e.g, from a master meter located at the point of a diversion from the source, or located at a point where raw water enters the treatment plant, or from water sales).

Master meter located at the point of diversion from the source TRA

2. Amount of water (in 1,000 gallons) delivered/sold as recorded by the following account types for the past five years.

<u>Year</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Account Types</u>					
Residential	1,868,630	2,004,042	2,249,963	1,981,263	1,939,223
Single-Family	1,463,478	1,592,525	1,826,388	1,578,306	1,535,491
Multi-Family	405,152	411,517	423,575	402,957	403,732
Commercial	345,649	360,657	363,731	346,558	344,514
Industrial/Mining					
Institutional					
Agriculture					
Other/Wholesale	223,764	266,940	330,436	295,867	266,697

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3. List the previous records for water loss for the past five years (the difference between water diverted or treated and water delivered or sold).

<i>Year</i>	<i>Amount (gallons)</i>	<i>Percent %</i>
2013	166,896,102	6
2012	343,092,259	12
2011	256,507,360	8
2010	323,445,650	11
2009	329,235,960	12

B. Projected Water Demands

If applicable, attach or cite projected water supply demands from the applicable Regional Water Planning Group for the next ten years using information such as population trends, historical water use, and economic growth in the service area over the next ten years and any additional water supply requirements from such growth.

III. WATER SUPPLY SYSTEM DATA

A. Water Supply Sources

List all current water supply sources and the amounts authorized (in acre feet) with each.

<i>Water Type</i>	<i>Source</i>	<i>Amount Authorized</i>
Surface Water	N/A	N/A
Groundwater	Trinity Sands	N/A
Contracts	Trinity River Authority	Pay as you go, based on % of usage
Other		

B. Treatment and Distribution System

1. Design daily capacity of system (MGD): 16
2. Storage capacity (MGD):
 - a. Elevated 5 MGD
 - b. Ground 1.325 MGD
3. If surface water, do you recycle filter backwash to the head of the plant?

Yes No If yes, approximate amount (MGD): N/A

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IV. WASTEWATER SYSTEM DATA

A. Wastewater System Data (if applicable)

1. Design capacity of wastewater treatment plant(s) (MGD):

2. Treated effluent is used for on-site irrigation, off-site irrigation, for plant wash-down, and/or for chlorination/dechlorination.

If yes, approximate amount (in gallons per month):

3. Briefly describe the wastewater system(s) of the area serviced by the water utility. Describe how treated wastewater is disposed. Where applicable, identify treatment plant(s) with the TCEQ name and number, the operator, owner, and the receiving stream if wastewater is discharged.

The City of Bedford contracts with the Trinity River Authority (TRA) for its wastewater system. City wastewater is treated at the TRA's Central Regional Wastewater system.

B. Wastewater Data for Service Area (if applicable)

1. Percent of water service area served by wastewater system: 100 %

2. Monthly volume treated for previous five years (in 1,000 gallons):

<u>Year</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Month</u>					
January	133,932	149,602	130,150	139,748	128,935
February	117,840	131,952	121,072	128,620	128,940
March	131,545	153,694	129,790	139,317	137,708
April	130,089	146,952	128,286	131,628	133,128
May	131,192	143,458	138,585	134,840	139,087
June	129,291	141,096	131,100	128,979	131,109
July	133,734	142,550	135,928	135,222	131,461
August	130,702	142,618	136,803	134,682	134,406
September	126,438	136,683	130,935	139,287	145,941
October	130,450	140,535	133,095	143,781	161,361
November	123,924	130,698	124,854	133,707	159,177
December	134,143	132,738	135,755	127,193	136,372
Totals	<u>1,553,280</u>	<u>1,692,576</u>	<u>1,576,353</u>	<u>1,617,004</u>	<u>1,667,625</u>

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V. ADDITIONAL REQUIRED INFORMATION

In addition to the utility profile, please attach the following as required by Title 30, Texas Administrative Code, §288.2. Note: If the water conservation plan does not provide information for each requirement, an explanation must be included as to why the requirement is not applicable.

A. *Specific, Quantified 5 & 10-Year Targets*

The water conservation plan must include specific, quantified five-year and ten-year targets for water savings to include goals for water loss programs and goals for municipal use in gallons per capita per day. Note that the goals established by a public water supplier under this subparagraph are not enforceable

B. *Metering Devices*

The water conservation plan must include a statement about the water suppliers metering device(s), within an accuracy of plus or minus 5.0% in order to measure and account for the amount of water diverted from the source of supply.

C. *Universal Metering*

The water conservation plan must include and a program for universal metering of both customer and public uses of water, for meter testing and repair, and for periodic meter replacement.

D. *Unaccounted- For Water Use*

The water conservation plan must include measures to determine and control unaccounted-for uses of water (for example, periodic visual inspections along distribution lines; annual or monthly audit of the water system to determine illegal connections; abandoned services; etc.).

E. *Continuing Public Education & Information*

The water conservation plan must include a description of the program of continuing public education and information regarding water conservation by the water supplier.

F. *Non-Promotional Water Rate Structure*

The water supplier must have a water rate structure which is not "promotional," i.e., a rate structure which is cost-based and which does not encourage the excessive use of water. This rate structure must be listed in the water conservation plan.

G. *Reservoir Systems Operations Plan*

The water conservation plan must include a reservoir systems operations plan, if applicable, providing for the coordinated operation of reservoirs owned by the applicant within a common watershed or river basin. The reservoir systems operations plan shall include optimization of water supplies as one of the significant goals of the plan.

H. *Enforcement Procedure and Plan Adoption*

The water conservation plan must include a means for implementation and enforcement, which shall be evidenced by a copy of the ordinance, rule, resolution, or tariff, indicating official adoption of the water conservation plan by the water supplier; and a description of the authority by which the water supplier will implement and enforce the conservation plan.

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I. Coordination with the Regional Water Planning Group(s)

The water conservation plan must include documentation of coordination with the regional water planning groups for the service area of the wholesale water supplier in order to ensure consistency with the appropriate approved regional water plans.

J. Plan Review and Update

A public water supplier for municipal use shall review and update its water conservation plan, as appropriate, based on an assessment of previous five-year and ten-year targets and any other new or updated information. The public water supplier for municipal use shall review and update the next revision of its water conservation plan not later than May 1, 2009, and every five years after that date to coincide with the regional water planning group. The revised plan must also include an implementation report.

VI. ADDITIONAL REQUIREMENTS FOR LARGE SUPPLIERS

Required of suppliers serving population of 5,000 or more or a projected population of 5,000 or more within ten years

A. Leak Detection and Repair

The plan must include a description of the program of leak detection, repair, and water loss accounting for the water transmission, delivery, and distribution system in order to control unaccounted for uses of water.

B. Contract Requirements

A requirement in every wholesale water supply contract entered into or renewed after official adoption of the plan (by either ordinance, resolution, or tariff), and including any contract extension, that each successive wholesale customer develop and implement a water conservation plan or water conservation measures using the applicable elements in this chapter. If the customer intends to resell the water, the contract between the initial supplier and customer must provide that the contract for the resale of the water must have water conservation requirements so that each successive customer in the resale of the water will be required to implement water conservation measures in accordance with the provisions of this chapter.

VII. ADDITIONAL CONSERVATION STRATEGIES

A. Conservation Strategies

Any combination of the following strategies shall be selected by the water supplier, in addition to the minimum requirements of this chapter, if they are necessary in order to achieve the stated water conservation goals of the plan. The commission may require by commission order that any of the following strategies be implemented by the water supplier if the commission determines that the strategies are necessary in order for the conservation plan to be achieved:

1. Conservation-oriented water rates and water rate structures such as uniform or increasing block rate schedules, and/or seasonal rates, but not flat rate or decreasing block rates;

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2. Adoption of ordinances, plumbing codes, and/or rules requiring water conserving plumbing fixtures to be installed in new structures and existing structures undergoing substantial modification or addition;
3. A program for the replacement or retrofit of water-conserving plumbing fixtures in existing structures;
4. A program for reuse and/or recycling of wastewater and/or graywater;
5. A program for pressure control and/or reduction in the distribution system and/or for customer connections;
6. A program and/or ordinance(s) for landscape water management;
7. A method for monitoring the effectiveness and efficiency of the water conservation plan; and
8. Any other water conservation practice, method, or technique which the water supplier shows to be appropriate for achieving the stated goal or goals of the water conservation plan.

Best Management Practices

The Texas Water Developmental Board's (TWDB) Report 362 is the Water Conservation Best Management Practices (BMP) guide. The BMP Guide is a voluntary list of management practices that water users may implement in addition to the required components of Title 30, Texas Administrative Code, Chapter 288. The Best Management Practices Guide broken out by sector, including Agriculture, Commercial, and Institutional, Industrial, Municipal and Wholesale along with any new or revised BMP's can be found at the following link on the Texas Water Developments Board's website: <http://www.twdb.state.tx.us/conservation/bmps/index.asp>

Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, contact 512-239-3282.

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APPENDIX D

LANDSCAPE WATER MANAGEMENT REGULATIONS

ORDINANCE NO. 08-2912

ORDINANCE NO. 08-2913

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ORDINANCE NO. 08-2912

2000 International Plumbing Code Amendment

AN ORDINANCE AMENDING CHAPTER 22 OF THE CITY OF BEDFORD CODE OF ORDINANCES ENTITLED "ARTICLE IV PLUMBING; IRRIGATION", AS PREVIOUSLY ADOPTED, IN ORDER TO ESTABLISH THE MINIMUM STANDARDS FOR INSTALLATION OF IRRIGATION SYSTEMS WITHIN THE CORPORATE LIMITS OF THE CITY OF BEDFORD AND PERMIT FEES THEREFOR; PROVIDING FOR RECORDING OF SUCH CODE AS A PUBLIC RECORD PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY FOR VIOLATIONS HEREOF; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Bedford is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and,

WHEREAS, the City Council of the City of Bedford, Texas has determined that water conservation and environmental protection are important issues and concerns affecting the City; and,

WHEREAS, properly-installed irrigation systems will conserve water, help avoid wasteful use, and improve the overall quality of life for the citizens of Bedford, Texas; and,

WHEREAS, during the 2007 legislative session, the Texas Legislature adopted House Bill 1656; and,

WHEREAS, House Bill 1656 amended Chapter 401 of the Texas Local Government Code to require a city with a population of 20,000 or more to regulate the installation of irrigation systems within the corporate limits of the city as well as the city's extraterritorial jurisdiction; and,

WHEREAS, the provisions herein are necessary to promote and protect the health, safety, and welfare of the public by creating an urban environment that is protective of the city's water supply and provides an enhanced quality of life for the citizens of the City of Bedford.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

SECTION 1. That the International Plumbing Code, 2000 Edition, published by the International Code Council, is hereby amended by adding section 315 as follows:

315. Landscape Irrigation. Minimum Standards for Landscape Irrigation Systems.

The landscape irrigation rules promulgated by the Texas Commission on Environmental Quality and contained in Chapter 344, Subchapters E and F, §§344.50-344.65 TEXAS ADMINISTRATIVE CODE, as the same may be from time to time amended, are hereby adopted by reference as the landscape irrigation rules of the City.

SECTION 2. That this ordinance shall be cumulative of all provisions of ordinances of the City of Bedford, Texas, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed.

SECTION 3. That it is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance are, severable, and if any phrase, clause sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the

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remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 4. That any person, firm or corporation who violates, disobeys, omits, neglects or refuses to comply with or who resists the enforcement of any of the provisions of this ordinance shall be fined not more than five hundred dollars (\$500) for each day that a violation is permitted to exist. Each day that a violation is permitted to exist shall constitute a separate offense.

SECTION 5. That all rights and remedies of the City of Bedford are expressly saved as to any and all violations of the provisions of any ordinances affecting the regulation and control of the use, occupancy, maintenance, repair, design, construction and quality of materials for buildings and structures within the City which have accrued at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

SECTION 6. That this ordinance shall be in full force and effect from and after its passage as required by law but not before January 1, 2009, and is so ordained.

PASSED AND APPROVED this 9th day of December 2008, by a vote of 6 ayes, 0 nays and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

Jim Story, Mayor

ATTEST:

Shanae Jennings, City Secretary

APPROVED AS TO FORM:

Stan Lowry, City Attorney

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ORDINANCE NO. 08-2913

2000 International Residential Code Amendment

AN ORDINANCE AMENDING CHAPTER 22 OF THE CITY OF BEDFORD CODE OF ORDINANCES ENTITLED "ARTICLE IIIa INTERNATIONAL RESIDENTIAL CODE FOR ONE AND TWO FAMILY DWELLINGS", AS PREVIOUSLY ADOPTED, IN ORDER TO ESTABLISH THE MINIMUM STANDARDS FOR INSTALLATION OF IRRIGATION SYSTEMS WITHIN THE CORPORATE LIMITS OF THE CITY OF BEDFORD AND PERMIT FEES THEREFOR; PROVIDING FOR RECORDING OF SUCH CODE AS A PUBLIC RECORD; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY FOR VIOLATIONS HEREOF; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Bedford is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and,

WHEREAS, the City Council of the City of Bedford, Texas has determined that water conservation and environmental protection are important issues and concerns affecting the City; and,

WHEREAS, properly-installed irrigation systems will conserve water, help avoid wasteful use, and improve the overall quality of life for the citizens of Bedford, Texas; and,

WHEREAS, during the 2007 legislative session the Texas Legislature adopted House Bill 1656; and,

WHEREAS, House Bill 1656 amended Chapter 401 of the Texas Local Government Code to require a city with a population of 20,000 or more to regulate the installation of irrigation systems within the corporate limits of the city as well as the city's extraterritorial jurisdiction; and,

WHEREAS, the provisions herein are necessary to promote and protect the health, safety, and welfare of the public by creating an urban environment that is protective of the City's water supply and provide an enhanced quality of life for the citizens of the City of Bedford.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

SECTION 1. That the International Plumbing Code, 2000 Edition, published by the International Code Council, is hereby amended by adding section 315 as follows:

P2609. Landscape Irrigation. Minimum Standards for Landscape Irrigation Systems.

The landscape irrigation rules promulgated by the Texas Commission on Environmental Quality and contained in Chapter 344, Subchapters E and F, §§344.50-344.65 TEXAS ADMINISTRATIVE CODE, as the same may be from time to time amended, are hereby adopted by reference as the landscape irrigation rules of the City.

SECTION 2. That this ordinance shall be cumulative of all provisions of ordinances of the City of Bedford, Texas, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed.

SECTION 3. That it is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance are, severable, and if any phrase, clause sentence, paragraph or section of this ordinance shall be

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declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 4. That any person, firm or corporation who violates, disobeys, omits, neglects or refuses to comply with or who resists the enforcement of any of the provisions of this ordinance shall be fined not more than five hundred dollars (\$500) for each day that a violation is permitted to exist. Each day that a violation is permitted to exist shall constitute a separate offense.

SECTION 5. That all rights and remedies of the City of Bedford are expressly saved as to any and all violations of the provisions of any ordinances affecting the regulation and control of the use, occupancy, maintenance, repair, design, construction and quality of materials for buildings and structures within the City which have accrued at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

SECTION 6. That this ordinance shall be in full force and effect from and after its passage as required by law but not before January 1, 2009, and is so ordained.

PASSED AND APPROVED this 9th day of December 2008, by a vote of 6 ayes, 0 nays and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

Jim Story, Mayor

ATTEST:

Shanae Jennings, City Secretary

APPROVED AS TO FORM:

Stan Lowry, City Attorney

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APPENDIX E

LETTER TO REGION C WATER PLANNING GROUP



July 29, 2014

Mr. Tom Kula
Executive Director, Region C Water Planning Group
North Texas Municipal Water District
PO Box 2406
Wylie, TX 75098-2406

Dear Mr. Kula:

Enclosed you will find a copy of the City of Bedford Water Conservation and Drought Contingency Plans. These plans are submitted to the Region C Water Planning Group, in accordance with the Texas Water Development Board and Texas Commission on Environmental Quality Rules.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas Hoover'. The signature is fluid and cursive, with the first name 'Thomas' being more prominent than the last name 'Hoover'.

Thomas Hoover, Public Works Director
City of Bedford
(817) 952 - 2200

PART B.25

APPENDIX F

ORDINANCE NO. 09-2925

ADOPTION OF WATER CONSERVATION PLAN

PART B.25

ORDINANCE NO. 09-2925

AN ORDINANCE AMENDING CHAPTER 118 "UTILITIES", ARTICLE IV "RESTRICTIONS ON OUTDOOR USE OF WATER" OF THE CITY OF BEDFORD CODE OF ORDINANCES, AS AMENDED IN ITS ENTIRETY BY THE ADOPTION OF THE REVISED WATER RESOURCE MANAGEMENT ORDINANCE TO PROMOTE RESPONSIBLE USE OF WATER; PROVIDING FOR A FINE OF UP TO \$500 FOR EACH OFFENSE IN VIOLATION OF THE ORDINANCE AND/OR DISCONNECTION OF WATER SERVICE FOR NONCOMPLIANCE WITH THE PROVISIONS OF THE WATER RESOURCE MANAGEMENT ORDINANCE; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City of Bedford, Texas (the "City"), recognizes that the amount of water available to its water customers is limited; and,

WHEREAS, the City recognizes that due to natural limitations, drought conditions, system failures and other acts of God which may occur, the City cannot guarantee an uninterrupted water supply for all purposes at all times; and,

WHEREAS, the Water Code and the regulations of the Texas Commission on Environmental Quality (the "Commission") require that the City adopt a Drought Contingency Plan and a Water Conservation Plan; and,

WHEREAS, the City has determined an urgent need in the best interest of the public to adopt a Drought Contingency Plan and Water Conservation Plan; and,

WHEREAS, pursuant to Chapter 54 of the Local Government Code, the City is authorized to adopt such Ordinances necessary to preserve and conserve its water resources.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD TEXAS:

SECTION 1. That all matters stated hereinabove are found to be true and correct and are incorporated herein by reference.

SECTION 2. That the City of Bedford Code of Ordinances Chapter 118 "Utilities", Article IV "Restrictions on Outdoor Use of Water", is hereby amended in its entirety to read as follows:

ARTICLE IV. WATER RESOURCE MANAGEMENT

DIVISION 1. GENERAL PROVISIONS

Section 118-111. Definitions

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory.

***City* is the City of Bedford.**

***Person* is any person, firm, partnership, association, corporation, company, or organization of any kind.**

***TCWSP* is the Tarrant County Water Supply Project.**

PART B.25

TRA is the Trinity River Authority.

TRWD is the Tarrant Regional Water District.

Water is water from the City water system.

Section 118-112. Application of Regulations

The provisions of this article shall apply to all persons using water from the water system of the city. The provisions of this article shall not apply to those functions necessary for the public health, safety and welfare, such as emergency fire protection.

Section 118-113. General Restrictions on Water Use

- (a) All new irrigation systems must be in compliance with ordinances 08-2912 and 08-2913 of the City Code of Ordinances, as the same may be from time to time amended, including but not limited to system design and installation requirements and the prohibition of irrigation systems that spray directly onto impervious surfaces or other non-irrigated areas.
- (b) Except for hand watering and the use of soaker hoses, it shall be unlawful for any person to irrigate, water, or cause or permit the irrigation or watering of any lawn or landscape located on premises owned, leased, or managed by that person between the hours of 10:00 a.m. and 6:00 p.m. It is an affirmative defense to prosecution that the irrigation or watering of any lawn or landscape during the prohibited time was done for the purpose of establishing hydromulch, grass sod, grass seed; dust control for sport fields; or for the maintenance, repair, or testing of an irrigation system. The escape of water through defective plumbing, which shall mean the knowing permission for defective plumbing to remain out of repair, is hereby prohibited.

DIVISION 2. DROUGHT CONTINGENCY PLAN

Section 118-114. Emergency Water Restrictions

- (a) **Purpose and scope.** The purpose of this section is to establish the city's policy in the event of shortages or delivery limitations in the city's water supply and to establish water restrictions to be enforced in case of drought or emergency conditions.
- (b) **Drought contingency plan.** The drought contingency plan, as the same may be from time to time amended, is attached hereto as Exhibit A and is incorporated herein by reference.
- (c) **Authority.** The City Manager or official designee is authorized to implement measures prescribed when required by this section and by the drought contingency plan approved by the city council. The Public Works Director is authorized to enforce the measures implemented and to promulgate regulations, not in conflict with this section or state and federal laws, in aid of enforcement.
- (d) **Initiation of plan stages.** When a trigger condition has been reached, the city will notify the public through publication of articles in the Fort Worth Star Telegram and announcements on local radio and television. Signs will also be posted at public places throughout the city such as the library, post office, city hall, etc. Notices will also be posted on the city website.

PART B.25

- (e) **Duration of stage; change.** A stage will remain in effect until the conditions that triggered initiation of the stage have been eliminated. If the stage is initiated because of excessive demands, all initiated actions will remain in effect through September 30 of the year in which they were triggered unless the City Manager or official designee determines that conditions exist that will allow termination of the stage before September 30. Upon recommendation of the Public Works Director, the City Manager or official designee may terminate, upgrade or downgrade the stage. Any such change must be made in the same manner prescribed in subsection (d).

DIVISION 3. WATER CONSERVATION PLAN

Section 118-115 Adoption of Water Conservation Plan

- (a) **Purpose and scope.** The purpose of this section is to establish the city's policy on water conservation measures.
- (b) **Water conservation plan.** The water conservation plan, as the same may be from time to time amended, is attached hereto as Exhibit B and is incorporated herein by reference.
- (c) **Authority.** The City Manager or official designee is authorized to implement measures prescribed when required by this section and by the water conservation plan approved by the city council. The Public Works Director is authorized to enforce the measures implemented and to promulgate regulations, not in conflict with this section or state and federal laws, in aid of enforcement.

DIVISION 4. RAIN AND FREEZE SENSORS

Section 118-116. Irrigation System Rain and Freeze Sensors.

- (a) Any irrigation system installed within the City on or after August 1, 2008 must be equipped with rain and freeze sensors.
- (b) Any irrigation system installed before August 1, 2008 may not be operated after August 1, 2010 without being equipped with rain and freeze sensors. This requirement does not apply to a single family residential or duplex property, or an individual metered townhome or condominium unit.
- (c) It shall be unlawful for any person to knowingly install, or cause or permit the installation of an irrigation system that does not comply with this section.
- (d) It shall be unlawful for any person on premises owned, leased, or managed by that person to knowingly or recklessly operate, or cause or permit the operation of an irrigation system that does not comply with this section.
- (e) It shall be unlawful for any person to operate an irrigation system with broken or missing heads after receiving notification from the building official and such representative as they may designate.
- (f) It shall be unlawful for any person to operate an irrigation system which causes significant runoff.

DIVISION 5. ENFORCEMENT

Section 118-117. Criminal responsibility.

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A person commits an offense of inappropriate use of water by any of the following actions:

- (a) A person may not knowingly make, cause or permit a use of an irrigation system contrary to the requirements of this article.
- (b) A person may not knowingly make, cause or permit a use of water contrary to the measures implemented by the city manager or official designee as prescribed in the water conservation plan.
- (c) A person may not knowingly make, cause or permit a use of water contrary to the measures implemented by the city manager or official designee as prescribed in the drought contingency plan. It is presumed that a person has knowingly made, caused or permitted a use of water contrary to the measures implemented if the mandatory measures have been formally ordered consistent with the terms of section 118-114(d) and:
 - (1) The manner of use has been prohibited by the drought contingency plan;
 - (2) The amount of water used exceeds that allowed by the drought contingency plan; or
 - (3) The manner or amount used violates the terms and conditions of a compliance agreement made pursuant to a variance granted by the Public Works Director pursuant to section 118-118.

Section 118-118. Variances.

Variances will be considered only under extreme circumstances for health or public safety reasons. The City Manager or official designee will be responsible for making this determination.

Sections 118-117—118-145 Reserved.

SECTION 2. That any person violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined up to \$500.00 and/or discontinuance of water service by the City. A separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.

SECTION 3. That all ordinances or any parts thereof in conflict with the terms of this ordinance shall be and hereby are deemed repealed and of no force or effect; provided, however, that the ordinance or ordinances under which the cases currently filed and pending in the Municipal Court of the City of Bedford, Texas, shall be deemed repealed only when all such cases filed and pending under such ordinance or ordinances have been disposed of by a final conviction or a finding not guilty or nolo contendere, or dismissal.

SECTION 4. That if any section, article, paragraph, sentence, clause, phrase or word in this ordinance, or application thereto any person or circumstance is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance; and the City Council hereby declares it would have passed such remaining portions of the ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

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SECTION 5. That this ordinance shall be in full force and effect after its passage and publication as required by law, and it is so ordained.

PRESENTED AND PASSED on this 14th day of April 2009, by a vote of 7 ayes, 0 nays and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

Jim Story, Mayor

ATTEST:

Shanae Jennings, City Secretary

APPROVED AS TO FORM:

Stan Lowry, City Attorney

PART B.25
ORDINANCE NO. 14-3100

AN ORDINANCE AMENDING CHAPTER 118 "UTILITIES," ARTICLE IV "WATER RESOURCE MANAGEMENT," DIVISION 2, SECTION 118-114(B) "DROUGHT CONTINGENCY PLAN" TO ADOPT THE CURRENT PLAN, AS ATTACHED HERETO AS EXHIBIT A AND IS INCORPORATED HEREIN BY REFERENCE TO THE CITY OF BEDFORD CODE OF ORDINANCES, AND AMENDING CHAPTER 118 "UTILITIES," ARTICLE IV "WATER RESOURCE MANAGEMENT," DIVISION 3, SECTION 118-115(B) "WATER CONSERVATION PLAN" TO ADOPT THE CURRENT PLAN, AS ATTACHED HERETO AS EXHIBIT B AND IS INCORPORATED HEREIN BY REFERENCE TO THE CITY OF BEDFORD CODE OF ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY CLAUSE; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council of Bedford, Texas (the City) recognizes that a Drought Contingency Plan and Water Conservation Plan are necessary for the health and safety of its citizens due to drought conditions that may directly affect the City's ability to supply potable water; and,

WHEREAS, the Water Code and the regulation of the Texas Commission on Environmental Quality requires that the City adopt a Drought Contingency Plan and Water Conservation Plan; and,

WHEREAS, the City has determined an urgent need in the best interest of the public to adopt a Drought Contingency Plan and Water Conservation Plan; and,

WHEREAS, pursuant to Chapter 54 of the Local Government Code, the City is authorized to adopt such Ordinances as necessary to preserve and conserve its water resources.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

- SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.**
- SECTION 2. That the City of Bedford Code of Ordinances Chapter 118, "UTILITIES," Article IV "WATER RESOURCE MANAGEMENT," Division 2, Section 118-114(b) "Drought Contingency Plan" is amended, as attached hereto as Exhibit A and is incorporated herein by reference to the City of Bedford Code of Ordinances.**
- SECTION 3. That the City of Bedford Code of Ordinances Chapter 118, "UTILITIES," Article IV "WATER RESOURCE MANAGEMENT," Division 3, Section 118-115(b) "Water Conservation Plan" is amended, as attached hereto as Exhibit B and is incorporated herein by reference to the City of Bedford Code of Ordinances.**
- SECTION 4. That any person violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be fined the maximum amount allowed by law and/or discontinuance of water service by the City. A separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.**
- SECTION 5. That if any section, article, paragraph, sentence, clause, phrase or word in this ordinance, or application thereto to any person or circumstance, is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of the Ordinance; and the City Council hereby declares it would have passed such remaining portion of the Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.**
- SECTION 6. That this ordinance shall become effective from and after its passage and publication as required by law.**

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unenforceability of such section, paragraph, clause or provision shall not effect any of the remaining provisions of this Ordinance.

Section 5: THAT, the City Secretary is hereby authorized and directed to cause publication of the descriptive caption and penalty clause of this Ordinance as an alternative method of publication provided by law.

Section 7: THAT, this Ordinance shall become effective upon its adoption and publication provided by law.

PASSED AND APPROVED this 8th day of November, 2005, by a vote of 6 ayes, 0 nays and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

Jim Story, Mayor

ATTEST:

Rita Frick, City Secretary

APPROVED AS TO FORM:

Stan Lowry, City Attorney

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ORDINANCE NO. 14-3100

PRESENTED AND PASSED this 26th day of August, 2014, by a vote of 7 ayes, 0 nays, and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.



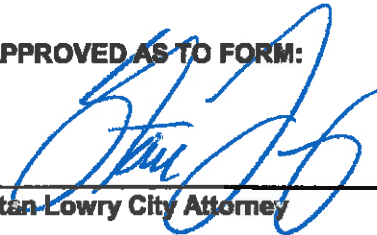
Jim Griffin, Mayor

ATTEST:



Michael Wells, City Secretary

APPROVED AS TO FORM:



Stan Lowry City Attorney

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APPENDIX G

ORDINANCE NO. 05-2812 ILLEGAL WATER CONNECTIONS AND THEFT OF WATER

PART B.25

ORDINANCE NO. 05-2812

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS, PERTAINING TO ILLEGAL WATER CONNECTIONS AND/OR THE THEFT OF WATER FROM THE WATER SUPPLY OF THE CITY OF BEDFORD; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY; AUTHORIZING PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, The City of Bedford recognizes that the amount of water available to its water customers is limited; and

WHEREAS, pursuant to Chapter 54 of the Local Government Code, the City of Bedford is authorized to adopt such policies necessary to preserve and conserve available water supplies; and

WHEREAS, the City of Bedford seeks to minimize water losses to its supply of water from illegal connections and theft through the adoption of an ordinance pertaining to illegal water connections and theft of water.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

Section 1: THAT, the above findings are hereby found to be true and correct and are incorporated herein in their entirety.

Section 2: A person commits an offense of theft of water by any of the following actions:

- (a) A person may not knowingly tamper, connect to, or alter any component of the City's water system including valves, meters, meter boxes, meter box lids, hydrants, lines, pump stations, ground storage tanks, and elevated storage tanks. This shall include direct or indirect efforts to initiate or restore water service without the approval of the City.
- (b) If, without the written consent of the City Manager or the City Manager's designee, the person knowingly causes, suffers or allows the initiation or restoration of water service to the property after termination of services(s). For purposes of this section, it shall be assumed that the owner, occupant, or person in control of the property caused, suffered, or allowed the unlawful initiation or restoration of services(s).
- (c) A person may not knowingly make or cause a false report to be made to the City of a reading of a water meter installed for metered billing.
- (d) A person commits a separate offense each day that the person performs an act prohibited by this section or fails to perform an act required by this section.

Section 3: THAT, any person, firm or corporation violating any provision of this article shall be deemed guilty of a Class C misdemeanor and shall, upon final conviction thereof, be fined in an amount not to exceed \$2,000.00 (Two Thousand Dollars) and any subsequent offense shall be a minimum of \$500. and not to exceed \$2,000. and/or discontinuance of water service by the City.

Section 4: THAT, if any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or

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unenforceability of such section, paragraph, clause or provision shall not effect any of the remaining provisions of this Ordinance.

Section 5: THAT, the City Secretary is hereby authorized and directed to cause publication of the descriptive caption and penalty clause of this Ordinance as an alternative method of publication provided by law.

Section 7: THAT, this Ordinance shall become effective upon its adoption and publication provided by law.

PASSED AND APPROVED this 8th day of November, 2005, by a vote of 6 ayes, 0 nays and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

Jim Story, Mayor

ATTEST:

Rita Frick, City Secretary

APPROVED AS TO FORM:

Stan Lowry, City Attorney



**DROUGHT
CONTINGENCY
PLAN FOR THE
CITY OF
BEDFORD**

MAY 2009

**Revised:
July 2014**

Thomas L. Hoover, P.E.
Public Works Director

Jerry Laverty
Environmental Supervisor

**City of Bedford Public
Works Department**
1813 Reliance Pkwy
Bedford, TX 76021
(817) 952-2200

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ACKNOWLEDGEMENTS

This drought contingency plan is based on the model drought contingency plan prepared by the Tarrant Regional Water District (TRWD). The TRWD adapted the plan to maintain a consistent and regional approach to drought contingency strategies. This plan was prepared pursuant to Texas Commission on Environmental Quality rules. Some material is based on the existing emergency water management plans for the City of Bedford.

Questions regarding this water conservation plan should be addressed to the following:

Thomas L. Hoover, P.E.
City of Bedford
Public Works
Director
(817) 952-2200
Thomas.hoover@bedfordtx.gov

Jerry Laverty
City of Bedford
Public Works
Environmental Supervisor
(817) 952-2200
Jerry.laverty@bedfordtx.gov

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APPENDICES

APPENDIX A	List of References
APPENDIX B	Texas Commission on Environmental Quality Rules on Drought Contingency Plans <ul style="list-style-type: none">• Texas Administrative Code Title 30, Part 1, Chapter 288, Subchapter A, Rule §288.20 – Drought Contingency Plans for Municipal Uses by Public Water Suppliers
APPENDIX C	Letter to Region C Water Planning Group
APPENDIX D	Adoption of Drought Contingency Plan <ul style="list-style-type: none">• Municipal Ordinance Adopting Drought Contingency Plan• Municipal Ordinance Amendment to the Adoption of Drought Contingency Plan

PART A.25

Drought Contingency Plan for the

City of Bedford

July 2014

1. INTRODUCTION AND OBJECTIVES

The purpose of this drought contingency plan (subsequently referred to as the Plan) is as follows:

- To conserve the available water supply in times of drought and emergency
- To maintain supplies for domestic water use, sanitation, and fire protection
- To protect and preserve public health, welfare, and safety
- To minimize the adverse impacts of water supply shortages
- To minimize the adverse impacts of emergency water supply conditions

2. TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES

The TCEQ rules governing development of drought contingency plans for public water suppliers are contained in Title 30, Part 1, Chapter 288, Subchapter B, Rule 288.20 of the Texas Administrative Code, which is included in Appendix B.

The TCEQ rule Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.1(4) defines a drought contingency plan as “a strategy or combination of strategies for temporary supply and demand management responses to temporary and potentially recurring water supply shortages and other water supply emergencies”.

3. WATER SYSTEM PROFILE

The City purchases treated water from the Trinity River Authority (TRA) via the Tarrant County Water Supply Project (TCWSP) plant on Trinity Boulevard. TRA obtains surface water to supply the TCWSP through a contract with Tarrant Regional Water District (TRWD) from Lake Arlington. In addition, TRA has an agreement to obtain treated water from the City of Fort Worth, and as conditions and opportunities permit, TRA is able to schedule deliveries to its customers in order to accommodate individual customer needs. Thus, the total capacity referenced herein includes the supply available from the TCWSP and the quantities available from Fort Worth and/or any other sources which may become available. It is understood that TRA will manage the total supply available to meet as much

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of the existing needs of all its customers as possible before taking actions to declare emergencies and/or make pro rata allocations.

The TCWSP plant was originally established in 1974 and provides treated water to four Contracting Cities in addition to the City of Bedford. The Project serves a population numbering over 180,000 and operates at a system capacity of 87 million gallons a day (MGD).

Bedford has about 13,903 residential connections and 796 commercial connections. The City maintains 163 miles of water mains.

The water supply triggers defined in Section 4.4 were provided to Bedford by its wholesaler's water supplier, Tarrant Regional Water District. TRWD selected its triggers after hiring an outside consultant to evaluate where the trigger levels should be for the drought plan to achieve meaningful water savings.

4. DROUGHT CONTINGENCY PLAN

4.1 Provisions to Inform the Public and Opportunity for Public Input

Bedford will provide opportunity for public input in the development of this drought contingency plan by the following means:

- Providing written notice of the proposed plan and the opportunity to comment on the plan by posted notice and notice on the City website.
- Making the draft plan available on the City website.
- Providing the draft plan to anyone requesting a copy.
- Holding a public meeting.

4.2 Provisions for Continuing Public Education and Information

Bedford will inform and educate the public about the drought contingency plan by the following means:

- Preparing a bulletin describing the plan and making it available at City Hall and other appropriate locations.
- Making the plan available to the public through the City website.
- Including information about the drought contingency plan on the city Web site.
- Notifying local organizations, schools, and civic groups that staff are available to make presentations on the drought contingency plan (usually in conjunction with presentations on water conservation programs).

At any time that the drought contingency plan is activated or the drought stage changes, Bedford will notify local media of the issues, the drought response stage, and the specific

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actions required of the public. The information will also be publicized on the City website. Billing inserts will also be used as appropriate.

4.3 Initiation and Termination of Drought Response Stages

The provisions of this Plan shall apply to all persons, customers, and property utilizing potable water provided by the City of Bedford. The terms “person” and “customer” as used in this Plan include individuals, corporations, partnerships, associations, and all other legal entities. The Plan does not apply to locations using treated wastewater effluent, private wells or possessing their own water rights in the Trinity River; however, any pond, impoundment, water body, or other water source that is supplemented, or has the ability to supplement supply, with potable water shall adhere to the provisions of this plan..

Initiation of a Drought Response Stage

The City Manager or official designee may order the implementation of a drought response stage or water emergency when one or more of the trigger conditions is met. The following actions will be taken when a drought stage is initiated:

- The public will be notified through local media and the City of Bedford website, as described in Section 4.2.
- TRWD will be notified by telephone with a follow-up letter, e-mail, or fax that provides details of the reasons for initiation of the drought stage.
- If any mandatory provisions of the drought contingency plan are activated, the Bedford Public Works Department shall notify the Executive Director of the TCEQ within 5 business days.

Drought stages imposed by TRWD action will be initiated by customers (including indirect customers).

For other trigger conditions, the City Manager or official designee may decide not to order the implementation of a drought response stage or water emergency even though one or more of the trigger criteria for the stage are met. Factors which could influence such a decision include, but are not limited to, the time of the year, weather conditions, the anticipation of replenished water supplies, or the anticipation that additional facilities will become available to meet needs. The reason for this decision should be documented.

Termination of a Drought Stage

The City Manager or official designee may order the termination of a drought response stage or water emergency when the conditions for termination are met or at their discretion. The following actions will be taken when a drought stage is terminated:

- The public will be notified through local media and the City website as described in Section 4.2.

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- TRWD will be notified by telephone with a follow-up letter, e-mail, or fax.
- If any mandatory provisions of the drought contingency plan that have been activated are terminated, Bedford will notify the Executive Director of the TCEQ within 5 business days.

The City Manager or official designee may decide not to order the termination of a drought response stage or water emergency even though the conditions for termination of the stage are met. Factors which could influence such a decision include, but are not limited to, the time of the year, weather conditions, or the anticipation of potential changed conditions that warrant the continuation of the drought stage. The reason for this decision should be documented.

4.4 Drought and Emergency Response Stages

Stage 1, Water Watch

Triggering and Terminating Conditions for Stage 1, Water Watch

- The City of Bedford water demand exceeds 90% of reliable delivery capacity for three consecutive days. The delivery capacity could be citywide or in a specified portion of the system.
- The City of Bedford water treatment or distribution system becomes contaminated.
- The City of Bedford water demand for all or part of the delivery system approaches delivery capacity because delivery capacity is inadequate.
- The City of Bedford water supply system is unable to deliver water due to the failure or damage of major water system components, or due to other criteria, such as energy shortages or outages.
 - Total combined raw water supply in TRWD western and eastern division reservoirs drops below 75% (25% depleted) of conservation storage capacity.
 - Water demand for all or part of the delivery system approaches delivery capacity because delivery capacity is inadequate.
 - Water demand is projected to approach the limit of permitted supply.
 - Supply source becomes contaminated.
 - Water supply system is unable to deliver water due to the failure or damage of major water system components.
 - The City Manager finds that conditions warrant the declaration of a Stage 1 drought.

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Subject to preceding paragraphs regarding the Termination of a Drought Response stage, Stage 1, Water Watch, will be terminated when the total combined raw water supply in TRWD's western and eastern division reservoirs exceeds 95% of conservation storage or remains above 85% for 90 consecutive days, whichever occurs first.

Goal for Use Reduction

The goal for water use reduction under Stage 1, Water Watch, is to decrease use by five percent. If circumstances warrant or if requested by TRWD, the City Manager or official designee can set a goal for greater water use reduction.

Water Use Reduction Actions under Stage 1, Water Watch

The City Manager or official designee may order the implementation of any of the actions listed below, as deemed necessary. Measures imposing mandatory requirements on customers require notification to Texas Commission on Environmental Quality (TCEQ). The City of Bedford must notify TCEQ within five business days if any mandatory measures are implemented.

All Water Users

Initiate mandatory restrictions to prohibit non-essential water use as follows:

- Prohibit hosing of paved areas, such as sidewalks, driveways, parking lots, tennis courts, patios, or other impervious surfaces, except to alleviate an immediate health or safety hazard.
- Prohibit hosing of buildings or other structures for purposes other than fire protection.
- Prohibit using water in such a manner as to allow runoff or other waste, including failure to repair a controllable leak within a reasonable period of time after having been given notice to repair such leak. Types of leaks include a broken sprinkler head, a leaking valve, leaking or broken pipes, or a leaking faucet.
- Prohibit outdoor watering with sprinklers or irrigation systems between 10 a.m. and 6 p.m.
- Limit landscape watering with sprinklers or irrigation systems at each service address to twice per week.
 - Residential addresses ending in an even number (0, 2, 4, 6, or 8) may water on Wednesdays and Saturdays.
 - Residential addresses ending in an odd number (1, 3, 5, 7, or 9) may water on Thursdays and Sundays.
 - All non-residential locations (apartment complexes, businesses, industries, parks, medians, etc.) may water on Tuesdays and Fridays.
 - Water system recovery day with no outdoor watering on Mondays.

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Exceptions:

- Foundations may be watered up to two hours on any day using a handheld hose, soaker hose or drip irrigation system placed within 24 inches of the foundation that does not produce a spray of water above the ground.
- Newly installed shrubs (first year) and trees (two years) may be watered up to two hours on any day by handheld hose, drip irrigation, a soaker hose or tree bubbler. Tree watering is limited to an area not to exceed the drip line of a tree.

Skinned areas of sports fields may be watered as needed for dust control.

- Washing of any motor vehicle, motorbike, boat, trailer, airplane, or other vehicle shall be limited to the use of a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rinses. Vehicle washing may be done at any time on the premises of a commercial car wash or commercial service station. Further, such washing may be exempt from these requirements if the health, safety, and welfare of the public are contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.
- Encourage reduction in frequency of draining and refilling swimming pools.
- Encourage use of Texas native and drought tolerant plants in landscaping.

City and Local Governments

In addition to actions listed above:

- Review conditions and problems that caused Stage 1. Take corrective action.
- Identify and encourage voluntary reduction measures by high-volume water users through water use audits.
- Increase public education efforts on ways to reduce water use.
- Intensify leak detection and repair efforts.
- Increase enforcement efforts.
- Audit all city irrigation systems to ensure proper condition, settings, and operation.
- Landscape watering of municipal parks and athletic fields is restricted to a twice a week watering schedule; or twice per week per irrigation station if a variance is granted by the Public Works Director or official designee.

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Exceptions:

- Watering of athletic fields (field only, does not include surrounding landscape areas) used for organized sports practice, competition, or exhibition events may occur as necessary to protect the health and safety of the players, staff, or officials present for athletic events. Encouraged to reduce water use by five percent.
- Reduce non-essential water use. As used herein, non-essential water uses are those that do not have any health or safety impact and are not needed to meet the core function of the agency.
- Notify wholesale customers of actions being taken and request them to implement the same drought stage and measures.

Commercial or Industrial

- All actions listed above for all water users apply to commercial and industrial users.
- Landscape watering of parks and athletic fields is restricted to a twice a week watering schedule; or twice per week per irrigation station if a variance is granted by the Public Works Director or official designee. (See Stage 1 exceptions to outdoor watering restrictions in all water users category for facilities with large multi-station irrigation systems.)

Exceptions:

- Watering of athletic fields (field only, does not include surrounding landscape areas) used for organized sports practice, competition, or exhibition events may occur as necessary to protect the health and safety of the players, staff, or officials present for athletic events. Encouraged to reduce water use by five percent.
- Stock at commercial plant nurseries is exempt from Stage 1 watering restrictions.
- Car wash facilities must keep equipment in good working order, which should include regular inspections to be sure there are no leaks, broken or misdirected nozzles, and that all equipment is operating efficiently.
- Hotels, restaurants, and bars are encouraged to serve drinking water to patrons per request only.

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- Hotels are encouraged to implement laundry conservation measures by encouraging patrons to reuse linens and towels.
- All commercial and industrial customers are encouraged to audit irrigation systems to ensure proper condition, settings, and operation. If irrigation audit or repair occurs during restricted watering times or days, a sign indicating such work is taking place must be placed in public view until job is completed.

Stage 2, Water Warning

Triggering and Terminating Conditions for Stage 2, Water Warning

- The City of Bedford water demand exceeds 95% of reliable delivery capacity for two consecutive days. The delivery capacity could be citywide or in a specified portion of the system.
- The City of Bedford demand for all or part of the delivery system equals or exceeds delivery capacity because delivery capacity is inadequate.
- The City of Bedford water treatment or distribution system becomes contaminated.
- The City of Bedford water supply system is unable to deliver water due to the failure or damage of major water system components, or due to other criteria, such as energy shortages or outages.
 - Total raw water supply in TRWD western and eastern division reservoirs drops below 60% (40% depleted) of conservation storage capacity.
 - Water demand for all or part of the delivery system approaches delivery capacity because delivery capacity is inadequate.
 - Water demand is projected to approach the limit of permitted supply.
 - Supply source becomes contaminated.
 - Water supply system is unable to deliver water due to the failure or damage of major water system components.
 - The City Manager finds that conditions warrant the declaration of a Stage 2 drought.

Subject to preceding paragraphs regarding the Termination of a Drought Response stage, Stage 2, Water Warning, will be terminated when the total combined raw water supply in TRWD's western and eastern division reservoirs exceeds 75% of conservation storage or remains above 70% for 30 consecutive days, whichever occurs first.

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Goal for Use Reduction

The goal for water use reduction under Stage 2, Water Warning, is to decrease use by ten percent. If circumstances warrant, the City Manager or official designee can set a goal for greater water use reduction.

Actions Available under Stage 2, Water Warning

The City Manager or official designee shall implement any actions listed below as deemed necessary. Measures imposing mandatory requirements on customers require notification to TCEQ. The City of Bedford must notify TCEQ within five business days if any mandatory measures are implemented:

- Continue actions under Stage 1.
- Require customers to initiate Stage 2 in their drought contingency plans.
- Initiate engineering studies to evaluate water supply alternatives should condition worsen.

All Water Users

- Limit landscape watering with sprinklers or irrigation systems at each service address to once every seven days. (Exceptions: Foundations, new plantings (first year) of shrubs, and trees may be watered on any day by handheld hose, drip irrigation, or a soaker hose. Restrictions do not apply to locations using treated wastewater effluent for irrigation).
- Prohibit use of water for dust control, except as required to protect public health.
- Restrict the operation of ornamental fountains or ponds that use potable water except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
- Encourage the public to wait until the current drought or emergency situation has passed before establishing new landscaping.

Exceptions:

- Watering with a handheld hose, soaker hose or drip irrigation may occur any day and any time.
- Foundations, new plantings (first year) of shrubs, and trees may be watered on any day by handheld hose, drip irrigation, or a soaker hose.

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- Variances may be available through the Public Works Director or official designee for the following:
- All users are encouraged to wait until the current drought or emergency situation has passed before establishing new landscaping. Variances granted for establishing new turf grass or landscaping will be for a maximum of 30 days from the date of approval then maximum of once-per-week watering schedule applies.
- Variances do not apply to the installation of cool season grasses (over seeding).

City and Local Governments

In addition to actions listed above:

- Continue to initiate any actions available under Stage 1.
- Review conditions or problems that caused Stage 2. Take corrective action.
- Increase frequency of media releases on water supply conditions.
- Further accelerate public education efforts on ways to reduce water use.
- Landscape watering of municipal parks and athletic fields is restricted to once-per-week schedule; or once-per-week per irrigation station if a variance is granted by the Public Works Director or official designee. (See Stage 1 exceptions to outdoor watering restrictions in all water users category for facilities with large multi-station irrigation systems.)

Exceptions:

- Watering of athletic fields (field only, does not include surrounding landscape areas) used for organized sports practice, competition, or exhibition events may occur as necessary to protect the health and safety of the players, staff, or officials present for athletic events. Encouraged to reduce water use by ten percent.
- Eliminate non-essential water use. As used herein, non-essential water uses are those that do not have any health or safety impact and are not needed to meet the core function of the agency.
- Prohibit wet street sweeping.
- Notify wholesale customers of actions being taken and request them to implement the same drought stage and measures.

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Commercial or Industrial

- All actions listed above for all water users apply to commercial and industrial users.
- Landscape watering of parks and athletic fields is restricted to once-per-week schedule; or once-per-week per irrigation station if a variance is granted by the Public Works Director or official designee. (See Stage 1 exceptions to outdoor watering restrictions in all water users category for facilities with large multi-station irrigation systems.)

Exceptions:

- Watering of athletic fields (field only, does not include surrounding landscape areas) used for organized sports practice, competition, or exhibition events may occur as necessary to protect the health and safety of the players, staff, or officials present for athletic events. Encouraged to reduce water use by ten percent.
- Use of water from fire hydrants for any purpose other than firefighting related activities, or other activities necessary to maintain public health, safety and welfare requires a variance issued by the Public Works Director. Fire hydrant use may be limited to only designated hydrants. Upon the declaration of this drought stage, all holders of a Water Fire Hydrant Meter Agreement are required to apply for a variance as set forth in this plan. If the conditions allow, as determined by the Public Works Director, the use of water from hydrants may continue until the Public Works Director of his/her designee issues a determination on the petition for variance. If conditions do not allow, the Public Works Director may require all fire hydrant meters to be immediately returned from the field, pending determination of each petition for variance.

Stage 3, Water Emergency

Triggering and Terminating Conditions

- The City of Bedford water demand exceeds 98% of reliable delivery capacity for one day. The delivery capacity could be citywide or in a specified portion of the system.
- The City of Bedford demand for all or part of the delivery system exceeds delivery capacity because delivery capacity is inadequate.
- The City of Bedford water treatment or distribution system becomes contaminated.
- The City of Bedford water supply system is unable to deliver water due to the failure or damage of major water system components, or due to other criteria, such as energy shortages or outages.

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The TRWD has initiated Stage 3, Water Emergency, which may be initiated by one or more of the following reasons:

- Total raw water supply in TRWD western and eastern division reservoirs drops below 45% (55% depleted) of conservation storage.
- Water demand system exceeds the amount that can be delivered to customers.
- Water demand for all or part of the TRWD delivery system approaches delivery capacity because delivery capacity is inadequate.
- One or more of TRWD's water supply sources has become limited in availability.
- Water demand is projected to approach the limit of permitted supply.
- Supply source becomes contaminated.
- Water supply system is unable to deliver water due to the failure or damage of major water system components.
- The City Manager finds that conditions warrant the declaration of a Stage 3 drought.

Subject to preceding paragraphs regarding the Termination of a Drought Response stage, Stage 3, Water Emergency, will be terminated when the total combined raw water supply in TRWD's western and eastern division reservoirs exceeds 60% of conservation storage or remains at or above 55% for 30 consecutive days, whichever occurs first.

Goals for Use Reduction

The goal for water use reduction under Stage 3, Water Emergency, is to decrease use by twenty percent. If circumstances warrant or if required by TRWD, the City Manager or official designee can set a goal for a greater water use reduction.

Water Use Reduction Actions under Stage 3, Water Emergency

The City Manager or official designee can order the implementation of any of the actions listed below, as deemed necessary. Measures imposing mandatory requirements on customers require notification to TCEQ. The supplier must notify TCEQ within five business days if any mandatory measures are implemented:

- Continue actions available under Stages 1 and 2.
- Require customers to initiate Stage 3 in their drought contingency plans.

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All Water Users

- Prohibit all outdoor watering with hose-end sprinklers and automatic irrigation systems.

Exceptions:

- Watering with hand-held hose, soaker hose or drip irrigation system may occur any day and any time.
- Watering of trees and structural foundations may occur any day and any time by means of handheld hose, soaker hose, or drip irrigation.
- Restrictions do not apply to well water, reclaimed water, or other alternative water sources.
- Irrigation of new landscapes and/turf grass installations is prohibited by means of automatic irrigation system or hose-end sprinkler. Variances may be granted for those landscape projects started prior to the initiation of Stage 3 drought restrictions. However, variances will not be granted for the irrigation of new landscape and/or turf grass installations after the initiation of Stage 3 restrictions.
- Prohibit washing of paved areas by any means except where a variance is granted to alleviate a possible public health and safety risk. Any pressure/power washing activities must be performed by a professional pressure/power washing service provider utilizing high efficiency equipment and a vacuum recovery system where possible.
- Prohibit hosing of buildings or other structures for the purpose other than fire protection or surface preparation prior to painting with high-pressure equipment. Services must be performed by a professional pressure/power washing service provider utilizing high efficiency equipment and a vacuum recovery system where possible.
- Vehicle washing is restricted to commercial car washes, commercial service stations, or professional washing services only. This includes home and charity car washing. The washing of garbage trucks and vehicles used to transport food and/or other perishables may take place as necessary for health, sanitation, or public safety reasons.
- Prohibit the operation of ornamental fountains or ponds that use potable water except where necessary to support aquatic life or water quality.
- Prohibit permitting of private pools. Pools already permitted may be completed and filled. Existing private and public pools may add water to maintain pool levels, but may not be drained and refilled.

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City and Local Governments

In addition to actions listed above:

- Continue or initiate any actions available under Stage 1 and 2.
- Review conditions or problems that caused Stage 3. Take corrective action.
- Increase frequency of media releases explaining emergency situation and/or water supply conditions.
- Landscape watering at municipal parks and sports fields is prohibited. Variances may be granted by the water provider under special circumstances.

Exceptions:

- Variances may be available for watering of athletic fields (field only, does not include surrounding landscape areas) used for organized sports, practice, competition, or exhibition events to protect health and safety of the players, staff, or officials present for the athletic event.
- Institute a mandated reduction in deliveries to all customers. Such a reduction will be distributed as required by Texas Water Code §11.039.
- If TRWD has imposed a reduction in water available to customers, impose the same percent reduction on wholesale customers.

Commercial or Industrial

- All actions listed above for all water users apply to commercial and industrial users. Landscape watering of municipal parks and athletic fields is prohibited. Variances may be granted by the water provider under special circumstances.

Exceptions:

- Variances may be available for watering of athletic fields (field only, does not include surrounding landscape areas) used for organized sports, practice, competition, or exhibition events to protect health and safety of the players, staff, or officials present for the athletic event.
- Commercial water users may be required to reduce water use by a set percentage as determined by the Director of Public Works.

4.5 Procedures for Granting Variances to the Plan

The City Manager or official designee may grant temporary variances for existing water uses otherwise prohibited under this drought contingency plan to a customer if one or more of the following conditions are met:

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- Failure to grant such a variance would cause an emergency condition adversely affecting health, sanitation, or fire safety for the public or the person requesting the variance.
- Compliance with this plan cannot be accomplished due to technical or other limitations.
- Alternative methods that achieve the same level of reduction in water use can be implemented.

Variations shall be granted or denied at the discretion of the City Manager or official designee. All petitions for variations should be in writing and should include the following information:

- Name and address of the petitioner(s)
- Purpose of water use
- Specific provisions from which relief is requested
- Detailed statement of the adverse effect of the provision from which relief is requested
- Description of the relief requested
- Period of time for which the variance is sought
- Alternative measures that will be taken to reduce water use
- Other pertinent information.

4.6 Procedures for Enforcing Mandatory Water Use Restrictions

Mandatory water use restrictions may be imposed in Stages 1, 2, and 3 drought stages. These mandatory water use restrictions will be enforced by warnings and penalties as follows:

- On the first violation, customers will be given a written warning that they have violated the mandatory water use restriction.
- On the second and subsequent violations, citations may be issued to customers, with minimum and maximum fines established by ordinance.
- After two violations have occurred, the City of Bedford may install a flow restrictor in the line to limit the amount of water that may pass through the meter in a 24-hour period.
- After three violations have occurred, the utility may cut off water service to the customer.

Appendix D contains a copy of the City of Bedford ordinance adopting this Plan and the enforcement actions and penalties.

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4.7 Coordination with the Regional Water Planning Group and TRWD

Appendix C includes a copy of a letter sent to the Chair of the Region C Planning Group, General Manager of TRWD and the TCEQ upon adoption of this Plan.

4.8 Review and Update of Drought Contingency Plan

As required by TCEQ rules, Bedford will review this drought contingency plan in 2019 and every five years thereafter. The plan will be updated as appropriate based on new or updated information.

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APPENDIX A

LIST OF REFERENCES

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Appendix A List of References

- (1) Title 30 of the Texas Administrative Code, Part 1, Chapter 288, Subchapter A, Rules 288.1 and 288.5, and Subchapter B, Rule 288.22, downloaded from <http://www.tceq.state.tx.us/assets/public/legal/rules/rules/pdflib/288a.pdf>, March 2007.

The TRWD model drought contingency plan used in developing this plan was largely adapted from the following two plans:

- North Texas Municipal Water District: “Model Drought Contingency Plan for North Texas Municipal Water District Member Cities and Customers,” prepared by Freese and Nichols, Inc., Fort Worth, August 2004 with revisions in April 2006.
- Tarrant Regional Water District: “2014 TRWD Model Drought Contingency Plan,” adopted by the Board of Directors, Fort Worth, May 2005 with revisions in May 2007.

The following conservation and drought contingency plans and related documents were reviewed in the development of this plan. References marked with a * were used heavily in the development of this plan.

- *City of Dallas Water Utilities Department: “City of Dallas Water Management Plan,” adopted by the City Council, Dallas, September 1999.
- *City of Dallas Water Utilities Department: “City of Dallas Water Conservation Plan,” adopted by the City Council, Dallas, September 1999.
- *City of Fort Worth: “Water Conservation plan for the City of Fort Worth,” Fort Worth, August 1999.
- *City of Fort Worth: “Emergency Water Management Plan for the City of Fort Worth,” Fort Worth, August 19, 2003.
- *City of Dallas: “City of Dallas Ordinances, Chapter 49, Section 21.1,” Dallas, October 1, 2001

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APPENDIX B

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES ON DROUGHT CONTINGENCY PLANS FOR MUNICIPAL USES BY PUBLIC WATER SUPPLIERS

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APPENDIX B

Texas Commission on Environmental Quality Rules on Drought Contingency Plans

Texas Administrative Code

<u>TITLE 30</u>	ENVIRONMENTAL QUALITY
<u>PART 1</u>	TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
<u>CHAPTER 288</u>	WATER CONSERVATION PLANS, DROUGHT CONTINGENCY PLANS, GUIDELINES AND REQUIREMENTS
<u>SUBCHAPTER B</u>	DROUGHT CONTINGENCY PLANS
RULE §288.20	Drought Contingency Plans for Municipal Uses by Public Water Suppliers

(a) A drought contingency plan for a retail public water supplier, where applicable, must provide information in response to each of the following.

- (1) Minimum requirements. Drought contingency plans must include the following minimum elements.
 - (A) Preparation of the plan shall include provisions to actively inform the public and affirmatively provide opportunity for public input. Such acts may include, but are not limited to, having a public meeting at a time and location convenient to the public and providing written notice to the public concerning the proposed plan and meeting.
 - (B) Provisions shall be made for a program of continuing public education and information regarding the drought contingency plan.
 - (C) The drought contingency plan must document coordination with the Regional Water Planning Groups for the service area of the retail public water supplier to insure consistency with the appropriate approved regional water plans.
 - (D) The drought contingency plan shall include a description of the information to be monitored by the water supplier, and specific criteria for the initiation and termination of drought response stages, accompanied by an explanation of the rationale or basis for such triggering criteria.
 - (E) The drought contingency plan must include drought or emergency response stages providing for the implementation of measures in response to at least the following situations:
 - (i) reduction in available water supply up to a repeat of the drought of record;
 - (ii) water production or distribution system limitations;
 - (iii) supply source contamination; or
 - (iv) system outage due to the failure or damage of major water system

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components (e.g., pumps).

- (F) The drought contingency plan must include specific, quantified targets for water use reductions to be achieved during periods of water shortage and drought. The entity preparing the plan shall establish the targets. The goals established by the entity under this subparagraph are not enforceable.
 - (G) The drought contingency plan must include the specific water supply or water demand management measures to be implemented during each stage of the plan including, but not limited to, the following:
 - (i) curtailment of non-essential water uses; and
 - (ii) utilization of alternative water sources and/or alternative delivery mechanisms with the prior approval of the executive director as appropriate (e.g., interconnection with another water system, temporary use of a non-municipal water supply, use of reclaimed water for non-potable purposes, etc.).
 - (H) The drought contingency plan must include the procedures to be followed for the initiation or termination of each drought response stage, including procedures for notification of the public.
 - (I) The drought contingency plan must include procedures for granting variances to the plan.
 - (J) The drought contingency plan must include procedures for the enforcement of any mandatory water use restrictions, including specification of penalties (e.g., fines, water rate surcharges, discontinuation of service) for violations of such restrictions.
- (2) Privately-owned water utilities. Privately-owned water utilities shall prepare a drought contingency plan in accordance with this section and incorporate such plan into their tariff.
- (3) Wholesale water customers. Any water supplier that receives all or a portion of its water supply from another water supplier shall consult with that supplier and shall include in the drought contingency plan appropriate provisions for responding to reductions in that water supply.
- (b) A wholesale or retail water supplier shall notify the executive director within five business days of the implementation of any mandatory provisions of the drought contingency plan.
- (c) The retail public water supplier shall review and update, as appropriate, the drought contingency plan, at least every five years, based on new or updated information, such as the adoption or revision of the regional water plan.
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Source Note: The provisions of this §288.20 adopted to be effective February 21, 1999, 24 TexReg 949; amended to be effective April 27, 2000, 25 TexReg 3544; amended to be effective October 7, 2004, 29 TexReg 9384

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APPENDIX C LETTER TO REGION C WATER PLANNING GROUP



CITY OF
BEDFORD
TEXAS

July 29, 2014

Mr. Tom Kula
Executive Director, Region C Water Planning Group
North Texas Municipal Water District
PO Box 2406
Wylie, TX 75098-2406

Dear Mr. Kula:

Enclosed you will find a copy of the City of Bedford Water Conservation and Drought Contingency Plans. These plans are submitted to the Region C Water Planning Group, in accordance with the Texas Water Development Board and Texas Commission on Environmental Quality Rules.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas Hoover'. The signature is fluid and cursive, with a large initial 'T'.

Thomas Hoover, Public Works Director
City of Bedford
(817) 952 - 2200

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APPENDIX D ORDINANCE ADOPTING DROUGHT CONTINGENCY PLAN

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ORDINANCE NO. 09-2925

AN ORDINANCE AMENDING CHAPTER 118 "UTILITIES", ARTICLE IV "RESTRICTIONS ON OUTDOOR USE OF WATER" OF THE CITY OF BEDFORD CODE OF ORDINANCES, AS AMENDED IN ITS ENTIRETY BY THE ADOPTION OF THE REVISED WATER RESOURCE MANAGEMENT ORDINANCE TO PROMOTE RESPONSIBLE USE OF WATER; PROVIDING FOR A FINE OF UP TO \$500 FOR EACH OFFENSE IN VIOLATION OF THE ORDINANCE AND/OR DISCONNECTION OF WATER SERVICE FOR NONCOMPLIANCE WITH THE PROVISIONS OF THE WATER RESOURCE MANAGEMENT ORDINANCE; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City of Bedford, Texas (the "City"), recognizes that the amount of water available to its water customers is limited; and,

WHEREAS, the City recognizes that due to natural limitations, drought conditions, system failures and other acts of God which may occur, the City cannot guarantee an uninterrupted water supply for all purposes at all times; and,

WHEREAS, the Water Code and the regulations of the Texas Commission on Environmental Quality (the "Commission") require that the City adopt a Drought Contingency Plan and a Water Conservation Plan; and,

WHEREAS, the City has determined an urgent need in the best interest of the public to adopt a Drought Contingency Plan and Water Conservation Plan; and,

WHEREAS, pursuant to Chapter 54 of the Local Government Code, the City is authorized to adopt such Ordinances necessary to preserve and conserve its water resources.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD TEXAS:

SECTION 1. That all matters stated hereinabove are found to be true and correct and are incorporated herein by reference.

SECTION 2. That the City of Bedford Code of Ordinances Chapter 118 "Utilities", Article IV "Restrictions on Outdoor Use of Water", is hereby amended in its entirety to read as follows:

ARTICLE IV. WATER RESOURCE MANAGEMENT

DIVISION 1. GENERAL PROVISIONS

Section 118-111. Definitions

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory.

City is the City of Bedford.

Person is any person, firm, partnership, association, corporation, company, or organization of any kind.

TCWSP is the Tarrant County Water Supply Project.

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TRA is the Trinity River Authority.

TRWD is the Tarrant Regional Water District.

Water is water from the City water system.

Section 118-112. Application of Regulations

The provisions of this article shall apply to all persons using water from the water system of the city. The provisions of this article shall not apply to those functions necessary for the public health, safety and welfare, such as emergency fire protection.

Section 118-113. General Restrictions on Water Use

- (a) All new irrigation systems must be in compliance with ordinances 08-2912 and 08-2913 of the City Code of Ordinances, as the same may be from time to time amended, including but not limited to system design and installation requirements and the prohibition of irrigation systems that spray directly onto impervious surfaces or other non-irrigated areas.
- (b) Except for hand watering and the use of soaker hoses, it shall be unlawful for any person to irrigate, water, or cause or permit the irrigation or watering of any lawn or landscape located on premises owned, leased, or managed by that person between the hours of 10:00 a.m. and 6:00 p.m. It is an affirmative defense to prosecution that the irrigation or watering of any lawn or landscape during the prohibited time was done for the purpose of establishing hydromulch, grass sod, grass seed; dust control for sport fields; or for the maintenance, repair, or testing of an irrigation system. The escape of water through defective plumbing, which shall mean the knowing permission for defective plumbing to remain out of repair, is hereby prohibited.

DIVISION 2. DROUGHT CONTINGENCY PLAN

Section 118-114. Emergency Water Restrictions

- (a) **Purpose and scope.** The purpose of this section is to establish the city's policy in the event of shortages or delivery limitations in the city's water supply and to establish water restrictions to be enforced in case of drought or emergency conditions.
- (b) **Drought contingency plan.** The drought contingency plan, as the same may be from time to time amended, is attached hereto as Exhibit A and is incorporated herein by reference.
- (c) **Authority.** The City Manager or official designee is authorized to implement measures prescribed when required by this section and by the drought contingency plan approved by the city council. The Public Works Director is authorized to enforce the measures implemented and to promulgate regulations, not in conflict with this section or state and federal laws, in aid of enforcement.
- (d) **Initiation of plan stages.** When a trigger condition has been reached, the city will notify the public through publication of articles in the Fort Worth Star Telegram and announcements on local radio and television. Signs will also be posted at public places throughout the city such as the library, post office, city hall, etc. Notices will also be posted on the city website.

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- (e) **Duration of stage; change.** A stage will remain in effect until the conditions that triggered initiation of the stage have been eliminated. If the stage is initiated because of excessive demands, all initiated actions will remain in effect through September 30 of the year in which they were triggered unless the City Manager or official designee determines that conditions exist that will allow termination of the stage before September 30. Upon recommendation of the Public Works Director, the City Manager or official designee may terminate, upgrade or downgrade the stage. Any such change must be made in the same manner prescribed in subsection (d).

DIVISION 3. WATER CONSERVATION PLAN

Section 118-115 Adoption of Water Conservation Plan

- (a) **Purpose and scope.** The purpose of this section is to establish the city's policy on water conservation measures.
- (b) **Water conservation plan.** The water conservation plan, as the same may be from time to time amended, is attached hereto as Exhibit B and is incorporated herein by reference.
- (c) **Authority.** The City Manager or official designee is authorized to implement measures prescribed when required by this section and by the water conservation plan approved by the city council. The Public Works Director is authorized to enforce the measures implemented and to promulgate regulations, not in conflict with this section or state and federal laws, in aid of enforcement.

DIVISION 4. RAIN AND FREEZE SENSORS

Section 118-116. Irrigation System Rain and Freeze Sensors.

- (a) Any irrigation system installed within the City on or after August 1, 2008 must be equipped with rain and freeze sensors.
- (b) Any irrigation system installed before August 1, 2008 may not be operated after August 1, 2010 without being equipped with rain and freeze sensors. This requirement does not apply to a single family residential or duplex property, or an individual metered townhome or condominium unit.
- (c) It shall be unlawful for any person to knowingly install, or cause or permit the installation of an irrigation system that does not comply with this section.
- (d) It shall be unlawful for any person on premises owned, leased, or managed by that person to knowingly or recklessly operate, or cause or permit the operation of an irrigation system that does not comply with this section.
- (e) It shall be unlawful for any person to operate an irrigation system with broken or missing heads after receiving notification from the building official and such representative as they may designate.
- (f) It shall be unlawful for any person to operate an irrigation system which causes significant runoff.

DIVISION 5. ENFORCEMENT

Section 118-117. Criminal responsibility.

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A person commits an offense of inappropriate use of water by any of the following actions:

- (a) A person may not knowingly make, cause or permit a use of an irrigation system contrary to the requirements of this article.
- (b) A person may not knowingly make, cause or permit a use of water contrary to the measures implemented by the city manager or official designee as prescribed in the water conservation plan.
- (c) A person may not knowingly make, cause or permit a use of water contrary to the measures implemented by the city manager or official designee as prescribed in the drought contingency plan. It is presumed that a person has knowingly made, caused or permitted a use of water contrary to the measures implemented if the mandatory measures have been formally ordered consistent with the terms of section 118-114(d) and:
 - (1) The manner of use has been prohibited by the drought contingency plan;
 - (2) The amount of water used exceeds that allowed by the drought contingency plan; or
 - (3) The manner or amount used violates the terms and conditions of a compliance agreement made pursuant to a variance granted by the Public Works Director pursuant to section 118-118.

Section 118-118. Variances.

Variances will be considered only under extreme circumstances for health or public safety reasons. The City Manager or official designee will be responsible for making this determination.

Sections 118-117—118-145 Reserved.

SECTION 2. That any person violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined up to \$500.00 and/or discontinuance of water service by the City. A separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.

SECTION 3. That all ordinances or any parts thereof in conflict with the terms of this ordinance shall be and hereby are deemed repealed and of no force or effect; provided, however, that the ordinance or ordinances under which the cases currently filed and pending in the Municipal Court of the City of Bedford, Texas, shall be deemed repealed only when all such cases filed and pending under such ordinance or ordinances have been disposed of by a final conviction or a finding not guilty or nolo contendere, or dismissal.

SECTION 4. That if any section, article, paragraph, sentence, clause, phrase or word in this ordinance, or application thereto any person or circumstance is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance; and the City Council hereby declares it would have passed such remaining portions of the ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

PART B.25

SECTION 5. That this ordinance shall be in full force and effect after its passage and publication as required by law, and it is so ordained.

PRESENTED AND PASSED on this 14th day of April 2009, by a vote of 7 ayes, 0 nays and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

Jim Story, Mayor

ATTEST:

Shanae Jennings, City Secretary

APPROVED AS TO FORM:

Stan Lowry, City Attorney

PART B.25

ORDINANCE NO. 14-3100

AN ORDINANCE AMENDING CHAPTER 118 "UTILITIES," ARTICLE IV "WATER RESOURCE MANAGEMENT," DIVISION 2, SECTION 118-114(B) "DROUGHT CONTINGENCY PLAN" TO ADOPT THE CURRENT PLAN, AS ATTACHED HERETO AS EXHIBIT A AND IS INCORPORATED HEREIN BY REFERENCE TO THE CITY OF BEDFORD CODE OF ORDINANCES, AND AMENDING CHAPTER 118 "UTILITIES," ARTICLE IV "WATER RESOURCE MANAGEMENT," DIVISION 3, SECTION 118-115(B) "WATER CONSERVATION PLAN" TO ADOPT THE CURRENT PLAN, AS ATTACHED HERETO AS EXHIBIT B AND IS INCORPORATED HEREIN BY REFERENCE TO THE CITY OF BEDFORD CODE OF ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY CLAUSE; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council of Bedford, Texas (the City) recognizes that a Drought Contingency Plan and Water Conservation Plan are necessary for the health and safety of its citizens due to drought conditions that may directly affect the City's ability to supply potable water; and,

WHEREAS, the Water Code and the regulation of the Texas Commission on Environmental Quality requires that the City adopt a Drought Contingency Plan and Water Conservation Plan; and,

WHEREAS, the City has determined an urgent need in the best interest of the public to adopt a Drought Contingency Plan and Water Conservation Plan; and,

WHEREAS, pursuant to Chapter 54 of the Local Government Code, the City is authorized to adopt such Ordinances as necessary to preserve and conserve its water resources.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

- SECTION 1.** That the findings above are found to be true and correct, and are incorporated herein.
- SECTION 2.** That the City of Bedford Code of Ordinances Chapter 118, "UTILITIES," Article IV "WATER RESOURCE MANAGEMENT," Division 2, Section 118-114(b) "Drought Contingency Plan" is amended, as attached hereto as Exhibit A and is incorporated herein by reference to the City of Bedford Code of Ordinances.
- SECTION 3.** That the City of Bedford Code of Ordinances Chapter 118, "UTILITIES," Article IV "WATER RESOURCE MANAGEMENT," Division 3, Section 118-115(b) "Water Conservation Plan" is amended, as attached hereto as Exhibit B and is incorporated herein by reference to the City of Bedford Code of Ordinances.
- SECTION 4.** That any person violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be fined the maximum amount allowed by law and/or discontinuance of water service by the City. A separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.
- SECTION 5.** That if any section, article, paragraph, sentence, clause, phrase or word in this ordinance, or application thereto to any person or circumstance, is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of the Ordinance; and the City Council hereby declares it would have passed such remaining portion of the Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.
- SECTION 6.** That this ordinance shall become effective from and after its passage and publication as required by law.

PART B.25

ORDINANCE NO. 14-3100

PRESENTED AND PASSED this 26th day of August, 2014, by a vote of 7 ayes, 0 nays, and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.



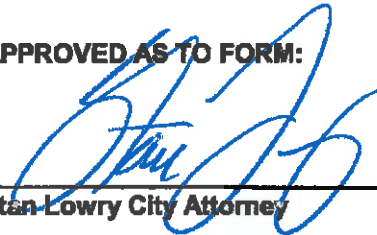
Jim Griffin, Mayor

ATTEST:



Michael Wells, City Secretary

APPROVED AS TO FORM:



Stan Lowry City Attorney

PART B.25

Water Conservation Plan Annual Report - Retail Water Supplier
TWDB Form No. 1966
Revised 1/23/2015 11:58 AM

Water Conservation Plan Annual Report Retail Water Supplier

CONTACT INFORMATION

Name of Entity: City of Bedford

Public Water Supply Identification Number (PWS ID): 2200003

Certificate of Convenience and Necessity (CCN) Number: 10075

Surface Water Rights ID Number: _____

Wastewater ID Number: 20027

Check all that apply:

- Retail Water Supplier
- Wholesale Water Supplier
- Wastewater Treatment Utility

Address: 1813 Reliance Parkway City: Bedford Zip Code: 76021

Email: jerry.laveryt@bedfordtx.gov Telephone Number: 817-952-2258

Regional Water Planning Group: C [Map](#)

Groundwater Conservation District: 63 [Map](#)

Form Completed By: Jerry Laveryt Title: Environmental Supervisor

Date: 04/24/2015

Reporting Period (calendar year):

Period Begin (mm/yyyy) 01/2014 Period End (mm/yyyy) 12/2014

Check all of the following that apply to your entity:

- Receive financial assistance of \$500,000 or more from TWDB
- Have 3,300 or more retail connections
- Have a water right with TCEQ

PART B.25

SYSTEM DATA

Retail Customer Categories*

- Residential Single Family
- Residential Multi-family
- Industrial
- Commercial
- Institutional
- Agricultural

**Recommended Customer Categories for classifying your customer water use. For definitions, refer to [Guidance and Methodology on Water Conservation and Water Use](#).*

1. For this reporting period, select the category(s) used to classify customer water use:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Residential Single Family | <input checked="" type="checkbox"/> Commercial |
| <input checked="" type="checkbox"/> Residential Multi-family | <input type="checkbox"/> Institutional |
| <input type="checkbox"/> Industrial | <input type="checkbox"/> Agricultural |

2. For this reporting period, enter the gallons of **metered retail water** used by each customer category. If the Customer Category does not apply, enter zero or leave blank.

Retail Customer Category	Number of Connections	Gallons Metered
Residential Single Family	14,135	1,561,890,660
Residential Multi-family	294	444,865,340
Industrial		
Commercial	827	359,745,000
Institutional		
Agricultural		
Total Retail Water Metered¹	15,256	2,366,501,000

1. Residential + Industrial + Commercial + Institutional + Agricultural = Total Retail Water Metered

PART B.25

Water Use Accounting

	Total Gallons During the Reporting Period
Water Produced: Water from permitted sources such as rivers, lakes, streams, and wells. <i>Same as line 14 of the water loss audit.</i>	108,917,708
Wholesale Water Imported: Purchased wholesale water transferred into the system. <i>Some as line 15 of the water loss audit.</i>	2,485,815,000
Wholesale Water Exported: Wholesale water sold or transferred out of the system. <i>Some as line 16 of the water loss audit.</i>	0
System Input: Total water supplied to system and available for retail use.	2,594,732,708
	Produced + Imported - Exported = System Input
Total Retail Water Metered	2,366,501,000
Other Authorized Consumption: Water that is authorized for other uses such as the following: This water may be metered or unmetered. <i>Some as the total of lines 19, 20, and 21 of the water loss audit.</i> <ul style="list-style-type: none"> - back flushing - storage tank cleaning - fire department use - municipal government offices - line flushing - municipal golf courses/parks 	32,434,159
Total Authorized Use: All water that has been authorized for use.	2,398,935,159
	Total Retail Water + Other Authorized Consumption = Total Authorized Use
Apparent Losses: Water that has been consumed but not properly measured or billed. <i>Some as line 28 of the water loss audit.</i> <i>(Includes losses due to customer meter occurocy, systemotic data discrepancy, unoutharized consumption such as theft)</i>	105,091,040
Real Losses: Physical losses from the distribution system prior to reaching the customer destination. <i>Same as line 29 of the water loss audit.</i> <i>(Includes physical losses from system or mains, reported breaks and leaks, or storage averflow)</i>	944,700
Unidentified Water Losses: Unreported losses not known or quantified.	89,761,809
	System Input - Total Authorized Use - Apparent Losses - Real Losses = Unidentified Water Losses
Total Water Loss	195,797,549
	Apparent + Real + Unidentified = Total Water Loss

PART B.25

Targets and Goals

Provide the **specific and quantified five and ten-year targets** as listed in your current Water Conservation Plan. Target dates and numbers should match your current Water Conservation Plan.

Achieve Date	Target for Total GPCD	Target for Residential GPCD	Target for Water Loss (expressed in GPCD)	Target for Water Loss Percentage (expressed in percentage)
Five-year target date: 2019	153	141	9	6
Ten-year target date: 2029	140	140	8	6

Gallons per Capita per Day (GPCD) and Water Loss

Provide current GPCD and water loss totals. To see if you are making progress towards your stated goals, compare these totals to the above targets and goals. Provide the population and residential water use of your service area.

Total System Input In Gallons	Permanent Population ¹	Total GPCD
2,594,732,708 Water Produced + Wholesale Imported - Wholesale Exported	49,054	145 (System Input ÷ Permanent Population) ÷ 365

1. Permanent Population is the total permanent population of the service area, including single family, multi-family, and group quarter populations.

Residential Use in Gallons (Single Family + Multi-family)	Residential Population ²	Residential GPCD
2,006,756,000	49,054	112 (Residential Use ÷ Residential Population) ÷ 365

2. Residential Population is the total residential population of the service area, including only single family and multi-family populations.

Total Water Loss	Permanent Population	Water Loss	
		GPCD ³	Percent ⁴
195,797,549 Apparent + Real + Unidentified = Total Water Loss	49,054	11	8%

3. (Total Water Loss ÷ Permanent Population) ÷ 365 = Water Loss GPCD
 4. (Total Water Loss ÷ Total System Input) x 100 = Water Loss Percentage

PART B.25

Water Conservation Programs and Activities

As you complete this section, review your utility's water conservation plan to see if you are making progress towards meeting your stated goals.

1. What year did your entity adopt or revise the most recent Water Conservation Plan? 2014
2. Does The Plan incorporate Best Management Practices? Yes No
3. Using the table below select the types of Best Management Practices or water conservation strategies actively administered during this reporting period and estimate the savings incurred in implementing water conservation activities and programs. Leave fields blank if unknown.

Methods and techniques for determining gallons saved are unique to each utility as they conduct internal effective cost analyses and long-term financial planning. Texas Best Management Practices can be found at TWDB's Water Conservation Best Management Practices [webpage](#). The [Alliance for Water Efficiency Water Conservation Tracking Tool](#) may offer guidance on determining and calculating savings for individual BMPs.

Best Management Practice	Check if Implemented	Estimated Gallons Saved
Conservation Analysis and Planning		
Conservation Coordinator	<input type="checkbox"/>	
Cost Effective Analysis	<input type="checkbox"/>	
Water Survey for Single Family and Multi-family Customers	<input type="checkbox"/>	
Financial		
Wholesale Agency Assistance Programs	<input type="checkbox"/>	
Water Conservation Pricing	<input type="checkbox"/>	
System Operations		
Metering New Connections and Retrofitting Existing Connections	<input type="checkbox"/>	
System Water Audit and Loss Control	<input type="checkbox"/>	
Landscaping		
Landscape Irrigation Conservation and Incentives	<input checked="" type="checkbox"/>	10,848,185
Athletic Fields Conservation	<input type="checkbox"/>	
Golf Course Conservation	<input type="checkbox"/>	
Park Conservation	<input type="checkbox"/>	
Education and Public Awareness		
School Education	<input checked="" type="checkbox"/>	10,048,074
Public Information	<input checked="" type="checkbox"/>	10,048,074
Rebate, Retrofit, and Incentive Programs		
Conservation Programs for ICI Accounts	<input type="checkbox"/>	
Residential Clothes Washer Incentive Program	<input type="checkbox"/>	
Water Wise Landscape Design and Conversion Programs	<input checked="" type="checkbox"/>	10,848,185

PART B.25

Water Conservation Plan Annual Report - Retail Water S
 FWD8 Form No. 1965
 Revised 1/23/2015 11:58 AM

Showerhead, Aerator, and Toilet Flapper Retrofit	<input type="checkbox"/>	
Residential Toilet Replacement Programs	<input type="checkbox"/>	
ICI Incentive Programs	<input type="checkbox"/>	
Conservation Technology		
Water Reuse	<input type="checkbox"/>	
New Construction Graywater	<input type="checkbox"/>	
Rainwater Harvesting and Condensate Reuse	<input checked="" type="checkbox"/>	325,000
Regulatory and Enforcement		
Prohibition on Wasting Water	<input type="checkbox"/>	
Other, please describe:		
Total Gallons of Water Saved		42,117,518

4. For this reporting period, provide the estimated gallons of direct or indirect reuse activities.

Reuse Activity	Estimated Volume (in gallons)
On-site irrigation	
Plant wash down	
Chlorination/de-chlorination	
Industrial	
Landscape irrigation (parks, golf courses)	
Agricultural	
Other, please describe:	
Total Volume of Reuse	0

5. For this reporting period, estimate the savings from water conservation activities and programs.

Gallons Saved/Conserved	Gallons Recycled/Reused	Total Volume of Water Saved ⁵	Dollar Value of Water Saved ⁶
42,117,518		42,117,518	\$ 142,357

5. Estimated Gallons Saved/Conserved + Estimated Gallons Recycled/Reused = Total Volume Saved

6. Estimate this value by taking into account water savings, the cost of treatment or purchase of water, and deferred capital costs due to conservation.

PART B.25

Water Conservation Plan Annual Report - Retail Water S
 TWDB Form No.1966
 Revised 1/23/2015 11:58 AM

6. During this reporting period, did your rates or rate structure change? Yes No

Select the type of rate pricing structures used. Check all that apply.

<input type="checkbox"/> Uniform Rates	<input type="checkbox"/> Water Budget Based Rates	<input type="checkbox"/> Surcharge - seasonal
<input checked="" type="checkbox"/> Flat Rates	<input type="checkbox"/> Excess Use Rates	<input type="checkbox"/> Surcharge - drought
<input type="checkbox"/> Inclining/Inverted Block Rates	<input type="checkbox"/> Drought Demand Rates	<input type="checkbox"/> Other, please describe:
<input type="checkbox"/> Declining Block Rates	<input type="checkbox"/> Tailored Rates	
<input type="checkbox"/> Seasonal Rates	<input type="checkbox"/> Surcharge - usage demand	

7. For this reporting period, select the public awareness or educational activities used.

	Implemented	Number/Unit
<i>Example: Brochures Distributed</i>	√	<i>10,000/year</i>
<i>Example: Educational School Programs</i>	√	<i>50 students/manth</i>
Brochures Distributed	<input type="checkbox"/>	
Messages Provided on Utility Bills	<input checked="" type="checkbox"/>	15000
Press Releases	<input type="checkbox"/>	
TV Public Service Announcements	<input checked="" type="checkbox"/>	Movie Tavern PSA
Radio Public Service Announcements	<input type="checkbox"/>	
Educational School Programs	<input checked="" type="checkbox"/>	2100
Displays, Exhibits, and Presentations	<input type="checkbox"/>	400
Community Events	<input type="checkbox"/>	10500
Social Media campaigns	<input type="checkbox"/>	
Facility Tours	<input type="checkbox"/>	
Other :	<input type="checkbox"/>	

PART B.25

Leak Detection and Water Loss

1. During this reporting period, how many leaks were repaired in the system or at service connections? 151

Select the main cause(s) of water loss in your system.

- Leaks and breaks
- Un-metered utility or city uses
- Master meter problems
- Customer meter problems
- Record and data problems
- Other: _____
- Other: _____

2. For this reporting period, provide the following information regarding meter repair:

Type of Meter	Total Number	Total Tested	Total Repaired	Total Replaced
Production Meters	1			
Meters larger than 1 1/2"	762			10
Meters 1 1/2 or smaller	14,424			100

3. Does your system have automated meter reading? Yes No

PART B.25

Program Effectiveness and Drought

1. In your opinion, how would you rank the effectiveness of your conservation activities?

Customer Classification	Less Than Effective	Somewhat Effective	Highly Effective	Does Not Apply
Residential Customers	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Industrial Customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Institutional Customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Commercial Customers	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Agricultural Customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

2. During the reporting period, did you implement your Drought Contingency Plan?

- Yes No

If yes, how many days were water use restrictions in effect? 365

If yes, check the reason(s) for implementing your Drought Contingency Plan.

- | | |
|---|--|
| <input checked="" type="checkbox"/> Water Supply Shortage | <input type="checkbox"/> Equipment Failure |
| <input checked="" type="checkbox"/> High Seasonal Demand | <input type="checkbox"/> Impaired Infrastructure |
| <input type="checkbox"/> Capacity Issues | <input type="checkbox"/> Other: |

3. Select the areas for which you would like to receive more technical assistance:

- | | |
|---|---|
| <input type="checkbox"/> Best Management Practices | <input checked="" type="checkbox"/> Educational Resources |
| <input checked="" type="checkbox"/> Drought Contingency Plans | <input type="checkbox"/> Water Conservation Annual Reports |
| <input checked="" type="checkbox"/> Landscape Irrigation | <input type="checkbox"/> Water Conservation Plans |
| <input type="checkbox"/> Leak Detection and Equipment | <input checked="" type="checkbox"/> Water IQ: Know Your Water |
| <input checked="" type="checkbox"/> Rainwater Harvesting | <input type="checkbox"/> Water Loss Audits |
| <input type="checkbox"/> Rate Structures | <input checked="" type="checkbox"/> Recycling and Reuse |

SUBMIT

**TEXAS WATER DEVELOPMENT BOARD
WATER USE SURVEY**

WATER USE IN CALENDAR YEAR: 2014

SYSTEM NAME: CITY OF BEDFORD
OPERATOR NAME:
MULTIPLE SURVEY ORG:
MAILING ADDRESS 1: 1813 RELIANCE PKWY
MAILING ADDRESS 2:
CITY/STATE/ZIP: BEDFORD TX 76021-
PWS NAME: CITY OF BEDFORD

SURVEY NUMBER: 0062550
PRIMARY USED COUNTY: TARRANT
PRIMARY USED RIVER BASIN: TRINITY
ORGANIZATION MAIN PHONE: 817-952-2200
MAIN EMAIL:
WEB: www.bedfordtx.gov
PWS CODE: 2200003

INTAKE:

Water Type		County	Basin	Aquifer	Well Name (if applicable)		Metered or Estimated	Brackish / Saline (Y or N)	% Treated Prior to Intake	Total Volume (gallons)	
GROUND WATER SELF SUPPLIED		TARRANT	TRINITY	TRINITY AQUIFER			M	N	100.00	104,561,000	
JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
7,382,000	9,160,000	9,902,000	7,052,000	7,251,000	7,971,000	13,199,000	7,926,000	9,402,000	9,690,000	6,027,000	9,599,000
Water Type		County	Basin	Seller Name and/or Seller System		River / Reservoir	Metered or Estimated	Brackish / Saline (Y or N)	% Treated Prior to Intake	Total Volume (gallons)	
SURFACE WATER PURCHASED		TARRANT	TRINITY	TRINITY RIVER AUTHORITY	ARLINGTON DAM 08120	CEDAR CREEK LAKE/RESERVOIR - TRINITY	M	N	100.00	2,485,815,000	
JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
143,523,000	131,714,000	168,935,000	186,960,000	236,187,000	239,047,000	278,957,000	303,927,000	268,297,000	247,110,000	151,251,000	129,907,000

SALES:

Buyer	SALE TYPE (MUNICIPAL or INDUSTRIAL)	COUNTY NAME	BASIN NAME	Water Type	AQUIFER NAME (if GW)	SURFACE WATER Name (if SW)	TOTAL VOLUME (GALLONS)
CITY OF BEDFORD	M			SURFACE WATER			2,485,815,000

CITY CONNECTIONS:

CITY NAME	TOTAL CONNECTIONS
BEDFORD	15,256

CONNECTIONS/USAGE:	CONNECTIONS	VOLUME (GALLONS)
Total Metered Retail	15256	2590376000
Residential - Single Family	14135	1561890000
Residential - Multi Family	294	444865340
Institutional	0	0
Commercial	827	359745000
Industrial	0	0
Agriculture	0	0
Total Unmetered	0	0

WATER SYSTEM INFORMATION:

Estimated full-time residential population served directly by this system	41,722
---	--------

CONTACTS:

LAST NAME	FIRST NAME	TITLE	PHONE	PHONE EXT.	EMAIL
Overstreet	Kenneth	Utilities Manager	817-952-2223		kenneth.overstreet@bedfordtx.gov
Lavery	Jerry	Environmental Supervisor	817-952-2258		jerry.lavery@bedfordtx.gov

**TEXAS WATER DEVELOPMENT BOARD
WATER USE SURVEY**

WATER USE IN CALENDAR YEAR: 2013

SYSTEM NAME: CITY OF BEDFORD
OPERATOR NAME:
MULTIPLE SURVEY ORG:
MAILING ADDRESS 1: 1813 RELIANCE PKWY
MAILING ADDRESS 2:
CITY/STATE/ZIP: BEDFORD TX 76021-
PWS NAME: CITY OF BEDFORD

SURVEY NUMBER: 0062550
PRIMARY USED COUNTY: TARRANT
PRIMARY USED RIVER BASIN: TRINITY
ORGANIZATION MAIN PHONE: 817-952-2200
MAIN EMAIL:
WEB: www.bedfordtx.gov
PWS CODE: 2200003

INTAKE:

Water Type		County	Basin	Aquifer	Well Name (if applicable)		Metered or Estimated	Brackish / Saline (Y or N)	% Treated Prior to Intake	Total Volume (gallons)	
GROUND WATER SELF SUPPLIED		TARRANT	TRINITY	TRINITY AQUIFER			M	N	0.00	221,277,000	
JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
882,000	5,682,000	22,059,000	20,670,000	28,228,000	27,314,000	22,364,000	24,754,000	18,385,000	21,373,000	15,471,000	14,095,000
Water Type		County	Basin	Seller Name and/or Seller System		River / Reservoir	Metered or Estimated	Brackish / Saline (Y or N)	% Treated Prior to Intake	Total Volume (gallons)	
SURFACE WATER PURCHASED		TARRANT	TRINITY	TRINITY RIVER AUTHORITY	ARLINGTON DAM 08120	CEDAR CREEK LAKE/RESERVOIR - TRINITY	M	N	100.00	2,409,337,000	
JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
153,896,000	133,909,000	159,520,000	166,128,000	197,028,000	232,824,000	289,530,000	300,710,000	273,808,000	200,920,000	150,532,000	150,532,000

CONNECTIONS/USAGE:	CONNECTIONS	VOLUME (GALLONS)
Total Metered Retail	15218	2630614000
Residential - Single Family	13607	1463478
Residential - Multi Family	296	405152
Institutional	0	0
Commercial	796	345649
Industrial	0	0
Agriculture	0	0
Total Unmetered	0	0

WATER SYSTEM INFORMATION:

Estimated full-time residential population served directly by this system	47,001
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CONTACTS:

LAST NAME	FIRST NAME	TITLE	PHONE	PHONE EXT.	EMAIL
Overstreet	Kenneth	Utilities Manager	817-952-2223		kenneth.overstreet@bedfordtx.gov

**TEXAS WATER DEVELOPMENT BOARD
WATER USE SURVEY**

WATER USE IN CALENDAR YEAR: 2012

SYSTEM NAME: CITY OF BEDFORD
OPERATOR NAME:
MULTIPLE SURVEY ORG:
MAILING ADDRESS 1: 1813 RELIANCE PKWY
MAILING ADDRESS 2:
CITY/STATE/ZIP: BEDFORD TX 76021-
PWS NAME: CITY OF BEDFORD

SURVEY NUMBER: 0062550
PRIMARY USED COUNTY: TARRANT
PRIMARY USED RIVER BASIN: TRINITY
ORGANIZATION MAIN PHONE: 817-952-2200
MAIN EMAIL:
WEB: www.bedfordtx.gov
PWS CODE: 2200003

INTAKE:

Water Type		County	Basin	Aquifer	Well Name (if applicable)		Metered or Estimated	Brackish / Saline (Y or N)	% Treated Prior to Intake	Total Volume (gallons)	
GROUND WATER SELF SUPPLIED		TARRANT	TRINITY	TRINITY AQUIFER			M	N	0.00	157,086,000	
JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
15,443,000	20,251,000	20,139,000	12,078,000	14,375,000	17,706,000	19,556,000	2,348,000	0	11,412,000	13,969,000	9,809,000
Water Type		County	Basin	Seller Name and/or Seller System		River / Reservoir	Metered or Estimated	Brackish / Saline (Y or N)	% Treated Prior to Intake	Total Volume (gallons)	
SURFACE WATER PURCHASED		TARRANT	TRINITY	TRINITY RIVER AUTHORITY	ARLINGTON DAM 08120	CEDAR CREEK LAKE/RESERVOIR - TRINITY	M	N	0.00	2,797,340,000	
JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
134,815,000	117,924,000	141,259,000	169,421,000	258,399,000	265,896,000	366,666,000	370,873,000	332,710,000	245,214,000	215,036,000	179,127,000

CONNECTIONS/USAGE:	CONNECTIONS	VOLUME (GALLONS)
Total Metered Retail	14710	2615577741
Residential - Single Family	13599	0
Residential - Multi Family	294	0
Institutional	0	0
Commercial	817	0
Industrial	0	0
Agriculture	0	0
Total Unmetered	0	694741

WATER SYSTEM INFORMATION:

Estimated full-time residential population served directly by this system	47,183
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CONTACTS:

LAST NAME	FIRST NAME	TITLE	PHONE	PHONE EXT.	EMAIL
Garnett	Rick	Environmental Specialist	817-952-2258		Rick.Garnett@bedfordtx.gov

PART B.27
TEXAS WATER DEVELOPMENT BOARD
P.O. BOX 13231, CAPITOL STATION
AUSTIN, TX 78711-3231

2014 Water Audit Report

D. Water Losses

23. Water Losses 195,797,549 gallons
(Line 17 minus Line 22)

E. Apparent Losses

24. Average Customer Meter Accuracy (Enter percentage)	<u>96.00</u> %	<u>2</u>
25. Customer Meter Accuracy Loss	<u>98,604,208</u> gallons	
26. Systematic Data Handling Discrepancy	<u>0</u> gallons	<u>0</u>
27. Unauthorized Consumption	<u>6,486,832</u> gallons	<u>0</u>
28. Total Apparent Losses	<u>105,091,040</u> gallons	

F. Real Losses

29. Reported Breaks and Leaks (Estimated volume of leaks & breaks repaired during the audit period)	<u>944,700</u> gallons	<u>3</u>
30. Unreported Loss (Includes all unknown water loss)	<u>89,761,809</u> gallons	<u>0</u>
31. Total Real Losses (Line 29, plus Line 30)	<u>90,706,509</u> gallons	
32. Water Losses (Apparent + Real) (Line 28 plus Line 31) = Line 23	<u>195,797,549</u> gallons	
33. Non-revenue Water (Water Losses + Unbilled Authorized Consumption) (Line 32, plus Line 20, plus Line 21)	<u>228,231,708</u> gallons	

G. Technical Performance Indicator for Apparent Loss

34. Apparent Losses Normalized 19 gallons
(Apparent Loss Volume / # of Retail Service Connections/365)

H. Technical Performance Indicators for Real Loss

35. Real Loss Volume (Line 31)	<u>90,706,509</u> gallons	
36. Unavoidable Annual Real Losses, volume (calculated)	<u>70,456,680</u> gallons	
37. Infrastructure Leakage Index (calculated) (Equals real loss volume divided by unavoidable annual real losses)	<u>1.28740</u>	
38. Real Losses Normalized (Real Loss Volume / # of Service Connections / 365) (This indicator applies if service connection density is greater than or equal to 32 / mile)	<u>16</u> gallons	

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P.O. BOX 13231, CAPITOL STATION
AUSTIN, TX 78711-3231

2014 Water Audit Report

39. Real Losses Normalized (Real Loss Volume/Miles of Main Lines/365) (This indicator applies if service connection density is less than 32/mile)	<u>0</u> gallons	
I. Financial Performance Indicators		Assessment Scale
40. Total Apparent Losses (Line 28)	<u>105,091,040</u> gallons	
41. Retail Price of Water	<u>\$0.00338</u>	<u>2</u>
42. Cost of Apparent Losses (Apparent loss volume multiplied by retail cost of water, Line 40 x Line 41)	<u>\$355,207.72</u>	
43. Total Real Losses (Line 31)	<u>90,706,509.38</u>	
44. Variable Production Cost of Water* (*Note: in case of water shortage, real losses might be valued at the retail price of water instead of the variable production cost.)	<u>\$0.00338</u>	<u>3</u>
45. Cost of Real Losses (Real Loss multiplied by variable production cost of water, Line 43 x Line 44)	<u>\$306,588.00</u>	
46. Total Assessment Scale		<u>23</u>
47. Total Cost Impact of Apparent and Real Losses	<u>\$661,795.72</u>	
48. Comments		
49. Total Water Loss %	<u>7.55</u> %	
50. GPCD (Gallons Per Capita Per Day) Input	<u>170.39</u>	
51. GPCD (Gallons Per Capita Per Day) Loss	<u>12.86</u>	

PART B.27
TEXAS WATER DEVELOPMENT BOARD
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AUSTIN, TX 78711-3231

2013 Water Audit Report

D. Water Losses

23. **Water Losses** 154,403,102 gallons
(Line 17 minus Line 22)

E. Apparent Losses

24. Average Customer Meter Accuracy (Enter percentage)	<u>96.00</u> %	<u>2</u>
25. Customer Meter Accuracy Loss	<u>101,585,125</u> gallons	
26. Systematic Data Handling Discrepancy	<u>0</u> gallons	<u>0</u>
27. Unauthorized Consumption	<u>6,563,155</u> gallons	<u>2</u>
28. Total Apparent Losses	<u>108,148,280</u> gallons	

F. Real Losses

29. Reported Breaks and Leaks (Estimated volume of leaks & breaks repaired during the audit period)	<u>4,252,508</u> gallons	<u>4</u>
30. Unreported Loss (Includes all unknown water loss)	<u>42,002,314</u> gallons	<u>0</u>
31. Total Real Losses (Line 29, plus Line 30)	<u>46,254,822</u> gallons	
32. Water Losses (Apparent + Real) (Line 28 plus Line 31) = Line 23	<u>154,403,102</u> gallons	
33. Non-revenue Water (Water Losses + Unbilled Authorized Consumption) (Line 32, plus Line 20, plus Line 21)	<u>187,218,875</u> gallons	

G. Technical Performance Indicator for Apparent Loss

34. Apparent Losses Normalized 20 gallons
(Apparent Loss Volume / # of Retail Service Connections/365)

H. Technical Performance Indicators for Real Loss

35. Real Loss Volume (Line 31)	<u>46,254,822</u> gallons	
36. Unavoidable Annual Real Losses, volume (calculated)	<u>68,548,095</u> gallons	
37. Infrastructure Leakage Index (calculated) (Equals real loss volume divided by unavoidable annual real losses)	<u>0.67480</u>	
38. Real Losses Normalized (Real Loss Volume / # of Service Connections / 365) (This indicator applies if service connection density is greater than 32 / mile)	<u>8</u> gallons	

PART B.27
TEXAS WATER DEVELOPMENT BOARD
P.O. BOX 13231, CAPITOL STATION
AUSTIN, TX 78711-3231
2013 Water Audit Report

39. Real Losses Normalized (Real Loss Volume/Miles of Main Lines/365) (This indicator applies if service connection density is less than 32/mile)	<u>768</u> gallons	
I. Financial Performance Indicators		Assessment Scale
40. Total Apparent Losses (Line 28)	<u>108,148,280</u> gallons	
41. Retail Price of Water	<u>\$3.11000</u>	<u>2</u>
42. Cost of Apparent Losses (Apparent loss volume multiplied by retail cost of water, Line 40 x Line 41)	<u>\$336,341,149.83</u>	
43. Total Real Losses (Line 31)	<u>46,254,821.88</u>	
44. Variable Production Cost of Water* (*Note: in case of water shortage, real losses might be valued at the retail price of water instead of the variable production cost.)	<u>\$0.00220</u>	<u>3</u>
45. Cost of Real Losses (Real Loss multiplied by variable production cost of water, Line 43 x Line 44)	<u>\$101,760.61</u>	
46. Total Assessment Scale		<u>26</u>
47. Total Cost Impact of Apparent and Real Losses	<u>\$336,442,910.44</u>	
48. Comments		
49. Total Water Loss %	<u>5.88</u> %	

FILED
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2007 FEB 21 PM 2:57
SUZANNE HENDERSON
COUNTY CLERK
BY: *[Signature]*

D207062629

CCN 10075 & 20027 Certification

THE STATE OF TEXAS &
COUNTY OF TARRANT'S

CERTIFICATION

I, Shonae Jennings, City Secretary for the City of Bedford, Texas, do hereby certify that I am the custodian of the records of the City of Bedford, Texas, and that the attached is a true and correct copy of the map and boundary description of the service area by The Texas State Plane Coordinate System.

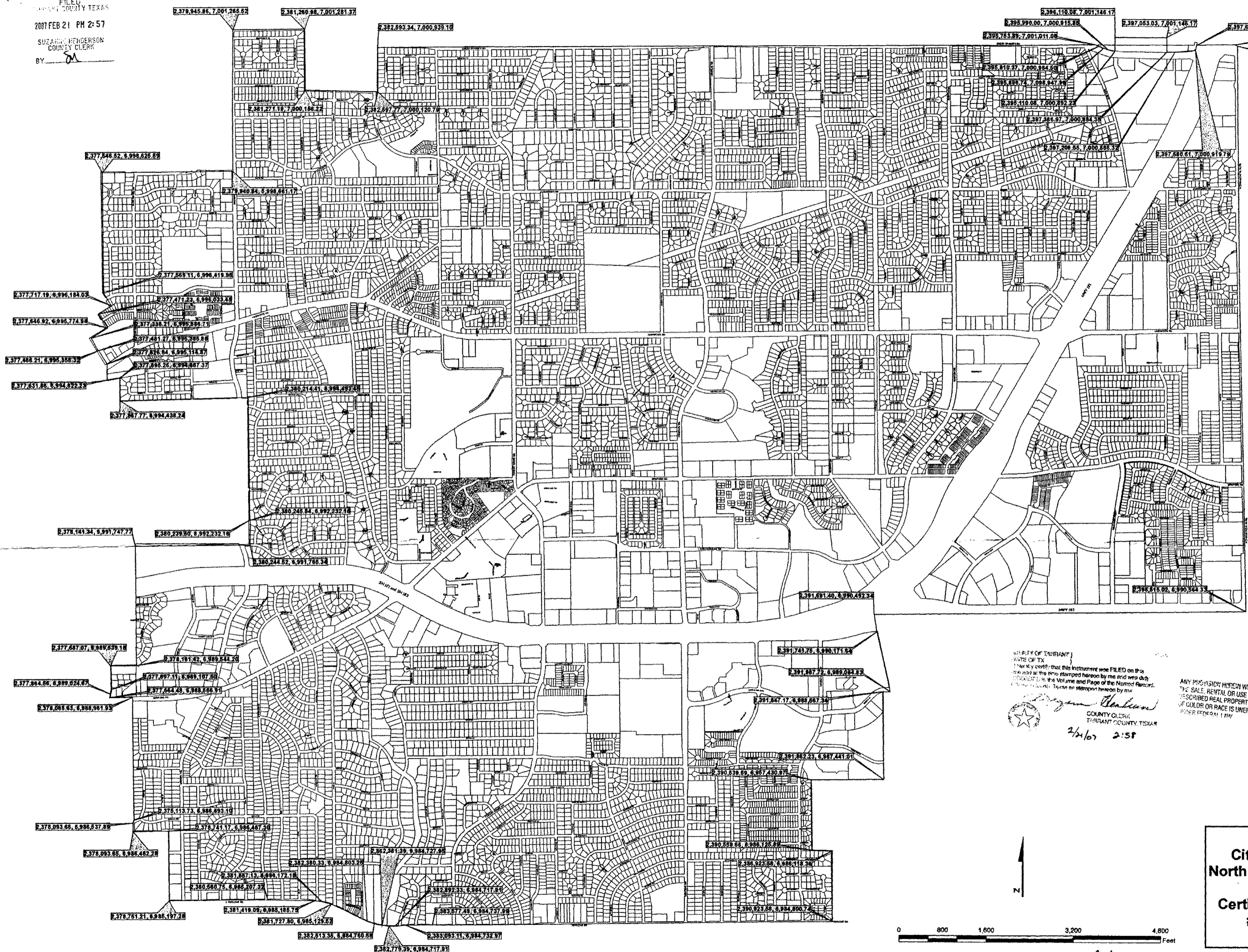
WITNESS MY HAND AND OFFICIAL SEAL of the City of Bedford, Texas this the 21st day of February 2007.

[Signature]
Shonae Jennings
City Secretary
City of Bedford



A 11711 A

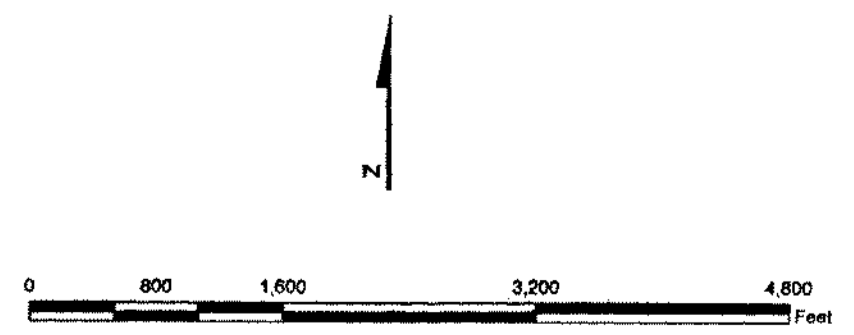
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CLERK OF TARRANT COUNTY TEXAS
I hereby certify that this instrument was FILED on this day at the time stamped hereon by me and was duly recorded in the Volume and Page of the Named Record. This is to certify to the date and time stamped hereon by me.
[Signature]
COUNTY CLERK
TARRANT COUNTY, TEXAS
2/21/07 2:58

ANY POSITION HEREIN WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS UNENFORCEABLE UNDER FEDERAL LAW.

[Signature]
2/21/07



City Limits
City of Bedford, Tarrant County, Texas
North Central Texas State Plane Coordinates
NAD 1983
Certificate of Convenience and Necessity
#10075-Water and #20027- Sewer
February 2007

A 11716



**WATER
CONSERVATION
PLAN FOR THE
CITY OF
BEDFORD**

**Prepared:
MAY 2009**

**Revised:
July 2014**

Thomas L. Hoover, P.E.
Public Works Director

Jerry Laverty
Environmental Supervisor

**CITY OF BEDFORD
PUBLIC WORKS**
1813 Reliance Pkwy
Bedford, TX 76021
(817) 952-2200

PART B.25

ACKNOWLEDGEMENTS

This water conservation plan is based on the model water conservation plan prepared by the Tarrant Regional Water District (TRWD). The TRWD adapted the plan to maintain a consistent and regional approach to water conservation strategies. This plan was prepared pursuant to Texas Commission on Environmental Quality rules. Some material is based on the existing water conservation plans listed in Appendix A.

Questions regarding this water conservation plan should be addressed to the following:

Thomas L. Hoover, P.E.
City of Bedford
Public Works
Director
(817) 952-2200
Thomas.hoover@bedfordtx.gov

Jerry Laverty
City of Bedford
Public Works
Environmental Supervisor
(817) 952-2200
Jerry.laverty@bedfordtx.gov

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APPENDICES

APPENDIX A

List of References

APPENDIX B

Texas Commission on Environmental Quality Rules on Municipal Water Conservation Plans

- Texas Administrative Code Title 30, Part 1, Chapter 288, Subchapter A, Rule §288.1 – Definitions (Page B-1)
- Texas Administrative Code Title 30, Part 1, Chapter 288, Subchapter A, Rule §288.2 – Water Conservation Plans for Municipal Uses by Public Water Suppliers (Page B-4)

APPENDIX C

Water Utility Profile and Water Conservation Report

APPENDIX D

Landscape Water Management Regulations

APPENDIX E

Letter to Region C Water Planning Group

APPENDIX F

Adoption of Water Conservation Plan

- Municipal Ordinance Adopting Water Conservation Plan
- Municipal Ordinance Amendment to the Adoption of Water Conservation Plan

APPENDIX G

Illegal Water Connections and Theft of Water

- Municipal Ordinance Pertaining to Illegal Water Connections and Theft of Water

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Water Conservation Plan

City of Bedford

July 2014

1. INTRODUCTION AND OBJECTIVES

Having a dependable water supply has always been a key issue in the development of Texas. The growing population and economic expansion occurring in North Central Texas are placing increased demands on our water supplies. The latest population projections predict the number of people residing in Texas to more than double between the years 2000 and 2060, growing from about 21 million to nearly 46 million within that time span. The Texas Water Development Board predicts water demands to increase by 27 percent. In order to meet the challenge of providing for our current and future needs we must learn to use the water we already have more efficiently. By stretching our existing supplies we can delay the need for new supplies, minimize the environmental impacts associated with developing new water resources, and postpone the high cost of building the infrastructure (dams, treatment facilities, and pipelines) necessary to capture, treat, and transport the additional water into our homes and businesses.

Recognizing the need for efficient use of existing water supplies, the Texas Commission on Environmental Quality (TCEQ) has developed guidelines and requirements governing the development of water conservation plans for public water suppliers¹. TCEQ guidelines and requirements are included in Appendix B.

The objectives of this water conservation plan are as follows:

- To reduce water consumption from the levels that would prevail without conservation efforts.
- To reduce the loss and waste of water.
- To improve efficiency in the use of water.
- To extend the life of current water supplies by reducing the rate of growth in demand.

¹ Superscripted numbers match references listed in Appendix A.

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2. TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES

The TCEQ rules governing development of water conservation plans for public water suppliers are contained in Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2 of the Texas Administrative Code, which is included in Appendix B. For the purpose of these rules, a water conservation plan is defined as “A strategy or combination of strategies for reducing the volume of water withdrawn from a water supply source, for reducing the loss or waste of water, for maintaining or improving the efficiency in the use of water, for increasing the recycling and reuse of water, and for preventing the pollution of water.”¹ The elements in the TCEQ water conservation rules covered in this conservation plan are listed below.

Minimum Conservation Plan Requirements

The minimum requirements in the Texas Administrative Code for Water Conservation Plans for Public Water Suppliers are covered in this report as follows:

- 288.2(a)(1)(A) – Utility Profile – Section 3 and Appendix C
- 288.2(a)(1)(C) – Specification of Goals – Section 4
- 288.2(a)(1)(D) – Accurate Metering – Sections 5.1 and 5.2
- 288.2(a)(1)(E) – Universal Metering – Section 5.2
- 288.2(a)(1)(F) – Determination and Control of Unaccounted Water – Section 5.4
- 288.2(a)(1)(G) – Public Education and Information Program – Section 6
- 288.2(a)(1)(H) – Non-Promotional Water Rate Structure – Section 7
- 288.2(a)(1)(I) – Reservoir System Operation Plan – Section 8.1
- 288.2(a)(1)(J) – Means of Implementation and Enforcement – Section 9
- 288.2(a)(1)(K) – Coordination with Regional Water Planning Group – Section 8.6 and Appendix E

Conservation Additional Requirements (Population over 5,000)

The Texas Administrative Code includes additional requirements for water conservation plans for cities with a population over 5,000:

- 288.2(a)(2)(A) – Leak Detection, Repair, and Water Loss Accounting – Sections 5.4, 5.5, and 5.6
- 288.2(a)(1)(B) – Record Management System – Section 5.3
- 288.2(a)(2)(B) – Requirement for Water Conservation Plans by Wholesale Customers – Section 8.5

PART B.25

Additional Conservation Strategies

TCEQ rules also list additional optional but not required conservation strategies, which may be adopted by suppliers. The following optional strategies are included in this plan:

- 288.2(a)(3)(A) – Conservation Oriented Water Rates – Section 7
- 288.2(a)(3)(B) – Ordinances, Plumbing Codes or Rules on Water-Conserving Fixtures – Section 8.3
- 288.2(a)(3)(D) – Reuse and Recycling of Wastewater – Section 8.2
- 288.2(a)(3)(F) – Considerations for Landscape Water Management Regulations – Section 8.4 and Appendix D
- 288.2(a)(3)(G) – Monitoring Method – Section 5.6

TCEQ rules for landscape irrigation include water conservation requirements in Title 30 Chapter 344:

- 344.6 – 344.65 – Subchapter F Standards for Designing, Installing, and Maintaining Landscape Irrigation Systems – Section 8.4

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3. WATER UTILITY PROFILE

Appendix C to this water conservation plan is a modified water utility profile based on the format recommended by the TCEQ. Some additional sections were added in order to gather the information necessary to assess the effectiveness of the City water conservation plan.

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4. SPECIFICATION OF WATER CONSERVATION GOALS

Current TCEQ rules require the adoption of specific water conservation goals for a water conservation plan. As part of plan adoption, The City will develop 5-year and 10-year goals for per capita municipal use, following TCEQ procedures described in the water utility profile (Appendix C). The goals for this water conservation plan include the following:

- Keep the per capita municipal water use below the specified amount in gallons per capita per day in a dry year. Municipal use for 2008 was 156 GPDC.

Target Goal Year	2019	2029
Target Goal for Municipal Use GPCD (gallons per capita per day)	153 GPCD	140 GPCD
Target Goal for Residential Use GPCD	141 GPCD	140 GPCD

The goals are based on the recommendations of the Texas Water Conservation Implementation Task Force which suggest a 1% reduction in gallons per capita per day per year. A water consumption level of 140 gallons per person per day is the statewide recommendation of the Task Force. The Task Force was established per Senate Bill 1094 in 2004 to evaluate matters concerning water conservation.

It should be noted that all the performance indicators outlined above are developed assuming a year of average rainfall.

- Keep the level of unaccounted water in the system below 12% annually in 2008 and subsequent years, as discussed in Section 5.4.
- Implement and maintain a program of universal metering and meter replacement and repair, as discussed in Section 5.2.
- Decrease waste in lawn irrigation by implementation and enforcement of landscape water management regulations, as discussed in Section 8.4.
- Raise public awareness of water conservation and encourage responsible public behavior by a public education and information program, as discussed in Section 6.
- Develop a system specific strategy to conserve water during peak demands, thereby reducing the peak use.

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5. METERING, WATER USE RECORDS, CONTROL OF UNACCOUNTED WATER, AND LEAK DETECTION AND REPAIR

One of the key elements in water conservation is careful tracking of water use and control of losses through illegal diversions and leaks. Careful metering of water deliveries and water use, detection and repair of leaks in the distribution system and regular monitoring of unaccounted water are important in controlling losses.

5.1 Accurate Metering of Treated Water Deliveries from the Trinity River Authority

Trinity River Authority supplies all of the water used by the City of Bedford. Water deliveries are metered by the Trinity River Authority using meters with accuracy of $\pm 2\%$. These meters are calibrated on a monthly basis by the Trinity River Authority to maintain the required accuracy.

5.2 Metering of Customer and Public Uses and Meter Testing, Repair, and Replacement

All connections to the water system are metered connections. All meters will be maintained with acceptable operating accuracy range as defined by the manufacturer or AWWA Standard for meter accuracy, whichever is more stringent. The City of Bedford changes out 100 residential meters per month. A dead meter list is maintained on a monthly basis to detect stopped meters. The City does not conduct meter testing; instead these meters are replaced on a 10 year replacement cycle.

5.3 Record Management System

As required by TAC Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2(a)(1)(B), the City record management system allows for the separation of water sales and uses into residential, commercial, public/institutional, and industrial categories. This information is maintained and tracked by the Customer Service Department.

5.4 Determination and Control of Unaccounted Water

Unaccounted water is the difference between water delivered to customers and metered deliveries to customers plus authorized but unmetered uses. (Authorized but unmetered uses would include use for fire fighting, releases for flushing of lines, and uses associated with new construction.) Unaccounted water can include several categories:

- Inaccuracies in customer meters.
- Accounts which are being used but have not yet been added to the billing system.
- Losses due to water main breaks and leaks in the water distribution system.
- Losses due to illegal connections and theft. (Included in Appendix G.)

PART B.25

- Other.

Measures to control unaccounted water are part of the routine operations of the City of Bedford. Maintenance crews and personnel are asked to look for and report evidence of leaks in the water distribution system. The leak detection and repair program is described in Section 5.5 below. Meter readers are asked to watch for and report signs of illegal connections, so they can be addressed quickly.

Unaccounted water is calculated in Appendix C. With the measures described in this plan, the City intends to maintain the unaccounted water below 6% in 2013 and subsequent years. If unaccounted water exceeds this goal, The City will implement a more intensive audit to determine the source(s) of and reduce the unaccounted water. The annual conservation report described below is the primary tool used to monitor unaccounted water.

5.5 Leak Detection and Repair

As described above, City crews and personnel are asked to look for and report evidence of leaks in the water distribution system. Areas of the water distribution system in which numerous leaks and line breaks occur are targeted for replacement as funds are available.

5.6 Monitoring of Effectiveness and Efficiency - Annual Water Conservation Report

Appendix C is a Water Utility Profile form that will be used in the development of an annual water conservation report for the City. This form will be completed by May 1 of the following year and will be used to monitor the effectiveness and efficiency of the water conservation program and to plan conservation-related activities for the next year. The form records the water use by category, per capita municipal use, and unaccounted water for the current year and compares them to historical values. The Water Utility Profile and annual Water Conservation Report will also be sent to TRWD, which will monitor regional water conservation trends.

PART B.25

6. CONTINUING PUBLIC EDUCATION AND INFORMATION CAMPAIGN

The continuing public education and information campaign on water conservation includes the following elements:

- Insert water conservation information with water bills. Inserts will include material developed by City staff and material obtained from TRWD, TWDB, TCEQ, and other sources.
- Encourage local media coverage of water conservation issues and the importance of water conservation.
- Notify local organizations, schools, and civic groups, such as Home Owners' Associations and the Beautification Committee, that City staff and staff of the Tarrant Regional Water District are available to make presentations on the importance of water conservation and ways to save water.
- Make information on *Texas Smartscape* principles, water conservation brochures, and other water conservation materials available to the public at City Hall and other public places.
- Continue to update the information on water conservation available on the City website and include links to the *Texas Smartscape* Web site and to information on water conservation on TRWD, TWDB, and TCEQ Web sites.

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7. WATER RATE STRUCTURE

The City will adopt, within five years or in conjunction with any water rate study, an increasing block rate structure. Current water rates can be found in the Schedule of Fees.

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8. OTHER WATER CONSERVATION MEASURES

8.1 Reservoir System Operation Plan

The City of Bedford is a customer of the Trinity River Authority, which purchases untreated surface water from the Tarrant Regional Water District. The City of Bedford does not have surface water supplies for which to implement a reservoir system operation plan.

8.2 Reuse and Recycling of Wastewater

The City of Bedford is a customer of the Trinity River Authority, which treats the City's wastewater.

8.3 Ordinances, Plumbing Codes, or Rules on Water-Conserving Fixtures

The State of Texas has required water-conserving fixtures in new construction and renovations since 1992. The state standards call for flows of no more than 2.5 gallons per minute (gpm) for faucets, 3.0 gpm for showerheads, and 1.6 gallons per flush for toilets. Similar standards are now required nationally under federal law. These state and federal standards assure that all new construction and renovations will use water-conserving fixtures.

The City of Bedford will collaborate with the Tarrant Regional Water District and other customer cities in exploring the possibility of a joint purchase effort to establish a regional rebate or incentive program to encourage citizens to retrofit their homes with water-conserving fixtures. The City's participation would be dependent upon available funding.

8.4 Landscape Water Management Regulations

Appendix D is a summary of landscape water management regulations adopted as part of the development of this water conservation plan. These regulations are intended to minimize waste in landscape irrigation. The regulations include the following elements:

- Prohibition of outdoor watering with sprinklers from 10:00 a.m. to 6:00 p.m. every day from June 1 through September 30. (Resetting of watering times in sprinkler systems is recommended to comply with the water schedule. Watering with hand-held hoses, soaker hoses, or dispensers is allowed.)
Requirement that all new irrigation systems include rain and freeze sensors capable of multiple programming. Any irrigation system installed before August 1, 2008 may not be operated after August 1, 2010 without being equipped with rain and freeze sensors. This requirement does not apply to a single family residential or duplex property, or an individual metered townhome or condominium unit. Existing residential irrigation systems are encouraged to be retrofitted with similar rain and freeze sensors.

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- Requirement that all new irrigation systems be in compliance with state design and installation regulations (TAC Title 30, Part 1, Chapter 344).
- Prohibition of irrigation systems that spray directly onto impervious surfaces or onto other non-irrigated areas. (Wind driven water drift will be taken into consideration.)
- Prohibition of use of poorly maintained sprinkler systems that waste water.
- Prohibition of outdoor watering during any form of precipitation.
- Enforcement of the regulations by a system of warnings followed by fines for continued or repeat violations.

8.5 Coordination with Regional Water Planning Group and TRWD

Appendix E includes a letter sent to the Chair of the Region C Water Planning Group with this water conservation plan. Each customer (direct and indirect) is required to send a copy of their draft ordinance(s) or regulation(s) implementing the plan and their water utility profile to TRWD for review and comment. The adopted ordinance(s) or regulation(s) and the adopted water utility profile will also be sent to TRWD.

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9. IMPLEMENTATION AND ENFORCEMENT OF THE WATER CONSERVATION PLAN

Appendix F contains a copy of the ordinance adopted by the City Council that designates responsible officials to implement and enforce the water conservation plan.

Appendix D contains copies of ordinances currently in place to enforce proper landscape water management, which also includes information about enforcement.

Appendix G contains a copy of an ordinance related to illegal connections and water theft.

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APPENDIX A

LIST OF REFERENCES

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Appendix A List of References

- (1) Title 30 of the Texas Administrative Code, Part 1, Chapter 288, Subchapter A, Rules 288.1 and 288.5, and Subchapter B, Rule 288.22, downloaded from <http://www.tceq.state.tx.us/assets/public/legal/rules/rules/pdflib/288a.pdf>, March 2007.
- (2) Texas Water Development Board: "Report 362 – Water Conservation Best Management Practices," prepared by Water Conservation Implementation Task Force, Austin, November 2004.

The TRWD model water conservation plan used in developing this plan was largely adapted from the following two plans:

- North Texas Municipal Water District: "Model Drought Contingency Plan for North Texas Municipal Water District Member Cities and Customers," prepared by Freese and Nichols, Inc., Fort Worth, August 2004.
- Tarrant Regional Water District: "Water Conservation and Drought Contingency Plan," adopted by the Board of Directors, Fort Worth, May 2005 with revisions in May 2007.

The following conservation and drought contingency plans and related documents were reviewed in the development of this plan. References marked with a * were used heavily in the development of this plan.

- *City of Dallas Water Utilities Department: "City of Dallas Water Management Plan," adopted by the City Council, Dallas, September 1999.
- *City of Dallas Water Utilities Department: "City of Dallas Water Conservation Plan," adopted by the City Council, Dallas, September 1999.
- *City of Fort Worth: "Water Conservation plan for the City of Fort Worth," Fort Worth, August 1999.
- *City of Fort Worth: "Emergency Water Management Plan for the City of Fort Worth," Fort Worth, August 19, 2003.
- *City of Dallas: "City of Dallas Ordinances, Chapter 49, Section 21.1," Dallas, October 1, 2001.

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APPENDIX B

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES ON MUNICIPAL WATER CONSERVATION PLANS

PART B.25

**Texas Commission on Environmental Quality Rules on Water Conservation Plans for
Municipal Uses by Public Water Suppliers
Texas Administrative Code**

TITLE 30

PART 1

CHAPTER 288

SUBCHAPTER A

RULE §288.1

ENVIRONMENTAL QUALITY

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

CONSERVATION PLANS, DROUGHT CONTINGENCY PLANS,
GUIDELINES AND REQUIREMENTS

WATER CONSERVATION PLANS

Definitions

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise

(1) Agricultural or Agriculture--Any of the following activities:

(A) cultivating the soil to produce crops for human food, animal feed, or planting seed or for the production of fibers;

(B) the practice of floriculture, viticulture, silviculture, and horticulture, including the cultivation of plants in containers or non-soil media by a nursery grower

(C) raising, feeding, or keeping animals for breeding purposes or for the production of food or fiber, leather, pelts, or other tangible products having a commercial value;

(D) raising or keeping equine animals;

(E) wildlife management; and

(F) planting cover crops, including cover crops cultivated for transplantation, or leaving land idle for the purpose of participating in any governmental program or normal crop or livestock rotation procedure.

(2) Agricultural use--Any use or activity involving agriculture, including irrigation.

(3) Best management practices--Voluntary efficiency measures that save a quantifiable amount of water, either directly or indirectly, and that can be implemented within a specific time frame.

(4) Conservation--Those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water, or increase the recycling and reuse of water so that a water supply is made

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available for future or alternative uses.

(5) Commercial use--The use of water by a place of business, such as a hotel, restaurant, or office building. This does not include multi-family residences or agricultural, industrial, or institutional users.

(6) Drought contingency plan--A strategy or combination of strategies for temporary supply and demand management responses to temporary and potentially recurring water supply shortages and other water supply emergencies. A drought contingency plan may be a separate document identified as such or may be contained within another water management document(s).

(7) Industrial use--The use of water in processes designed to convert materials of a lower order of value into forms having greater usability and commercial value, and the development of power by means other than hydroelectric, but does not include agricultural use.

(8) Institutional use--The use of water by an establishment dedicated to public service, such as a school, university, church, hospital, nursing home, prison or government facility. All facilities dedicated to public service are considered institutional regardless of ownership.

(9) Irrigation--The agricultural use of water for the irrigation of crops, trees, and pastureland, including, but not limited to, golf courses and parks which do not receive water from a public water supplier.

(10) Irrigation water use efficiency--The percentage of that amount of irrigation water which is beneficially used by agriculture crops or other vegetation relative to the amount of water diverted from the source(s) of supply. Beneficial uses of water for irrigation purposes include, but are not limited to, evapotranspiration needs for vegetative maintenance and growth, salinity management, and leaching requirements associated with irrigation.

(11) Mining use--The use of water for mining processes including hydraulic use, drilling, washing sand and gravel, and oil field re-pressuring.

(12) Municipal use--The use of potable water provided by a public water supplier as well as the use of sewage effluent for residential, commercial, industrial, agricultural, institutional, and wholesale uses.

(13) Nursery grower--A person engaged in the practice of floriculture, viticulture, silviculture, and horticulture, including the cultivation of plants in containers or nonsoil media, who grows more than 50% of the products that the person either sells or leases,

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regardless of the variety sold, leased, or grown. For the purpose of this definition, grow means the actual cultivation or propagation of the product beyond the mere holding or maintaining of the item prior to sale or lease, and typically includes activities associated with the production or multiplying of stock such as the development of new plants from cuttings, grafts, plugs, or seedlings.

(14) Pollution--The alteration of the physical, thermal, chemical, or biological quality of, or the contamination of, any water in the state that renders the water harmful, detrimental, or injurious to humans, animal life, vegetation, or property, or to the public health, safety, or welfare, or impairs the usefulness or the public enjoyment of the water for any lawful or reasonable purpose.

(15) Public water supplier--An individual or entity that supplies water to the public for human consumption.

(16) Residential use--The use of water that is billed to single and multi-family residences, which applies to indoor and outdoor uses.

(17) Residential gallons per capita per day--The total gallons sold for residential use by a public water supplier divided by the residential population served and then divided by the number of days in the year.

(18) Regional water planning group--A group established by the Texas Water Development Board to prepare a regional water plan under Texas Water Code, §16.053.

(19) Retail public water supplier--An individual or entity that for compensation supplies water to the public for human consumption. The term does not include an individual or entity that supplies water to itself or its employees or tenants when that water is not resold to or used by others.

(20) Reuse--The authorized use for one or more beneficial purposes of use of water that remains unconsumed after the water is used for the original purpose of use and before that water is either disposed of or discharged or otherwise allowed to flow into a watercourse, lake, or other body of state-owned water.

(21) Total use--The volume of raw or potable water provided by a public water supplier to billed customer sectors or nonrevenue uses and the volume lost during conveyance, treatment, or transmission of that water.

(22) Total gallons per capita per day (GPCD)--The total amount of water diverted and/or pumped for potable use divided by the total permanent population divided by the days of the year. Diversion volumes of reuse as defined in this chapter shall be credited against total diversion volumes for the purposes of calculating GPCD for targets and goals.

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(23) Water conservation plan--A strategy or combination of strategies for reducing the volume of water withdrawn from a water supply source, for reducing the loss or waste of water, for maintaining or improving the efficiency in the use of water, for increasing the recycling and reuse of water, and for preventing the pollution of water. A water conservation plan may be a separate document identified as such or may be contained within another water management document(s).

(24) Wholesale public water supplier--An individual or entity that for compensation supplies water to another for resale to the public for human consumption. The term does not include an individual or entity that supplies water to itself or its employees or tenants as an incident of that employee service or tenancy when that water is not resold to or used by others, or an individual or entity that conveys water to another individual or entity, but does not own the right to the water which is conveyed, whether or not for a delivery fee.

(25) Wholesale use--Water sold from one entity or public water supplier to other retail water purveyors for resale to individual customers.

Source Note: The provisions of this §288.1 adopted to be effective May 3, 1993, 18 TexReg 2558; amended to be effective February 21, 1999, 24 TexReg 949; amended to be effective April 27, 2000, 25 TexReg 3544; amended to be effective August 15, 2002, 27 TexReg 7146; amended to be effective October 7, 2004, 29 TexReg 9384; amended to be effective January 10, 2008, 33 TexReg 193; amended to be effective December 6, 2012, 37 TexReg 9515

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Texas Administrative Code

TITLE 30

PART 1

CHAPTER 288

SUBCHAPTER A

RULE §288.2

ENVIRONMENTAL QUALITY

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

WATER CONSERVATION PLANS, DROUGHT CONTINGENCY PLANS, GUIDELINES AND REQUIREMENTS

WATER CONSERVATION PLANS

Water Conservation Plans for Municipal Uses by Public Water Suppliers

(a) A water conservation plan for municipal water use by public water suppliers must provide information in response to the following. If the plan does not provide information for each requirement, the public water supplier shall include in the plan an explanation of why the requirement is not applicable.

(1) Minimum requirements. All water conservation plans for municipal uses by public water suppliers must include the following elements:

(A) a utility profile in accordance with the Texas Water Use Methodology, including, but not limited to, information regarding population and customer data, water use data (including total gallons per capita per day (GPCD) and residential GPCD), water supply system data, and wastewater system data;

(B) a record management system which allows for the classification of water sales and uses into the most detailed level of water use data currently available to it, including, if possible, the sectors listed in clauses

(i) - (vi) of this subparagraph. Any new billing system purchased by a public water supplier must be capable of reporting detailed water use data as described in clauses (i) - (vi) of this subparagraph:

- (i) residential;
- (I) single family;
- (II) multi-family;
- (ii) commercial;
- (iii) institutional;
- (iv) industrial;
- (v) agricultural; and,
- (vi) wholesale.

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(C) specific, quantified five-year and ten-year targets for water savings to include goals for water loss programs and goals for municipal use in total GPCD and residential GPCD. The goals established by a public water supplier under this subparagraph are not enforceable;

(D) metering device(s), within an accuracy of plus or minus 5.0% in order to measure and account for the amount of water diverted from the source of supply;

(E) a program for universal metering of both customer and public uses of water, for meter testing and repair, and for periodic meter replacement;

(F) measures to determine and control water loss (for example, periodic visual inspections along distribution lines; annual or monthly audit of the water system to determine illegal connections; abandoned services; etc.);

(G) a program of continuing public education and information regarding water conservation;

(H) a water rate structure which is not "promotional," i.e., a rate structure which is cost-based and which does not encourage the excessive use of water;

(I) a reservoir systems operations plan, if applicable, providing for the coordinated operation of reservoirs owned by the applicant within a common watershed or river basin in order to optimize available water supplies; and

(J) a means of implementation and enforcement which shall be evidenced by:

(i) a copy of the ordinance, resolution, or tariff indicating official adoption of the water conservation plan by the water supplier; and

(ii) a description of the authority by which the water supplier will implement and enforce the conservation plan; and

(K) documentation of coordination with the regional water planning groups for the service area of the public water supplier in order to ensure consistency with the appropriate approved regional water plans.

(2) Additional content requirements. Water conservation plans for municipal uses by public drinking water suppliers serving a current population of 5,000 or more and/or a projected population of 5,000 or more within the next ten years subsequent to the effective date of the plan must include the following elements:

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(A) a program of leak detection, repair, and water loss accounting for the water transmission, delivery, and distribution system;

(B) a requirement in every wholesale water supply contract entered into or renewed after official adoption of the plan (by either ordinance, resolution, or tariff), and including any contract extension, that each successive wholesale customer develop and implement a water conservation plan or water conservation measures using the applicable elements in this chapter. If the customer intends to resell the water, the contract between the initial supplier and customer must provide that the contract for the resale of the water must have water conservation requirements so that each successive customer in the resale of the water will be required to implement water conservation measures in accordance with the provisions of this chapter.

(3) Additional conservation strategies. Any combination of the following strategies shall be selected by the water supplier, in addition to the minimum requirements in paragraphs (1) and (2) of this subsection, if they are necessary to achieve the stated water conservation goals of the plan. The commission may require that any of the following strategies be implemented by the water supplier if the commission determines that the strategy is necessary to achieve the goals of the water conservation plan:

(A) conservation-oriented water rates and water rate structures such as uniform or increasing block rate schedules, and/or seasonal rates, but not flat rate or decreasing block rates;

(B) adoption of ordinances, plumbing codes, and/or rules requiring water-conserving plumbing fixtures to be installed in new structures and existing structures undergoing substantial modification or addition;

(C) a program for the replacement or retrofit of water-conserving plumbing fixtures in existing structures;

(D) reuse and/or recycling of wastewater and/or gray water;

(E) a program for pressure control and/or reduction in the distribution system and/or for customer connections;

(F) a program and/or ordinance(s) for landscape water management;

(G) a method for monitoring the effectiveness and efficiency of the water conservation plan; and

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(H) any other water conservation practice, method, or technique which the water supplier shows to be appropriate for achieving the stated goal or goals of the water conservation plan.

(b) A water conservation plan prepared in accordance with 31 TAC §363.15 (relating to Required Water Conservation Plan) of the Texas Water Development Board and substantially meeting the requirements of this section and other applicable commission rules may be submitted to meet application requirements in accordance with a memorandum of understanding between the commission and the Texas Water Development Board.

(c) A public water supplier for municipal use shall review and update its water conservation plan, as appropriate, based on an assessment of previous five-year and ten-year targets and any other new or updated information. The public water supplier for municipal use shall review and update the next revision of its water conservation plan every five years to coincide with the regional water planning group.

Source Note: The provisions of this §288.2 adopted to be effective May 3, 1993, 18 TexReg 2558; amended to be effective February 21, 1999, 24 TexReg 949; amended to be effective April 27, 2000, 25 TexReg 3544; amended to be effective October 7, 2004, 29 TexReg 9384; amended to be effective December 6, 2012, 37 TexReg 9515

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APPENDIX C

2014 WATER UTILITY PROFILE

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Texas Commission on Environmental Quality

**UTILITY PROFILE AND WATER CONSERVATION PLAN
REQUIREMENTS FOR MUNICIPAL WATER USE
BY RETAIL PUBLIC WATER SUPPLIERS**

This form is provided to assist retail public water suppliers in water conservation plan development. If you need assistance in completing this form or in developing your plan, please contact the conservation staff of the Resource Protection Team in the Water Availability Division at (512) 239-4691.

Name: City of Bedford

Address: 1813 Reliance Parkway

Telephone Number: (817) 952-2258 Fax: (817) 952-2240


Water Right No.(s): _____

Regional Water Planning Group: C

Form Completed by: Jerry Lavery

Title: Environmental Supervisor

Person responsible for implementing conservation program: Jerry Lavery Phone: (817) 952-2258

Signature:  _____ Date: 8/26/2014

NOTE: If the plan does not provide information for each requirement, include an explanation of why the requirement is not applicable.

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GEN. JUSTICE & SHERIFF COMMISSION

THE STATE OF TEXAS
COUNTY OF TARRANT

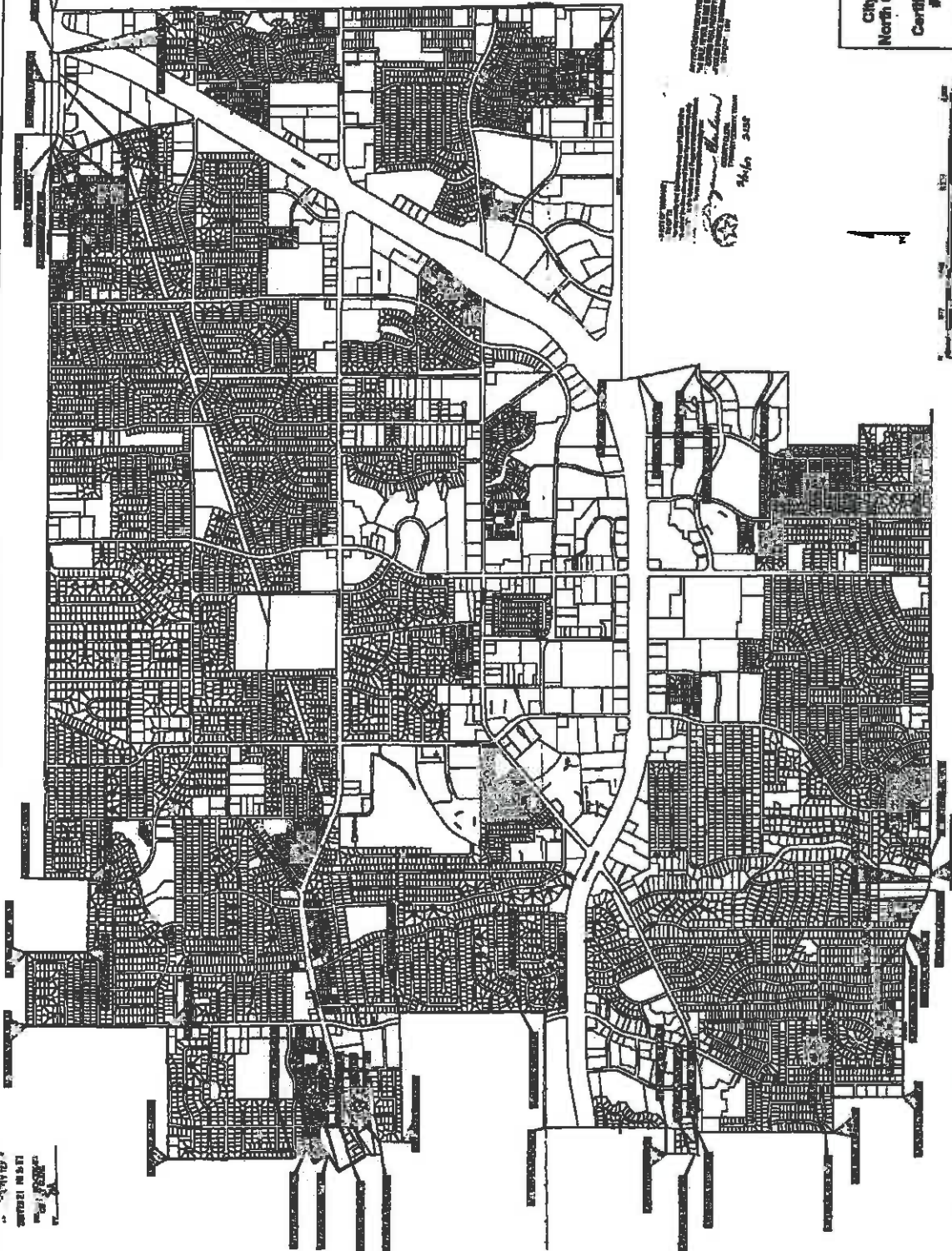
CERTIFICATION

I, *[Signature]*, County Clerk of Tarrant County, Texas, do hereby certify that the within and foregoing plat is a true and correct copy of the original as the same appears on file in my office.

[Signature]
County Clerk
Tarrant County, Texas



City Limits
City of Bedford, Tarrant County, Texas
North Central Texas State Plane Coordinates
NAD 1983
Certificate of Convenience and Necessity
#10076-Water and #20027-Sewer
February 2007



[Handwritten notes and signatures]
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UTILITY PROFILE

I. POPULATION AND CUSTOMER DATA

A. Population and Service Area Data

1. Attach a copy of your service-area map and, if applicable, a copy of your Certificate of Convenience and Necessity (CCN).
2. Service area size (in square miles): 10
(Please attach a copy of service-area map)
3. Current population of service area: 48,952
4. Current population served for:
 - a. Water 48,952
 - b. Wastewater 48,952

5. Population served for previous five years:

<i>Year</i>	<i>Population</i>
2013	48,952
2012	47,183
2011	49,645
2010	49,700
2009	49,700

6. Projected population for service area in the following decades:

<i>Year</i>	<i>Population</i>
2020	52,395
2030	54,407
2040	56,098
2050	57,519
2060	58,713

7. List source or method for the calculation of current and projected population size.
2011 Regional Water Plan, Population Projections for 2000 – 2060, for Cities, Utilities, and County – Other by Region by County Dated: 07/22/2010

B. Customers Data

Senate Bill 181 requires that uniform consistent methodologies for calculating water use and conservation be developed and available to retail water providers and certain other water use sectors as a guide for preparation of water use reports, water conservation plans, and reports on water conservation efforts. A water system must provide the most detailed level of customer and water use data available to it, however, any new billing system purchased must be capable of reporting data for each of the sectors listed below. http://www.tceq.texas.gov/assets/public/permitting/watersupply/water_rights/sbi181_guidance.pdf

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1. Current number of active connections. Check whether multi-family service is counted as Residential or Commercial?

<i>Treated Water Users</i>	<i>Metered</i>	<i>Non-Metered</i>	<i>Totals</i>
Residential	13,903		13,903
Single-Family	13,607		13,607
Multi-Family	296		296
Commercial	796		796
Industrial/Mining	0		0
Institutional	0		0
Agriculture	0		0
Other/Wholesale	519		519

2. List the number of new connections per year for most recent three years.

<i>Year</i>	<i>2013</i>	<i>2012</i>	<i>2011</i>
<i>Treated Water Users</i>			
Residential	1304	1137	1110
Single-Family	1300	1131	1104
Multi-Family	4	6	6
Commercial	43	42	64
Industrial/Mining			
Institutional			
Agriculture			
Other/Wholesale			

3. List of annual water use for the five highest volume customers.

	<i>Customer</i>	<i>Use (1,000 gal/year)</i>	<i>Treated or Raw Water</i>
1.	HEB Hospital	38,645,000	Treated
2.	Parkland Health Care	8,679,000	Treated
3.	The Woods of Bedford Apartments	7,733,000	Treated
4.	The Courts of Bedford Apartments	7,709,000	Treated
5.	Heartland Health Care Center	7,052,000	Treated

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II. WATER USE DATA FOR SERVICE AREA

A. Water Accounting Data

1. List the amount of water use for the previous five years (in 1,000 gallons). Indicate whether this is diverted or treated water.

<u>Year</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<i>Month</i>					
January	188,084	134,815	169,032	141,369	186,547
February	139,323	117,924	157,005	119,228	176,380
March	142,672	141,259	246,827	131,912	186,161
April	135,807	169,421	264,465	179,642	186,265
May	154,564	271,354	241,250	255,306	197,984
June	188,608	286,119	354,111	335,394	259,453
July	219,999	391,880	454,359	297,740	339,469
August	263,401	396,756	467,537	400,905	314,464
September	289,794	356,293	340,793	253,957	212,805
October	297,242	245,214	237,668	260,051	147,008
November	229,832	215,036	179,709	201,297	150,024
December	176,224	142,548	154,259	184,186	181,547
Totals	2,425,550	2,868,619	3,367,015	2,760,987	2,538,107

Describe how the above figures were determine (e.g, from a master meter located at the point of a diversion from the source, or located at a point where raw water enters the treatment plant, or from water sales).

Master meter located at the point of diversion from the source TRA

2. Amount of water (in 1,000 gallons) delivered/sold as recorded by the following account types for the past five years.

<u>Year</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<i>Account Types</i>					
Residential	1,868,630	2,004,042	2,249,963	1,981,263	1,939,223
Single-Family	1,463,478	1,592,525	1,826,388	1,578,306	1,535,491
Multi-Family	405,152	411,517	423,575	402,957	403,732
Commercial	345,649	360,657	363,731	346,558	344,514
Industrial/Mining					
Institutional					
Agriculture					
Other/Wholesale	223,764	266,940	330,436	295,867	266,697

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3. List the previous records for water loss for the past five years (the difference between water diverted or treated and water delivered or sold).

<i>Year</i>	<i>Amount (gallons)</i>	<i>Percent %</i>
2013	166,896,102	6
2012	343,092,259	12
2011	256,507,360	8
2010	323,445,650	11
2009	329,235,960	12

B. Projected Water Demands

If applicable, attach or cite projected water supply demands from the applicable Regional Water Planning Group for the next ten years using information such as population trends, historical water use, and economic growth in the service area over the next ten years and any additional water supply requirements from such growth.

III. WATER SUPPLY SYSTEM DATA

A. Water Supply Sources

List all current water supply sources and the amounts authorized (in acre feet) with each.

<i>Water Type</i>	<i>Source</i>	<i>Amount Authorized</i>
Surface Water	N/A	N/A
Groundwater	Trinity Sands	N/A
Contracts	Trinity River Authority	Pay as you go, based on % of usage
Other		

B. Treatment and Distribution System

1. Design daily capacity of system (MGD): 16
2. Storage capacity (MGD):
 - a. Elevated 5 MGD
 - b. Ground 1.325 MGD
3. If surface water, do you recycle filter backwash to the head of the plant?

Yes No If yes, approximate amount (MGD): N/A

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IV. WASTEWATER SYSTEM DATA

A. Wastewater System Data (if applicable)

1. Design capacity of wastewater treatment plant(s) (MGD):

2. Treated effluent is used for on-site irrigation, off-site irrigation, for plant wash-down, and/or for chlorination/dechlorination.

If yes, approximate amount (in gallons per month):

3. Briefly describe the wastewater system(s) of the area serviced by the water utility. Describe how treated wastewater is disposed. Where applicable, identify treatment plant(s) with the TCEQ name and number, the operator, owner, and the receiving stream if wastewater is discharged.

The City of Bedford contracts with the Trinity River Authority (TRA) for its wastewater system. City wastewater is treated at the TRA's Central Regional Wastewater system.

B. Wastewater Data for Service Area (if applicable)

1. Percent of water service area served by wastewater system: 100 %

2. Monthly volume treated for previous five years (in 1,000 gallons):

<u>Year</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Month</u>					
January	133,932	149,602	130,150	139,748	128,935
February	117,840	131,952	121,072	128,620	128,940
March	131,545	153,694	129,790	139,317	137,708
April	130,089	146,952	128,286	131,628	133,128
May	131,192	143,458	138,585	134,840	139,087
June	129,291	141,096	131,100	128,979	131,109
July	133,734	142,550	135,928	135,222	131,461
August	130,702	142,618	136,803	134,682	134,406
September	126,438	136,683	130,935	139,287	145,941
October	130,450	140,535	133,095	143,781	161,361
November	123,924	130,698	124,854	133,707	159,177
December	134,143	132,738	135,755	127,193	136,372
Totals	<u>1,553,280</u>	<u>1,692,576</u>	<u>1,576,353</u>	<u>1,617,004</u>	<u>1,667,625</u>

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V. ADDITIONAL REQUIRED INFORMATION

In addition to the utility profile, please attach the following as required by Title 30, Texas Administrative Code, §288.2. Note: If the water conservation plan does not provide information for each requirement, an explanation must be included as to why the requirement is not applicable.

A. *Specific, Quantified 5 & 10-Year Targets*

The water conservation plan must include specific, quantified five-year and ten-year targets for water savings to include goals for water loss programs and goals for municipal use in gallons per capita per day. Note that the goals established by a public water supplier under this subparagraph are not enforceable

B. *Metering Devices*

The water conservation plan must include a statement about the water suppliers metering device(s), within an accuracy of plus or minus 5.0% in order to measure and account for the amount of water diverted from the source of supply.

C. *Universal Metering*

The water conservation plan must include and a program for universal metering of both customer and public uses of water, for meter testing and repair, and for periodic meter replacement.

D. *Unaccounted- For Water Use*

The water conservation plan must include measures to determine and control unaccounted-for uses of water (for example, periodic visual inspections along distribution lines; annual or monthly audit of the water system to determine illegal connections; abandoned services; etc.).

E. *Continuing Public Education & Information*

The water conservation plan must include a description of the program of continuing public education and information regarding water conservation by the water supplier.

F. *Non-Promotional Water Rate Structure*

The water supplier must have a water rate structure which is not "promotional," i.e., a rate structure which is cost-based and which does not encourage the excessive use of water. This rate structure must be listed in the water conservation plan.

G. *Reservoir Systems Operations Plan*

The water conservation plan must include a reservoir systems operations plan, if applicable, providing for the coordinated operation of reservoirs owned by the applicant within a common watershed or river basin. The reservoir systems operations plan shall include optimization of water supplies as one of the significant goals of the plan.

H. *Enforcement Procedure and Plan Adoption*

The water conservation plan must include a means for implementation and enforcement, which shall be evidenced by a copy of the ordinance, rule, resolution, or tariff, indicating official adoption of the water conservation plan by the water supplier; and a description of the authority by which the water supplier will implement and enforce the conservation plan.

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I. Coordination with the Regional Water Planning Group(s)

The water conservation plan must include documentation of coordination with the regional water planning groups for the service area of the wholesale water supplier in order to ensure consistency with the appropriate approved regional water plans.

J. Plan Review and Update

A public water supplier for municipal use shall review and update its water conservation plan, as appropriate, based on an assessment of previous five-year and ten-year targets and any other new or updated information. The public water supplier for municipal use shall review and update the next revision of its water conservation plan not later than May 1, 2009, and every five years after that date to coincide with the regional water planning group. The revised plan must also include an implementation report.

VI. ADDITIONAL REQUIREMENTS FOR LARGE SUPPLIERS

Required of suppliers serving population of 5,000 or more or a projected population of 5,000 or more within ten years

A. Leak Detection and Repair

The plan must include a description of the program of leak detection, repair, and water loss accounting for the water transmission, delivery, and distribution system in order to control unaccounted for uses of water.

B. Contract Requirements

A requirement in every wholesale water supply contract entered into or renewed after official adoption of the plan (by either ordinance, resolution, or tariff), and including any contract extension, that each successive wholesale customer develop and implement a water conservation plan or water conservation measures using the applicable elements in this chapter. If the customer intends to resell the water, the contract between the initial supplier and customer must provide that the contract for the resale of the water must have water conservation requirements so that each successive customer in the resale of the water will be required to implement water conservation measures in accordance with the provisions of this chapter.

VII. ADDITIONAL CONSERVATION STRATEGIES

A. Conservation Strategies

Any combination of the following strategies shall be selected by the water supplier, in addition to the minimum requirements of this chapter, if they are necessary in order to achieve the stated water conservation goals of the plan. The commission may require by commission order that any of the following strategies be implemented by the water supplier if the commission determines that the strategies are necessary in order for the conservation plan to be achieved:

1. Conservation-oriented water rates and water rate structures such as uniform or increasing block rate schedules, and/or seasonal rates, but not flat rate or decreasing block rates;

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2. Adoption of ordinances, plumbing codes, and/or rules requiring water conserving plumbing fixtures to be installed in new structures and existing structures undergoing substantial modification or addition;
3. A program for the replacement or retrofit of water-conserving plumbing fixtures in existing structures;
4. A program for reuse and/or recycling of wastewater and/or graywater;
5. A program for pressure control and/or reduction in the distribution system and/or for customer connections;
6. A program and/or ordinance(s) for landscape water management;
7. A method for monitoring the effectiveness and efficiency of the water conservation plan; and
8. Any other water conservation practice, method, or technique which the water supplier shows to be appropriate for achieving the stated goal or goals of the water conservation plan.

Best Management Practices

The Texas Water Developmental Board's (TWDB) Report 362 is the Water Conservation Best Management Practices (BMP) guide. The BMP Guide is a voluntary list of management practices that water users may implement in addition to the required components of Title 30, Texas Administrative Code, Chapter 288. The Best Management Practices Guide broken out by sector, including Agriculture, Commercial, and Institutional, Industrial, Municipal and Wholesale along with any new or revised BMP's can be found at the following link on the Texas Water Developments Board's website: <http://www.twdb.state.tx.us/conservation/bmps/index.asp>

Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, contact 512-239-3282.

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APPENDIX D

LANDSCAPE WATER MANAGEMENT REGULATIONS

ORDINANCE NO. 08-2912

ORDINANCE NO. 08-2913

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ORDINANCE NO. 08-2912

2000 International Plumbing Code Amendment

AN ORDINANCE AMENDING CHAPTER 22 OF THE CITY OF BEDFORD CODE OF ORDINANCES ENTITLED "ARTICLE IV PLUMBING; IRRIGATION", AS PREVIOUSLY ADOPTED, IN ORDER TO ESTABLISH THE MINIMUM STANDARDS FOR INSTALLATION OF IRRIGATION SYSTEMS WITHIN THE CORPORATE LIMITS OF THE CITY OF BEDFORD AND PERMIT FEES THEREFOR; PROVIDING FOR RECORDING OF SUCH CODE AS A PUBLIC RECORD PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY FOR VIOLATIONS HEREOF; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Bedford is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and,

WHEREAS, the City Council of the City of Bedford, Texas has determined that water conservation and environmental protection are important issues and concerns affecting the City; and,

WHEREAS, properly-installed irrigation systems will conserve water, help avoid wasteful use, and improve the overall quality of life for the citizens of Bedford, Texas; and,

WHEREAS, during the 2007 legislative session, the Texas Legislature adopted House Bill 1656; and,

WHEREAS, House Bill 1656 amended Chapter 401 of the Texas Local Government Code to require a city with a population of 20,000 or more to regulate the installation of irrigation systems within the corporate limits of the city as well as the city's extraterritorial jurisdiction; and,

WHEREAS, the provisions herein are necessary to promote and protect the health, safety, and welfare of the public by creating an urban environment that is protective of the city's water supply and provides an enhanced quality of life for the citizens of the City of Bedford.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

SECTION 1. That the International Plumbing Code, 2000 Edition, published by the International Code Council, is hereby amended by adding section 315 as follows:

315. Landscape Irrigation. Minimum Standards for Landscape Irrigation Systems.

The landscape irrigation rules promulgated by the Texas Commission on Environmental Quality and contained in Chapter 344, Subchapters E and F, §§344.50-344.65 TEXAS ADMINISTRATIVE CODE, as the same may be from time to time amended, are hereby adopted by reference as the landscape irrigation rules of the City.

SECTION 2. That this ordinance shall be cumulative of all provisions of ordinances of the City of Bedford, Texas, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed.

SECTION 3. That it is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance are, severable, and if any phrase, clause sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the

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remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 4. That any person, firm or corporation who violates, disobeys, omits, neglects or refuses to comply with or who resists the enforcement of any of the provisions of this ordinance shall be fined not more than five hundred dollars (\$500) for each day that a violation is permitted to exist. Each day that a violation is permitted to exist shall constitute a separate offense.

SECTION 5. That all rights and remedies of the City of Bedford are expressly saved as to any and all violations of the provisions of any ordinances affecting the regulation and control of the use, occupancy, maintenance, repair, design, construction and quality of materials for buildings and structures within the City which have accrued at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

SECTION 6. That this ordinance shall be in full force and effect from and after its passage as required by law but not before January 1, 2009, and is so ordained.

PASSED AND APPROVED this 9th day of December 2008, by a vote of 6 ayes, 0 nays and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

Jim Story, Mayor

ATTEST:

Shanae Jennings, City Secretary

APPROVED AS TO FORM:

Stan Lowry, City Attorney

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ORDINANCE NO. 08-2913

2000 International Residential Code Amendment

AN ORDINANCE AMENDING CHAPTER 22 OF THE CITY OF BEDFORD CODE OF ORDINANCES ENTITLED "ARTICLE IIIa INTERNATIONAL RESIDENTIAL CODE FOR ONE AND TWO FAMILY DWELLINGS", AS PREVIOUSLY ADOPTED, IN ORDER TO ESTABLISH THE MINIMUM STANDARDS FOR INSTALLATION OF IRRIGATION SYSTEMS WITHIN THE CORPORATE LIMITS OF THE CITY OF BEDFORD AND PERMIT FEES THEREFOR; PROVIDING FOR RECORDING OF SUCH CODE AS A PUBLIC RECORD; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY FOR VIOLATIONS HEREOF; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Bedford is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and,

WHEREAS, the City Council of the City of Bedford, Texas has determined that water conservation and environmental protection are important issues and concerns affecting the City; and,

WHEREAS, properly-installed irrigation systems will conserve water, help avoid wasteful use, and improve the overall quality of life for the citizens of Bedford, Texas; and,

WHEREAS, during the 2007 legislative session the Texas Legislature adopted House Bill 1656; and,

WHEREAS, House Bill 1656 amended Chapter 401 of the Texas Local Government Code to require a city with a population of 20,000 or more to regulate the installation of irrigation systems within the corporate limits of the city as well as the city's extraterritorial jurisdiction; and,

WHEREAS, the provisions herein are necessary to promote and protect the health, safety, and welfare of the public by creating an urban environment that is protective of the City's water supply and provide an enhanced quality of life for the citizens of the City of Bedford.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

SECTION 1. That the International Plumbing Code, 2000 Edition, published by the International Code Council, is hereby amended by adding section 315 as follows:

P2609. Landscape Irrigation. Minimum Standards for Landscape Irrigation Systems.

The landscape irrigation rules promulgated by the Texas Commission on Environmental Quality and contained in Chapter 344, Subchapters E and F, §§344.50-344.65 TEXAS ADMINISTRATIVE CODE, as the same may be from time to time amended, are hereby adopted by reference as the landscape irrigation rules of the City.

SECTION 2. That this ordinance shall be cumulative of all provisions of ordinances of the City of Bedford, Texas, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed.

SECTION 3. That it is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance are, severable, and if any phrase, clause sentence, paragraph or section of this ordinance shall be

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declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 4. That any person, firm or corporation who violates, disobeys, omits, neglects or refuses to comply with or who resists the enforcement of any of the provisions of this ordinance shall be fined not more than five hundred dollars (\$500) for each day that a violation is permitted to exist. Each day that a violation is permitted to exist shall constitute a separate offense.

SECTION 5. That all rights and remedies of the City of Bedford are expressly saved as to any and all violations of the provisions of any ordinances affecting the regulation and control of the use, occupancy, maintenance, repair, design, construction and quality of materials for buildings and structures within the City which have accrued at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

SECTION 6. That this ordinance shall be in full force and effect from and after its passage as required by law but not before January 1, 2009, and is so ordained.

PASSED AND APPROVED this 9th day of December 2008, by a vote of 6 ayes, 0 nays and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

Jim Story, Mayor

ATTEST:

Shanae Jennings, City Secretary

APPROVED AS TO FORM:

Stan Lowry, City Attorney

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APPENDIX E

LETTER TO REGION C WATER PLANNING GROUP



CITY OF
BEDFORD
TEXAS

July 29, 2014

Mr. Tom Kula
Executive Director, Region C Water Planning Group
North Texas Municipal Water District
PO Box 2406
Wylie, TX 75098-2406

Dear Mr. Kula:

Enclosed you will find a copy of the City of Bedford Water Conservation and Drought Contingency Plans. These plans are submitted to the Region C Water Planning Group, in accordance with the Texas Water Development Board and Texas Commission on Environmental Quality Rules.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas Hoover', written in a cursive style.

Thomas Hoover, Public Works Director
City of Bedford
(817) 952 - 2200

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APPENDIX F

ORDINANCE NO. 09-2925

ADOPTION OF WATER CONSERVATION PLAN

PART B.25

ORDINANCE NO. 09-2925

AN ORDINANCE AMENDING CHAPTER 118 "UTILITIES", ARTICLE IV "RESTRICTIONS ON OUTDOOR USE OF WATER" OF THE CITY OF BEDFORD CODE OF ORDINANCES, AS AMENDED IN ITS ENTIRETY BY THE ADOPTION OF THE REVISED WATER RESOURCE MANAGEMENT ORDINANCE TO PROMOTE RESPONSIBLE USE OF WATER; PROVIDING FOR A FINE OF UP TO \$500 FOR EACH OFFENSE IN VIOLATION OF THE ORDINANCE AND/OR DISCONNECTION OF WATER SERVICE FOR NONCOMPLIANCE WITH THE PROVISIONS OF THE WATER RESOURCE MANAGEMENT ORDINANCE; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City of Bedford, Texas (the "City"), recognizes that the amount of water available to its water customers is limited; and,

WHEREAS, the City recognizes that due to natural limitations, drought conditions, system failures and other acts of God which may occur, the City cannot guarantee an uninterrupted water supply for all purposes at all times; and,

WHEREAS, the Water Code and the regulations of the Texas Commission on Environmental Quality (the "Commission") require that the City adopt a Drought Contingency Plan and a Water Conservation Plan; and,

WHEREAS, the City has determined an urgent need in the best interest of the public to adopt a Drought Contingency Plan and Water Conservation Plan; and,

WHEREAS, pursuant to Chapter 54 of the Local Government Code, the City is authorized to adopt such Ordinances necessary to preserve and conserve its water resources.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD TEXAS:

SECTION 1. That all matters stated hereinabove are found to be true and correct and are incorporated herein by reference.

SECTION 2. That the City of Bedford Code of Ordinances Chapter 118 "Utilities", Article IV "Restrictions on Outdoor Use of Water", is hereby amended in its entirety to read as follows:

ARTICLE IV. WATER RESOURCE MANAGEMENT

DIVISION 1. GENERAL PROVISIONS

Section 118-111. Definitions

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory.

City is the City of Bedford.

Person is any person, firm, partnership, association, corporation, company, or organization of any kind.

TCWSP is the Tarrant County Water Supply Project.

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TRA is the Trinity River Authority.

TRWD is the Tarrant Regional Water District.

Water is water from the City water system.

Section 118-112. Application of Regulations

The provisions of this article shall apply to all persons using water from the water system of the city. The provisions of this article shall not apply to those functions necessary for the public health, safety and welfare, such as emergency fire protection.

Section 118-113. General Restrictions on Water Use

- (a) All new irrigation systems must be in compliance with ordinances 08-2912 and 08-2913 of the City Code of Ordinances, as the same may be from time to time amended, including but not limited to system design and installation requirements and the prohibition of irrigation systems that spray directly onto impervious surfaces or other non-irrigated areas.
- (b) Except for hand watering and the use of soaker hoses, it shall be unlawful for any person to irrigate, water, or cause or permit the irrigation or watering of any lawn or landscape located on premises owned, leased, or managed by that person between the hours of 10:00 a.m. and 6:00 p.m. It is an affirmative defense to prosecution that the irrigation or watering of any lawn or landscape during the prohibited time was done for the purpose of establishing hydromulch, grass sod, grass seed; dust control for sport fields; or for the maintenance, repair, or testing of an irrigation system. The escape of water through defective plumbing, which shall mean the knowing permission for defective plumbing to remain out of repair, is hereby prohibited.

DIVISION 2. DROUGHT CONTINGENCY PLAN

Section 118-114. Emergency Water Restrictions

- (a) **Purpose and scope.** The purpose of this section is to establish the city's policy in the event of shortages or delivery limitations in the city's water supply and to establish water restrictions to be enforced in case of drought or emergency conditions.
- (b) **Drought contingency plan.** The drought contingency plan, as the same may be from time to time amended, is attached hereto as Exhibit A and is incorporated herein by reference.
- (c) **Authority.** The City Manager or official designee is authorized to implement measures prescribed when required by this section and by the drought contingency plan approved by the city council. The Public Works Director is authorized to enforce the measures implemented and to promulgate regulations, not in conflict with this section or state and federal laws, in aid of enforcement.
- (d) **Initiation of plan stages.** When a trigger condition has been reached, the city will notify the public through publication of articles in the Fort Worth Star Telegram and announcements on local radio and television. Signs will also be posted at public places throughout the city such as the library, post office, city hall, etc. Notices will also be posted on the city website.

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- (e) **Duration of stage; change.** A stage will remain in effect until the conditions that triggered initiation of the stage have been eliminated. If the stage is initiated because of excessive demands, all initiated actions will remain in effect through September 30 of the year in which they were triggered unless the City Manager or official designee determines that conditions exist that will allow termination of the stage before September 30. Upon recommendation of the Public Works Director, the City Manager or official designee may terminate, upgrade or downgrade the stage. Any such change must be made in the same manner prescribed in subsection (d).

DIVISION 3. WATER CONSERVATION PLAN

Section 118-115 Adoption of Water Conservation Plan

- (a) **Purpose and scope.** The purpose of this section is to establish the city's policy on water conservation measures.
- (b) **Water conservation plan.** The water conservation plan, as the same may be from time to time amended, is attached hereto as Exhibit B and is incorporated herein by reference.
- (c) **Authority.** The City Manager or official designee is authorized to implement measures prescribed when required by this section and by the water conservation plan approved by the city council. The Public Works Director is authorized to enforce the measures implemented and to promulgate regulations, not in conflict with this section or state and federal laws, in aid of enforcement.

DIVISION 4. RAIN AND FREEZE SENSORS

Section 118-116. Irrigation System Rain and Freeze Sensors.

- (a) Any irrigation system installed within the City on or after August 1, 2008 must be equipped with rain and freeze sensors.
- (b) Any irrigation system installed before August 1, 2008 may not be operated after August 1, 2010 without being equipped with rain and freeze sensors. This requirement does not apply to a single family residential or duplex property, or an individual metered townhome or condominium unit.
- (c) It shall be unlawful for any person to knowingly install, or cause or permit the installation of an irrigation system that does not comply with this section.
- (d) It shall be unlawful for any person on premises owned, leased, or managed by that person to knowingly or recklessly operate, or cause or permit the operation of an irrigation system that does not comply with this section.
- (e) It shall be unlawful for any person to operate an irrigation system with broken or missing heads after receiving notification from the building official and such representative as they may designate.
- (f) It shall be unlawful for any person to operate an irrigation system which causes significant runoff.

DIVISION 5. ENFORCEMENT

Section 118-117. Criminal responsibility.

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A person commits an offense of inappropriate use of water by any of the following actions:

- (a) A person may not knowingly make, cause or permit a use of an irrigation system contrary to the requirements of this article.
- (b) A person may not knowingly make, cause or permit a use of water contrary to the measures implemented by the city manager or official designee as prescribed in the water conservation plan.
- (c) A person may not knowingly make, cause or permit a use of water contrary to the measures implemented by the city manager or official designee as prescribed in the drought contingency plan. It is presumed that a person has knowingly made, caused or permitted a use of water contrary to the measures implemented if the mandatory measures have been formally ordered consistent with the terms of section 118-114(d) and:
 - (1) The manner of use has been prohibited by the drought contingency plan;
 - (2) The amount of water used exceeds that allowed by the drought contingency plan; or
 - (3) The manner or amount used violates the terms and conditions of a compliance agreement made pursuant to a variance granted by the Public Works Director pursuant to section 118-118.

Section 118-118. Variances.

Variances will be considered only under extreme circumstances for health or public safety reasons. The City Manager or official designee will be responsible for making this determination.

Sections 118-117—118-145 Reserved.

SECTION 2. That any person violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined up to \$500.00 and/or discontinuance of water service by the City. A separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.

SECTION 3. That all ordinances or any parts thereof in conflict with the terms of this ordinance shall be and hereby are deemed repealed and of no force or effect; provided, however, that the ordinance or ordinances under which the cases currently filed and pending in the Municipal Court of the City of Bedford, Texas, shall be deemed repealed only when all such cases filed and pending under such ordinance or ordinances have been disposed of by a final conviction or a finding not guilty or nolo contendere, or dismissal.

SECTION 4. That if any section, article, paragraph, sentence, clause, phrase or word in this ordinance, or application thereto any person or circumstance is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance; and the City Council hereby declares it would have passed such remaining portions of the ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

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SECTION 5. That this ordinance shall be in full force and effect after its passage and publication as required by law, and it is so ordained.

PRESENTED AND PASSED on this 14th day of April 2009, by a vote of 7 ayes, 0 nays and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

Jim Story, Mayor

ATTEST:

Shanae Jennings, City Secretary

APPROVED AS TO FORM:

Stan Lowry, City Attorney

PART B.25
ORDINANCE NO. 14-3100

AN ORDINANCE AMENDING CHAPTER 118 "UTILITIES," ARTICLE IV "WATER RESOURCE MANAGEMENT," DIVISION 2, SECTION 118-114(B) "DROUGHT CONTINGENCY PLAN" TO ADOPT THE CURRENT PLAN, AS ATTACHED HERETO AS EXHIBIT A AND IS INCORPORATED HEREIN BY REFERENCE TO THE CITY OF BEDFORD CODE OF ORDINANCES, AND AMENDING CHAPTER 118 "UTILITIES," ARTICLE IV "WATER RESOURCE MANAGEMENT," DIVISION 3, SECTION 118-115(B) "WATER CONSERVATION PLAN" TO ADOPT THE CURRENT PLAN, AS ATTACHED HERETO AS EXHIBIT B AND IS INCORPORATED HEREIN BY REFERENCE TO THE CITY OF BEDFORD CODE OF ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY CLAUSE; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council of Bedford, Texas (the City) recognizes that a Drought Contingency Plan and Water Conservation Plan are necessary for the health and safety of its citizens due to drought conditions that may directly affect the City's ability to supply potable water; and,

WHEREAS, the Water Code and the regulation of the Texas Commission on Environmental Quality requires that the City adopt a Drought Contingency Plan and Water Conservation Plan; and,

WHEREAS, the City has determined an urgent need in the best interest of the public to adopt a Drought Contingency Plan and Water Conservation Plan; and,

WHEREAS, pursuant to Chapter 54 of the Local Government Code, the City is authorized to adopt such Ordinances as necessary to preserve and conserve its water resources.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

- SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.**
- SECTION 2. That the City of Bedford Code of Ordinances Chapter 118, "UTILITIES," Article IV "WATER RESOURCE MANAGEMENT," Division 2, Section 118-114(b) "Drought Contingency Plan" is amended, as attached hereto as Exhibit A and is incorporated herein by reference to the City of Bedford Code of Ordinances.**
- SECTION 3. That the City of Bedford Code of Ordinances Chapter 118, "UTILITIES," Article IV "WATER RESOURCE MANAGEMENT," Division 3, Section 118-115(b) "Water Conservation Plan" is amended, as attached hereto as Exhibit B and is incorporated herein by reference to the City of Bedford Code of Ordinances.**
- SECTION 4. That any person violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be fined the maximum amount allowed by law and/or discontinuance of water service by the City. A separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.**
- SECTION 5. That if any section, article, paragraph, sentence, clause, phrase or word in this ordinance, or application thereto to any person or circumstance, is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of the Ordinance; and the City Council hereby declares it would have passed such remaining portion of the Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.**
- SECTION 6. That this ordinance shall become effective from and after its passage and publication as required by law.**

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unenforceability of such section, paragraph, clause or provision shall not effect any of the remaining provisions of this Ordinance.

Section 5: THAT, the City Secretary is hereby authorized and directed to cause publication of the descriptive caption and penalty clause of this Ordinance as an alternative method of publication provided by law.

Section 7: THAT, this Ordinance shall become effective upon its adoption and publication provided by law.

PASSED AND APPROVED this 8th day of November, 2005, by a vote of 6 ayes, 0 nays and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

Jim Story, Mayor

ATTEST:

Rita Frick, City Secretary

APPROVED AS TO FORM:

Stan Lowry, City Attorney

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ORDINANCE NO. 14-3100

PRESENTED AND PASSED this 26th day of August, 2014, by a vote of 7 ayes, 0 nays, and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.



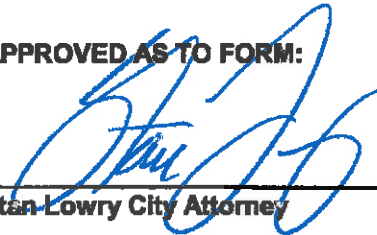
Jim Griffin, Mayor

ATTEST:



Michael Wells, City Secretary

APPROVED AS TO FORM:



Stan Lowry City Attorney

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APPENDIX G

ORDINANCE NO. 05-2812 ILLEGAL WATER CONNECTIONS AND THEFT OF WATER

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ORDINANCE NO. 05-2812

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS, PERTAINING TO ILLEGAL WATER CONNECTIONS AND/OR THE THEFT OF WATER FROM THE WATER SUPPLY OF THE CITY OF BEDFORD; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY; AUTHORIZING PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, The City of Bedford recognizes that the amount of water available to its water customers is limited; and

WHEREAS, pursuant to Chapter 54 of the Local Government Code, the City of Bedford is authorized to adopt such policies necessary to preserve and conserve available water supplies; and

WHEREAS, the City of Bedford seeks to minimize water losses to its supply of water from illegal connections and theft through the adoption of an ordinance pertaining to illegal water connections and theft of water.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

Section 1: THAT, the above findings are hereby found to be true and correct and are incorporated herein in their entirety.

Section 2: A person commits an offense of theft of water by any of the following actions:

- (a) A person may not knowingly tamper, connect to, or alter any component of the City's water system including valves, meters, meter boxes, meter box lids, hydrants, lines, pump stations, ground storage tanks, and elevated storage tanks. This shall include direct or indirect efforts to initiate or restore water service without the approval of the City.
- (b) If, without the written consent of the City Manager or the City Manager's designee, the person knowingly causes, suffers or allows the initiation or restoration of water service to the property after termination of services(s). For purposes of this section, it shall be assumed that the owner, occupant, or person in control of the property caused, suffered, or allowed the unlawful initiation or restoration of services(s).
- (c) A person may not knowingly make or cause a false report to be made to the City of a reading of a water meter installed for metered billing.
- (d) A person commits a separate offense each day that the person performs an act prohibited by this section or fails to perform an act required by this section.

Section 3: THAT, any person, firm or corporation violating any provision of this article shall be deemed guilty of a Class C misdemeanor and shall, upon final conviction thereof, be fined in an amount not to exceed \$2,000.00 (Two Thousand Dollars) and any subsequent offense shall be a minimum of \$500. and not to exceed \$2,000. and/or discontinuance of water service by the City.

Section 4: THAT, if any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or

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unenforceability of such section, paragraph, clause or provision shall not effect any of the remaining provisions of this Ordinance.

Section 5: THAT, the City Secretary is hereby authorized and directed to cause publication of the descriptive caption and penalty clause of this Ordinance as an alternative method of publication provided by law.

Section 7: THAT, this Ordinance shall become effective upon its adoption and publication provided by law.

PASSED AND APPROVED this 8th day of November, 2005, by a vote of 6 ayes, 0 nays and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

Jim Story, Mayor

ATTEST:

Rita Frick, City Secretary

APPROVED AS TO FORM:

Stan Lowry, City Attorney



**DROUGHT
CONTINGENCY
PLAN FOR THE
CITY OF
BEDFORD**

MAY 2009

**Revised:
July 2014**

Thomas L. Hoover, P.E.
Public Works Director

Jerry Laverty
Environmental Supervisor

**City of Bedford Public
Works Department**
1813 Reliance Pkwy
Bedford, TX 76021
(817) 952-2200

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ACKNOWLEDGEMENTS

This drought contingency plan is based on the model drought contingency plan prepared by the Tarrant Regional Water District (TRWD). The TRWD adapted the plan to maintain a consistent and regional approach to drought contingency strategies. This plan was prepared pursuant to Texas Commission on Environmental Quality rules. Some material is based on the existing emergency water management plans for the City of Bedford.

Questions regarding this water conservation plan should be addressed to the following:

Thomas L. Hoover, P.E.
City of Bedford
Public Works
Director
(817) 952-2200
Thomas.hoover@bedfordtx.gov

Jerry Laverty
City of Bedford
Public Works
Environmental Supervisor
(817) 952-2200
Jerry.laverty@bedfordtx.gov

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APPENDICES

APPENDIX A	List of References
APPENDIX B	Texas Commission on Environmental Quality Rules on Drought Contingency Plans <ul style="list-style-type: none">• Texas Administrative Code Title 30, Part 1, Chapter 288, Subchapter A, Rule §288.20 – Drought Contingency Plans for Municipal Uses by Public Water Suppliers
APPENDIX C	Letter to Region C Water Planning Group
APPENDIX D	Adoption of Drought Contingency Plan <ul style="list-style-type: none">• Municipal Ordinance Adopting Drought Contingency Plan• Municipal Ordinance Amendment to the Adoption of Drought Contingency Plan

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Drought Contingency Plan for the

City of Bedford

July 2014

1. INTRODUCTION AND OBJECTIVES

The purpose of this drought contingency plan (subsequently referred to as the Plan) is as follows:

- To conserve the available water supply in times of drought and emergency
- To maintain supplies for domestic water use, sanitation, and fire protection
- To protect and preserve public health, welfare, and safety
- To minimize the adverse impacts of water supply shortages
- To minimize the adverse impacts of emergency water supply conditions

2. TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES

The TCEQ rules governing development of drought contingency plans for public water suppliers are contained in Title 30, Part 1, Chapter 288, Subchapter B, Rule 288.20 of the Texas Administrative Code, which is included in Appendix B.

The TCEQ rule Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.1(4) defines a drought contingency plan as “a strategy or combination of strategies for temporary supply and demand management responses to temporary and potentially recurring water supply shortages and other water supply emergencies”.

3. WATER SYSTEM PROFILE

The City purchases treated water from the Trinity River Authority (TRA) via the Tarrant County Water Supply Project (TCWSP) plant on Trinity Boulevard. TRA obtains surface water to supply the TCWSP through a contract with Tarrant Regional Water District (TRWD) from Lake Arlington. In addition, TRA has an agreement to obtain treated water from the City of Fort Worth, and as conditions and opportunities permit, TRA is able to schedule deliveries to its customers in order to accommodate individual customer needs. Thus, the total capacity referenced herein includes the supply available from the TCWSP and the quantities available from Fort Worth and/or any other sources which may become available. It is understood that TRA will manage the total supply available to meet as much

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of the existing needs of all its customers as possible before taking actions to declare emergencies and/or make pro rata allocations.

The TCWSP plant was originally established in 1974 and provides treated water to four Contracting Cities in addition to the City of Bedford. The Project serves a population numbering over 180,000 and operates at a system capacity of 87 million gallons a day (MGD).

Bedford has about 13,903 residential connections and 796 commercial connections. The City maintains 163 miles of water mains.

The water supply triggers defined in Section 4.4 were provided to Bedford by its wholesaler's water supplier, Tarrant Regional Water District. TRWD selected its triggers after hiring an outside consultant to evaluate where the trigger levels should be for the drought plan to achieve meaningful water savings.

4. DROUGHT CONTINGENCY PLAN

4.1 Provisions to Inform the Public and Opportunity for Public Input

Bedford will provide opportunity for public input in the development of this drought contingency plan by the following means:

- Providing written notice of the proposed plan and the opportunity to comment on the plan by posted notice and notice on the City website.
- Making the draft plan available on the City website.
- Providing the draft plan to anyone requesting a copy.
- Holding a public meeting.

4.2 Provisions for Continuing Public Education and Information

Bedford will inform and educate the public about the drought contingency plan by the following means:

- Preparing a bulletin describing the plan and making it available at City Hall and other appropriate locations.
- Making the plan available to the public through the City website.
- Including information about the drought contingency plan on the city Web site.
- Notifying local organizations, schools, and civic groups that staff are available to make presentations on the drought contingency plan (usually in conjunction with presentations on water conservation programs).

At any time that the drought contingency plan is activated or the drought stage changes, Bedford will notify local media of the issues, the drought response stage, and the specific

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actions required of the public. The information will also be publicized on the City website. Billing inserts will also be used as appropriate.

4.3 Initiation and Termination of Drought Response Stages

The provisions of this Plan shall apply to all persons, customers, and property utilizing potable water provided by the City of Bedford. The terms “person” and “customer” as used in this Plan include individuals, corporations, partnerships, associations, and all other legal entities. The Plan does not apply to locations using treated wastewater effluent, private wells or possessing their own water rights in the Trinity River; however, any pond, impoundment, water body, or other water source that is supplemented, or has the ability to supplement supply, with potable water shall adhere to the provisions of this plan..

Initiation of a Drought Response Stage

The City Manager or official designee may order the implementation of a drought response stage or water emergency when one or more of the trigger conditions is met. The following actions will be taken when a drought stage is initiated:

- The public will be notified through local media and the City of Bedford website, as described in Section 4.2.
- TRWD will be notified by telephone with a follow-up letter, e-mail, or fax that provides details of the reasons for initiation of the drought stage.
- If any mandatory provisions of the drought contingency plan are activated, the Bedford Public Works Department shall notify the Executive Director of the TCEQ within 5 business days.

Drought stages imposed by TRWD action will be initiated by customers (including indirect customers).

For other trigger conditions, the City Manager or official designee may decide not to order the implementation of a drought response stage or water emergency even though one or more of the trigger criteria for the stage are met. Factors which could influence such a decision include, but are not limited to, the time of the year, weather conditions, the anticipation of replenished water supplies, or the anticipation that additional facilities will become available to meet needs. The reason for this decision should be documented.

Termination of a Drought Stage

The City Manager or official designee may order the termination of a drought response stage or water emergency when the conditions for termination are met or at their discretion. The following actions will be taken when a drought stage is terminated:

- The public will be notified through local media and the City website as described in Section 4.2.

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- TRWD will be notified by telephone with a follow-up letter, e-mail, or fax.
- If any mandatory provisions of the drought contingency plan that have been activated are terminated, Bedford will notify the Executive Director of the TCEQ within 5 business days.

The City Manager or official designee may decide not to order the termination of a drought response stage or water emergency even though the conditions for termination of the stage are met. Factors which could influence such a decision include, but are not limited to, the time of the year, weather conditions, or the anticipation of potential changed conditions that warrant the continuation of the drought stage. The reason for this decision should be documented.

4.4 Drought and Emergency Response Stages

Stage 1, Water Watch

Triggering and Terminating Conditions for Stage 1, Water Watch

- The City of Bedford water demand exceeds 90% of reliable delivery capacity for three consecutive days. The delivery capacity could be citywide or in a specified portion of the system.
- The City of Bedford water treatment or distribution system becomes contaminated.
- The City of Bedford water demand for all or part of the delivery system approaches delivery capacity because delivery capacity is inadequate.
- The City of Bedford water supply system is unable to deliver water due to the failure or damage of major water system components, or due to other criteria, such as energy shortages or outages.
 - Total combined raw water supply in TRWD western and eastern division reservoirs drops below 75% (25% depleted) of conservation storage capacity.
 - Water demand for all or part of the delivery system approaches delivery capacity because delivery capacity is inadequate.
 - Water demand is projected to approach the limit of permitted supply.
 - Supply source becomes contaminated.
 - Water supply system is unable to deliver water due to the failure or damage of major water system components.
 - The City Manager finds that conditions warrant the declaration of a Stage 1 drought.

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Subject to preceding paragraphs regarding the Termination of a Drought Response stage, Stage 1, Water Watch, will be terminated when the total combined raw water supply in TRWD's western and eastern division reservoirs exceeds 95% of conservation storage or remains above 85% for 90 consecutive days, whichever occurs first.

Goal for Use Reduction

The goal for water use reduction under Stage 1, Water Watch, is to decrease use by five percent. If circumstances warrant or if requested by TRWD, the City Manager or official designee can set a goal for greater water use reduction.

Water Use Reduction Actions under Stage 1, Water Watch

The City Manager or official designee may order the implementation of any of the actions listed below, as deemed necessary. Measures imposing mandatory requirements on customers require notification to Texas Commission on Environmental Quality (TCEQ). The City of Bedford must notify TCEQ within five business days if any mandatory measures are implemented.

All Water Users

Initiate mandatory restrictions to prohibit non-essential water use as follows:

- Prohibit hosing of paved areas, such as sidewalks, driveways, parking lots, tennis courts, patios, or other impervious surfaces, except to alleviate an immediate health or safety hazard.
- Prohibit hosing of buildings or other structures for purposes other than fire protection.
- Prohibit using water in such a manner as to allow runoff or other waste, including failure to repair a controllable leak within a reasonable period of time after having been given notice to repair such leak. Types of leaks include a broken sprinkler head, a leaking valve, leaking or broken pipes, or a leaking faucet.
- Prohibit outdoor watering with sprinklers or irrigation systems between 10 a.m. and 6 p.m.
- Limit landscape watering with sprinklers or irrigation systems at each service address to twice per week.
 - Residential addresses ending in an even number (0, 2, 4, 6, or 8) may water on Wednesdays and Saturdays.
 - Residential addresses ending in an odd number (1, 3, 5, 7, or 9) may water on Thursdays and Sundays.
 - All non-residential locations (apartment complexes, businesses, industries, parks, medians, etc.) may water on Tuesdays and Fridays.
 - Water system recovery day with no outdoor watering on Mondays.

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Exceptions:

- Foundations may be watered up to two hours on any day using a handheld hose, soaker hose or drip irrigation system placed within 24 inches of the foundation that does not produce a spray of water above the ground.
- Newly installed shrubs (first year) and trees (two years) may be watered up to two hours on any day by handheld hose, drip irrigation, a soaker hose or tree bubbler. Tree watering is limited to an area not to exceed the drip line of a tree.

Skinned areas of sports fields may be watered as needed for dust control.

- Washing of any motor vehicle, motorbike, boat, trailer, airplane, or other vehicle shall be limited to the use of a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rinses. Vehicle washing may be done at any time on the premises of a commercial car wash or commercial service station. Further, such washing may be exempt from these requirements if the health, safety, and welfare of the public are contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.
- Encourage reduction in frequency of draining and refilling swimming pools.
- Encourage use of Texas native and drought tolerant plants in landscaping.

City and Local Governments

In addition to actions listed above:

- Review conditions and problems that caused Stage 1. Take corrective action.
- Identify and encourage voluntary reduction measures by high-volume water users through water use audits.
- Increase public education efforts on ways to reduce water use.
- Intensify leak detection and repair efforts.
- Increase enforcement efforts.
- Audit all city irrigation systems to ensure proper condition, settings, and operation.
- Landscape watering of municipal parks and athletic fields is restricted to a twice a week watering schedule; or twice per week per irrigation station if a variance is granted by the Public Works Director or official designee.

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Exceptions:

- Watering of athletic fields (field only, does not include surrounding landscape areas) used for organized sports practice, competition, or exhibition events may occur as necessary to protect the health and safety of the players, staff, or officials present for athletic events. Encouraged to reduce water use by five percent.
- Reduce non-essential water use. As used herein, non-essential water uses are those that do not have any health or safety impact and are not needed to meet the core function of the agency.
- Notify wholesale customers of actions being taken and request them to implement the same drought stage and measures.

Commercial or Industrial

- All actions listed above for all water users apply to commercial and industrial users.
- Landscape watering of parks and athletic fields is restricted to a twice a week watering schedule; or twice per week per irrigation station if a variance is granted by the Public Works Director or official designee. (See Stage 1 exceptions to outdoor watering restrictions in all water users category for facilities with large multi-station irrigation systems.)

Exceptions:

- Watering of athletic fields (field only, does not include surrounding landscape areas) used for organized sports practice, competition, or exhibition events may occur as necessary to protect the health and safety of the players, staff, or officials present for athletic events. Encouraged to reduce water use by five percent.
- Stock at commercial plant nurseries is exempt from Stage 1 watering restrictions.
- Car wash facilities must keep equipment in good working order, which should include regular inspections to be sure there are no leaks, broken or misdirected nozzles, and that all equipment is operating efficiently.
- Hotels, restaurants, and bars are encouraged to serve drinking water to patrons per request only.

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- Hotels are encouraged to implement laundry conservation measures by encouraging patrons to reuse linens and towels.
- All commercial and industrial customers are encouraged to audit irrigation systems to ensure proper condition, settings, and operation. If irrigation audit or repair occurs during restricted watering times or days, a sign indicating such work is taking place must be placed in public view until job is completed.

Stage 2, Water Warning

Triggering and Terminating Conditions for Stage 2, Water Warning

- The City of Bedford water demand exceeds 95% of reliable delivery capacity for two consecutive days. The delivery capacity could be citywide or in a specified portion of the system.
- The City of Bedford demand for all or part of the delivery system equals or exceeds delivery capacity because delivery capacity is inadequate.
- The City of Bedford water treatment or distribution system becomes contaminated.
- The City of Bedford water supply system is unable to deliver water due to the failure or damage of major water system components, or due to other criteria, such as energy shortages or outages.
 - Total raw water supply in TRWD western and eastern division reservoirs drops below 60% (40% depleted) of conservation storage capacity.
 - Water demand for all or part of the delivery system approaches delivery capacity because delivery capacity is inadequate.
 - Water demand is projected to approach the limit of permitted supply.
 - Supply source becomes contaminated.
 - Water supply system is unable to deliver water due to the failure or damage of major water system components.
 - The City Manager finds that conditions warrant the declaration of a Stage 2 drought.

Subject to preceding paragraphs regarding the Termination of a Drought Response stage, Stage 2, Water Warning, will be terminated when the total combined raw water supply in TRWD's western and eastern division reservoirs exceeds 75% of conservation storage or remains above 70% for 30 consecutive days, whichever occurs first.

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Goal for Use Reduction

The goal for water use reduction under Stage 2, Water Warning, is to decrease use by ten percent. If circumstances warrant, the City Manager or official designee can set a goal for greater water use reduction.

Actions Available under Stage 2, Water Warning

The City Manager or official designee shall implement any actions listed below as deemed necessary. Measures imposing mandatory requirements on customers require notification to TCEQ. The City of Bedford must notify TCEQ within five business days if any mandatory measures are implemented:

- Continue actions under Stage 1.
- Require customers to initiate Stage 2 in their drought contingency plans.
- Initiate engineering studies to evaluate water supply alternatives should condition worsen.

All Water Users

- Limit landscape watering with sprinklers or irrigation systems at each service address to once every seven days. (Exceptions: Foundations, new plantings (first year) of shrubs, and trees may be watered on any day by handheld hose, drip irrigation, or a soaker hose. Restrictions do not apply to locations using treated wastewater effluent for irrigation).
- Prohibit use of water for dust control, except as required to protect public health.
- Restrict the operation of ornamental fountains or ponds that use potable water except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
- Encourage the public to wait until the current drought or emergency situation has passed before establishing new landscaping.

Exceptions:

- Watering with a handheld hose, soaker hose or drip irrigation may occur any day and any time.
- Foundations, new plantings (first year) of shrubs, and trees may be watered on any day by handheld hose, drip irrigation, or a soaker hose.

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- Variances may be available through the Public Works Director or official designee for the following:
- All users are encouraged to wait until the current drought or emergency situation has passed before establishing new landscaping. Variances granted for establishing new turf grass or landscaping will be for a maximum of 30 days from the date of approval then maximum of once-per-week watering schedule applies.
- Variances do not apply to the installation of cool season grasses (over seeding).

City and Local Governments

In addition to actions listed above:

- Continue to initiate any actions available under Stage 1.
- Review conditions or problems that caused Stage 2. Take corrective action.
- Increase frequency of media releases on water supply conditions.
- Further accelerate public education efforts on ways to reduce water use.
- Landscape watering of municipal parks and athletic fields is restricted to once-per-week schedule; or once-per-week per irrigation station if a variance is granted by the Public Works Director or official designee. (See Stage 1 exceptions to outdoor watering restrictions in all water users category for facilities with large multi-station irrigation systems.)

Exceptions:

- Watering of athletic fields (field only, does not include surrounding landscape areas) used for organized sports practice, competition, or exhibition events may occur as necessary to protect the health and safety of the players, staff, or officials present for athletic events. Encouraged to reduce water use by ten percent.
- Eliminate non-essential water use. As used herein, non-essential water uses are those that do not have any health or safety impact and are not needed to meet the core function of the agency.
- Prohibit wet street sweeping.
- Notify wholesale customers of actions being taken and request them to implement the same drought stage and measures.

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Commercial or Industrial

- All actions listed above for all water users apply to commercial and industrial users.
- Landscape watering of parks and athletic fields is restricted to once-per-week schedule; or once-per-week per irrigation station if a variance is granted by the Public Works Director or official designee. (See Stage 1 exceptions to outdoor watering restrictions in all water users category for facilities with large multi-station irrigation systems.)

Exceptions:

- Watering of athletic fields (field only, does not include surrounding landscape areas) used for organized sports practice, competition, or exhibition events may occur as necessary to protect the health and safety of the players, staff, or officials present for athletic events. Encouraged to reduce water use by ten percent.
- Use of water from fire hydrants for any purpose other than firefighting related activities, or other activities necessary to maintain public health, safety and welfare requires a variance issued by the Public Works Director. Fire hydrant use may be limited to only designated hydrants. Upon the declaration of this drought stage, all holders of a Water Fire Hydrant Meter Agreement are required to apply for a variance as set forth in this plan. If the conditions allow, as determined by the Public Works Director, the use of water from hydrants may continue until the Public Works Director of his/her designee issues a determination on the petition for variance. If conditions do not allow, the Public Works Director may require all fire hydrant meters to be immediately returned from the field, pending determination of each petition for variance.

Stage 3, Water Emergency

Triggering and Terminating Conditions

- The City of Bedford water demand exceeds 98% of reliable delivery capacity for one day. The delivery capacity could be citywide or in a specified portion of the system.
- The City of Bedford demand for all or part of the delivery system exceeds delivery capacity because delivery capacity is inadequate.
- The City of Bedford water treatment or distribution system becomes contaminated.
- The City of Bedford water supply system is unable to deliver water due to the failure or damage of major water system components, or due to other criteria, such as energy shortages or outages.

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The TRWD has initiated Stage 3, Water Emergency, which may be initiated by one or more of the following reasons:

- Total raw water supply in TRWD western and eastern division reservoirs drops below 45% (55% depleted) of conservation storage.
- Water demand system exceeds the amount that can be delivered to customers.
- Water demand for all or part of the TRWD delivery system approaches delivery capacity because delivery capacity is inadequate.
- One or more of TRWD's water supply sources has become limited in availability.
- Water demand is projected to approach the limit of permitted supply.
- Supply source becomes contaminated.
- Water supply system is unable to deliver water due to the failure or damage of major water system components.
- The City Manager finds that conditions warrant the declaration of a Stage 3 drought.

Subject to preceding paragraphs regarding the Termination of a Drought Response stage, Stage 3, Water Emergency, will be terminated when the total combined raw water supply in TRWD's western and eastern division reservoirs exceeds 60% of conservation storage or remains at or above 55% for 30 consecutive days, whichever occurs first.

Goals for Use Reduction

The goal for water use reduction under Stage 3, Water Emergency, is to decrease use by twenty percent. If circumstances warrant or if required by TRWD, the City Manager or official designee can set a goal for a greater water use reduction.

Water Use Reduction Actions under Stage 3, Water Emergency

The City Manager or official designee can order the implementation of any of the actions listed below, as deemed necessary. Measures imposing mandatory requirements on customers require notification to TCEQ. The supplier must notify TCEQ within five business days if any mandatory measures are implemented:

- Continue actions available under Stages 1 and 2.
- Require customers to initiate Stage 3 in their drought contingency plans.

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All Water Users

- Prohibit all outdoor watering with hose-end sprinklers and automatic irrigation systems.

Exceptions:

- Watering with hand-held hose, soaker hose or drip irrigation system may occur any day and any time.
- Watering of trees and structural foundations may occur any day and any time by means of handheld hose, soaker hose, or drip irrigation.
- Restrictions do not apply to well water, reclaimed water, or other alternative water sources.
- Irrigation of new landscapes and/turf grass installations is prohibited by means of automatic irrigation system or hose-end sprinkler. Variances may be granted for those landscape projects started prior to the initiation of Stage 3 drought restrictions. However, variances will not be granted for the irrigation of new landscape and/or turf grass installations after the initiation of Stage 3 restrictions.
- Prohibit washing of paved areas by any means except where a variance is granted to alleviate a possible public health and safety risk. Any pressure/power washing activities must be performed by a professional pressure/power washing service provider utilizing high efficiency equipment and a vacuum recovery system where possible.
- Prohibit hosing of buildings or other structures for the purpose other than fire protection or surface preparation prior to painting with high-pressure equipment. Services must be performed by a professional pressure/power washing service provider utilizing high efficiency equipment and a vacuum recovery system where possible.
- Vehicle washing is restricted to commercial car washes, commercial service stations, or professional washing services only. This includes home and charity car washing. The washing of garbage trucks and vehicles used to transport food and/or other perishables may take place as necessary for health, sanitation, or public safety reasons.
- Prohibit the operation of ornamental fountains or ponds that use potable water except where necessary to support aquatic life or water quality.
- Prohibit permitting of private pools. Pools already permitted may be completed and filled. Existing private and public pools may add water to maintain pool levels, but may not be drained and refilled.

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City and Local Governments

In addition to actions listed above:

- Continue or initiate any actions available under Stage 1 and 2.
- Review conditions or problems that caused Stage 3. Take corrective action.
- Increase frequency of media releases explaining emergency situation and/or water supply conditions.
- Landscape watering at municipal parks and sports fields is prohibited. Variances may be granted by the water provider under special circumstances.

Exceptions:

- Variances may be available for watering of athletic fields (field only, does not include surrounding landscape areas) used for organized sports, practice, competition, or exhibition events to protect health and safety of the players, staff, or officials present for the athletic event.
- Institute a mandated reduction in deliveries to all customers. Such a reduction will be distributed as required by Texas Water Code §11.039.
- If TRWD has imposed a reduction in water available to customers, impose the same percent reduction on wholesale customers.

Commercial or Industrial

- All actions listed above for all water users apply to commercial and industrial users. Landscape watering of municipal parks and athletic fields is prohibited. Variances may be granted by the water provider under special circumstances.

Exceptions:

- Variances may be available for watering of athletic fields (field only, does not include surrounding landscape areas) used for organized sports, practice, competition, or exhibition events to protect health and safety of the players, staff, or officials present for the athletic event.
- Commercial water users may be required to reduce water use by a set percentage as determined by the Director of Public Works.

4.5 Procedures for Granting Variances to the Plan

The City Manager or official designee may grant temporary variances for existing water uses otherwise prohibited under this drought contingency plan to a customer if one or more of the following conditions are met:

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- Failure to grant such a variance would cause an emergency condition adversely affecting health, sanitation, or fire safety for the public or the person requesting the variance.
- Compliance with this plan cannot be accomplished due to technical or other limitations.
- Alternative methods that achieve the same level of reduction in water use can be implemented.

Variations shall be granted or denied at the discretion of the City Manager or official designee. All petitions for variations should be in writing and should include the following information:

- Name and address of the petitioner(s)
- Purpose of water use
- Specific provisions from which relief is requested
- Detailed statement of the adverse effect of the provision from which relief is requested
- Description of the relief requested
- Period of time for which the variance is sought
- Alternative measures that will be taken to reduce water use
- Other pertinent information.

4.6 Procedures for Enforcing Mandatory Water Use Restrictions

Mandatory water use restrictions may be imposed in Stages 1, 2, and 3 drought stages. These mandatory water use restrictions will be enforced by warnings and penalties as follows:

- On the first violation, customers will be given a written warning that they have violated the mandatory water use restriction.
- On the second and subsequent violations, citations may be issued to customers, with minimum and maximum fines established by ordinance.
- After two violations have occurred, the City of Bedford may install a flow restrictor in the line to limit the amount of water that may pass through the meter in a 24-hour period.
- After three violations have occurred, the utility may cut off water service to the customer.

Appendix D contains a copy of the City of Bedford ordinance adopting this Plan and the enforcement actions and penalties.

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4.7 Coordination with the Regional Water Planning Group and TRWD

Appendix C includes a copy of a letter sent to the Chair of the Region C Planning Group, General Manager of TRWD and the TCEQ upon adoption of this Plan.

4.8 Review and Update of Drought Contingency Plan

As required by TCEQ rules, Bedford will review this drought contingency plan in 2019 and every five years thereafter. The plan will be updated as appropriate based on new or updated information.

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APPENDIX A

LIST OF REFERENCES

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Appendix A List of References

- (1) Title 30 of the Texas Administrative Code, Part 1, Chapter 288, Subchapter A, Rules 288.1 and 288.5, and Subchapter B, Rule 288.22, downloaded from <http://www.tceq.state.tx.us/assets/public/legal/rules/rules/pdflib/288a.pdf>, March 2007.

The TRWD model drought contingency plan used in developing this plan was largely adapted from the following two plans:

- North Texas Municipal Water District: “Model Drought Contingency Plan for North Texas Municipal Water District Member Cities and Customers,” prepared by Freese and Nichols, Inc., Fort Worth, August 2004 with revisions in April 2006.
- Tarrant Regional Water District: “2014 TRWD Model Drought Contingency Plan,” adopted by the Board of Directors, Fort Worth, May 2005 with revisions in May 2007.

The following conservation and drought contingency plans and related documents were reviewed in the development of this plan. References marked with a * were used heavily in the development of this plan.

- *City of Dallas Water Utilities Department: “City of Dallas Water Management Plan,” adopted by the City Council, Dallas, September 1999.
- *City of Dallas Water Utilities Department: “City of Dallas Water Conservation Plan,” adopted by the City Council, Dallas, September 1999.
- *City of Fort Worth: “Water Conservation plan for the City of Fort Worth,” Fort Worth, August 1999.
- *City of Fort Worth: “Emergency Water Management Plan for the City of Fort Worth,” Fort Worth, August 19, 2003.
- *City of Dallas: “City of Dallas Ordinances, Chapter 49, Section 21.1,” Dallas, October 1, 2001

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APPENDIX B

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES ON DROUGHT CONTINGENCY PLANS FOR MUNICIPAL USES BY PUBLIC WATER SUPPLIERS

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APPENDIX B

Texas Commission on Environmental Quality Rules on Drought Contingency Plans

Texas Administrative Code

<u>TITLE 30</u>	ENVIRONMENTAL QUALITY
<u>PART 1</u>	TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
<u>CHAPTER 288</u>	WATER CONSERVATION PLANS, DROUGHT CONTINGENCY PLANS, GUIDELINES AND REQUIREMENTS
<u>SUBCHAPTER B</u>	DROUGHT CONTINGENCY PLANS
RULE §288.20	Drought Contingency Plans for Municipal Uses by Public Water Suppliers

- (a) A drought contingency plan for a retail public water supplier, where applicable, must provide information in response to each of the following.
- (1) Minimum requirements. Drought contingency plans must include the following minimum elements.
- (A) Preparation of the plan shall include provisions to actively inform the public and affirmatively provide opportunity for public input. Such acts may include, but are not limited to, having a public meeting at a time and location convenient to the public and providing written notice to the public concerning the proposed plan and meeting.
- (B) Provisions shall be made for a program of continuing public education and information regarding the drought contingency plan.
- (C) The drought contingency plan must document coordination with the Regional Water Planning Groups for the service area of the retail public water supplier to insure consistency with the appropriate approved regional water plans.
- (D) The drought contingency plan shall include a description of the information to be monitored by the water supplier, and specific criteria for the initiation and termination of drought response stages, accompanied by an explanation of the rationale or basis for such triggering criteria.
- (E) The drought contingency plan must include drought or emergency response stages providing for the implementation of measures in response to at least the following situations:
- (i) reduction in available water supply up to a repeat of the drought of record;
 - (ii) water production or distribution system limitations;
 - (iii) supply source contamination; or
 - (iv) system outage due to the failure or damage of major water system

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components (e.g., pumps).

- (F) The drought contingency plan must include specific, quantified targets for water use reductions to be achieved during periods of water shortage and drought. The entity preparing the plan shall establish the targets. The goals established by the entity under this subparagraph are not enforceable.
 - (G) The drought contingency plan must include the specific water supply or water demand management measures to be implemented during each stage of the plan including, but not limited to, the following:
 - (i) curtailment of non-essential water uses; and
 - (ii) utilization of alternative water sources and/or alternative delivery mechanisms with the prior approval of the executive director as appropriate (e.g., interconnection with another water system, temporary use of a non-municipal water supply, use of reclaimed water for non-potable purposes, etc.).
 - (H) The drought contingency plan must include the procedures to be followed for the initiation or termination of each drought response stage, including procedures for notification of the public.
 - (I) The drought contingency plan must include procedures for granting variances to the plan.
 - (J) The drought contingency plan must include procedures for the enforcement of any mandatory water use restrictions, including specification of penalties (e.g., fines, water rate surcharges, discontinuation of service) for violations of such restrictions.
- (2) Privately-owned water utilities. Privately-owned water utilities shall prepare a drought contingency plan in accordance with this section and incorporate such plan into their tariff.
- (3) Wholesale water customers. Any water supplier that receives all or a portion of its water supply from another water supplier shall consult with that supplier and shall include in the drought contingency plan appropriate provisions for responding to reductions in that water supply.
- (b) A wholesale or retail water supplier shall notify the executive director within five business days of the implementation of any mandatory provisions of the drought contingency plan.
- (c) The retail public water supplier shall review and update, as appropriate, the drought contingency plan, at least every five years, based on new or updated information, such as the adoption or revision of the regional water plan.
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Source Note: The provisions of this §288.20 adopted to be effective February 21, 1999, 24 TexReg 949; amended to be effective April 27, 2000, 25 TexReg 3544; amended to be effective October 7, 2004, 29 TexReg 9384

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APPENDIX C LETTER TO REGION C WATER PLANNING GROUP



CITY OF
BEDFORD
TEXAS

July 29, 2014

Mr. Tom Kula
Executive Director, Region C Water Planning Group
North Texas Municipal Water District
PO Box 2406
Wylie, TX 75098-2406

Dear Mr. Kula:

Enclosed you will find a copy of the City of Bedford Water Conservation and Drought Contingency Plans. These plans are submitted to the Region C Water Planning Group, in accordance with the Texas Water Development Board and Texas Commission on Environmental Quality Rules.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas Hoover'. The signature is fluid and cursive, with a large initial 'T'.

Thomas Hoover, Public Works Director
City of Bedford
(817) 952 - 2200

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APPENDIX D ORDINANCE ADOPTING DROUGHT CONTINGENCY PLAN

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ORDINANCE NO. 09-2925

AN ORDINANCE AMENDING CHAPTER 118 "UTILITIES", ARTICLE IV "RESTRICTIONS ON OUTDOOR USE OF WATER" OF THE CITY OF BEDFORD CODE OF ORDINANCES, AS AMENDED IN ITS ENTIRETY BY THE ADOPTION OF THE REVISED WATER RESOURCE MANAGEMENT ORDINANCE TO PROMOTE RESPONSIBLE USE OF WATER; PROVIDING FOR A FINE OF UP TO \$500 FOR EACH OFFENSE IN VIOLATION OF THE ORDINANCE AND/OR DISCONNECTION OF WATER SERVICE FOR NONCOMPLIANCE WITH THE PROVISIONS OF THE WATER RESOURCE MANAGEMENT ORDINANCE; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City of Bedford, Texas (the "City"), recognizes that the amount of water available to its water customers is limited; and,

WHEREAS, the City recognizes that due to natural limitations, drought conditions, system failures and other acts of God which may occur, the City cannot guarantee an uninterrupted water supply for all purposes at all times; and,

WHEREAS, the Water Code and the regulations of the Texas Commission on Environmental Quality (the "Commission") require that the City adopt a Drought Contingency Plan and a Water Conservation Plan; and,

WHEREAS, the City has determined an urgent need in the best interest of the public to adopt a Drought Contingency Plan and Water Conservation Plan; and,

WHEREAS, pursuant to Chapter 54 of the Local Government Code, the City is authorized to adopt such Ordinances necessary to preserve and conserve its water resources.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD TEXAS:

SECTION 1. That all matters stated hereinabove are found to be true and correct and are incorporated herein by reference.

SECTION 2. That the City of Bedford Code of Ordinances Chapter 118 "Utilities", Article IV "Restrictions on Outdoor Use of Water", is hereby amended in its entirety to read as follows:

ARTICLE IV. WATER RESOURCE MANAGEMENT

DIVISION 1. GENERAL PROVISIONS

Section 118-111. Definitions

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory.

City is the City of Bedford.

Person is any person, firm, partnership, association, corporation, company, or organization of any kind.

TCWSP is the Tarrant County Water Supply Project.

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TRA is the Trinity River Authority.

TRWD is the Tarrant Regional Water District.

Water is water from the City water system.

Section 118-112. Application of Regulations

The provisions of this article shall apply to all persons using water from the water system of the city. The provisions of this article shall not apply to those functions necessary for the public health, safety and welfare, such as emergency fire protection.

Section 118-113. General Restrictions on Water Use

- (a) All new irrigation systems must be in compliance with ordinances 08-2912 and 08-2913 of the City Code of Ordinances, as the same may be from time to time amended, including but not limited to system design and installation requirements and the prohibition of irrigation systems that spray directly onto impervious surfaces or other non-irrigated areas.
- (b) Except for hand watering and the use of soaker hoses, it shall be unlawful for any person to irrigate, water, or cause or permit the irrigation or watering of any lawn or landscape located on premises owned, leased, or managed by that person between the hours of 10:00 a.m. and 6:00 p.m. It is an affirmative defense to prosecution that the irrigation or watering of any lawn or landscape during the prohibited time was done for the purpose of establishing hydromulch, grass sod, grass seed; dust control for sport fields; or for the maintenance, repair, or testing of an irrigation system. The escape of water through defective plumbing, which shall mean the knowing permission for defective plumbing to remain out of repair, is hereby prohibited.

DIVISION 2. DROUGHT CONTINGENCY PLAN

Section 118-114. Emergency Water Restrictions

- (a) **Purpose and scope.** The purpose of this section is to establish the city's policy in the event of shortages or delivery limitations in the city's water supply and to establish water restrictions to be enforced in case of drought or emergency conditions.
- (b) **Drought contingency plan.** The drought contingency plan, as the same may be from time to time amended, is attached hereto as Exhibit A and is incorporated herein by reference.
- (c) **Authority.** The City Manager or official designee is authorized to implement measures prescribed when required by this section and by the drought contingency plan approved by the city council. The Public Works Director is authorized to enforce the measures implemented and to promulgate regulations, not in conflict with this section or state and federal laws, in aid of enforcement.
- (d) **Initiation of plan stages.** When a trigger condition has been reached, the city will notify the public through publication of articles in the Fort Worth Star Telegram and announcements on local radio and television. Signs will also be posted at public places throughout the city such as the library, post office, city hall, etc. Notices will also be posted on the city website.

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- (e) **Duration of stage; change.** A stage will remain in effect until the conditions that triggered initiation of the stage have been eliminated. If the stage is initiated because of excessive demands, all initiated actions will remain in effect through September 30 of the year in which they were triggered unless the City Manager or official designee determines that conditions exist that will allow termination of the stage before September 30. Upon recommendation of the Public Works Director, the City Manager or official designee may terminate, upgrade or downgrade the stage. Any such change must be made in the same manner prescribed in subsection (d).

DIVISION 3. WATER CONSERVATION PLAN

Section 118-115 Adoption of Water Conservation Plan

- (a) **Purpose and scope.** The purpose of this section is to establish the city's policy on water conservation measures.
- (b) **Water conservation plan.** The water conservation plan, as the same may be from time to time amended, is attached hereto as Exhibit B and is incorporated herein by reference.
- (c) **Authority.** The City Manager or official designee is authorized to implement measures prescribed when required by this section and by the water conservation plan approved by the city council. The Public Works Director is authorized to enforce the measures implemented and to promulgate regulations, not in conflict with this section or state and federal laws, in aid of enforcement.

DIVISION 4. RAIN AND FREEZE SENSORS

Section 118-116. Irrigation System Rain and Freeze Sensors.

- (a) Any irrigation system installed within the City on or after August 1, 2008 must be equipped with rain and freeze sensors.
- (b) Any irrigation system installed before August 1, 2008 may not be operated after August 1, 2010 without being equipped with rain and freeze sensors. This requirement does not apply to a single family residential or duplex property, or an individual metered townhome or condominium unit.
- (c) It shall be unlawful for any person to knowingly install, or cause or permit the installation of an irrigation system that does not comply with this section.
- (d) It shall be unlawful for any person on premises owned, leased, or managed by that person to knowingly or recklessly operate, or cause or permit the operation of an irrigation system that does not comply with this section.
- (e) It shall be unlawful for any person to operate an irrigation system with broken or missing heads after receiving notification from the building official and such representative as they may designate.
- (f) It shall be unlawful for any person to operate an irrigation system which causes significant runoff.

DIVISION 5. ENFORCEMENT

Section 118-117. Criminal responsibility.

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A person commits an offense of inappropriate use of water by any of the following actions:

- (a) A person may not knowingly make, cause or permit a use of an irrigation system contrary to the requirements of this article.
- (b) A person may not knowingly make, cause or permit a use of water contrary to the measures implemented by the city manager or official designee as prescribed in the water conservation plan.
- (c) A person may not knowingly make, cause or permit a use of water contrary to the measures implemented by the city manager or official designee as prescribed in the drought contingency plan. It is presumed that a person has knowingly made, caused or permitted a use of water contrary to the measures implemented if the mandatory measures have been formally ordered consistent with the terms of section 118-114(d) and:
 - (1) The manner of use has been prohibited by the drought contingency plan;
 - (2) The amount of water used exceeds that allowed by the drought contingency plan; or
 - (3) The manner or amount used violates the terms and conditions of a compliance agreement made pursuant to a variance granted by the Public Works Director pursuant to section 118-118.

Section 118-118. Variances.

Variances will be considered only under extreme circumstances for health or public safety reasons. The City Manager or official designee will be responsible for making this determination.

Sections 118-117—118-145 Reserved.

SECTION 2. That any person violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined up to \$500.00 and/or discontinuance of water service by the City. A separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.

SECTION 3. That all ordinances or any parts thereof in conflict with the terms of this ordinance shall be and hereby are deemed repealed and of no force or effect; provided, however, that the ordinance or ordinances under which the cases currently filed and pending in the Municipal Court of the City of Bedford, Texas, shall be deemed repealed only when all such cases filed and pending under such ordinance or ordinances have been disposed of by a final conviction or a finding not guilty or nolo contendere, or dismissal.

SECTION 4. That if any section, article, paragraph, sentence, clause, phrase or word in this ordinance, or application thereto any person or circumstance is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance; and the City Council hereby declares it would have passed such remaining portions of the ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

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SECTION 5. That this ordinance shall be in full force and effect after its passage and publication as required by law, and it is so ordained.

PRESENTED AND PASSED on this 14th day of April 2009, by a vote of 7 ayes, 0 nays and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.

Jim Story, Mayor

ATTEST:

Shanae Jennings, City Secretary

APPROVED AS TO FORM:

Stan Lowry, City Attorney

PART B.25

ORDINANCE NO. 14-3100

AN ORDINANCE AMENDING CHAPTER 118 "UTILITIES," ARTICLE IV "WATER RESOURCE MANAGEMENT," DIVISION 2, SECTION 118-114(B) "DROUGHT CONTINGENCY PLAN" TO ADOPT THE CURRENT PLAN, AS ATTACHED HERETO AS EXHIBIT A AND IS INCORPORATED HEREIN BY REFERENCE TO THE CITY OF BEDFORD CODE OF ORDINANCES, AND AMENDING CHAPTER 118 "UTILITIES," ARTICLE IV "WATER RESOURCE MANAGEMENT," DIVISION 3, SECTION 118-115(B) "WATER CONSERVATION PLAN" TO ADOPT THE CURRENT PLAN, AS ATTACHED HERETO AS EXHIBIT B AND IS INCORPORATED HEREIN BY REFERENCE TO THE CITY OF BEDFORD CODE OF ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY CLAUSE; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council of Bedford, Texas (the City) recognizes that a Drought Contingency Plan and Water Conservation Plan are necessary for the health and safety of its citizens due to drought conditions that may directly affect the City's ability to supply potable water; and,

WHEREAS, the Water Code and the regulation of the Texas Commission on Environmental Quality requires that the City adopt a Drought Contingency Plan and Water Conservation Plan; and,

WHEREAS, the City has determined an urgent need in the best interest of the public to adopt a Drought Contingency Plan and Water Conservation Plan; and,

WHEREAS, pursuant to Chapter 54 of the Local Government Code, the City is authorized to adopt such Ordinances as necessary to preserve and conserve its water resources.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

SECTION 1. That the findings above are found to be true and correct, and are incorporated herein.

SECTION 2. That the City of Bedford Code of Ordinances Chapter 118, "UTILITIES," Article IV "WATER RESOURCE MANAGEMENT," Division 2, Section 118-114(b) "Drought Contingency Plan" is amended, as attached hereto as Exhibit A and is incorporated herein by reference to the City of Bedford Code of Ordinances.

SECTION 3. That the City of Bedford Code of Ordinances Chapter 118, "UTILITIES," Article IV "WATER RESOURCE MANAGEMENT," Division 3, Section 118-115(b) "Water Conservation Plan" is amended, as attached hereto as Exhibit B and is incorporated herein by reference to the City of Bedford Code of Ordinances.

SECTION 4. That any person violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be fined the maximum amount allowed by law and/or discontinuance of water service by the City. A separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.

SECTION 5. That if any section, article, paragraph, sentence, clause, phrase or word in this ordinance, or application thereto to any person or circumstance, is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of the Ordinance; and the City Council hereby declares it would have passed such remaining portion of the Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

SECTION 6. That this ordinance shall become effective from and after its passage and publication as required by law.

PART B.25

ORDINANCE NO. 14-3100

PRESENTED AND PASSED this 26th day of August, 2014, by a vote of 7 ayes, 0 nays, and 0 abstentions, at a regular meeting of the City Council of the City of Bedford, Texas.



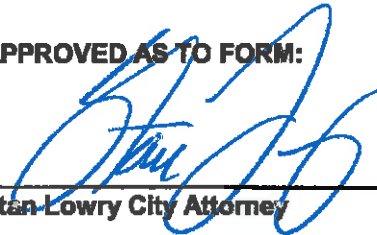
Jim Griffin, Mayor

ATTEST:



Michael Wells, City Secretary

APPROVED AS TO FORM:



Stan Lowry City Attorney

PART B.25

Water Conservation Plan Annual Report - Retail Water Supplier
TWDB Form No. 1966
Revised 1/23/2015 11:58 AM

Water Conservation Plan Annual Report Retail Water Supplier

CONTACT INFORMATION

Name of Entity: City of Bedford

Public Water Supply Identification Number (PWS ID): 2200003

Certificate of Convenience and Necessity (CCN) Number: 10075

Surface Water Rights ID Number: _____

Wastewater ID Number: 20027

Check all that apply:

- Retail Water Supplier
- Wholesale Water Supplier
- Wastewater Treatment Utility

Address: 1813 Reliance Parkway City: Bedford Zip Code: 76021

Email: jerry.laverty@bedfordtx.gov Telephone Number: 817-952-2258

Regional Water Planning Group: C [Map](#)

Groundwater Conservation District: 63 [Map](#)

Form Completed By: Jerry Laverty Title: Environmental Supervisor

Date: 04/24/2015

Reporting Period (calendar year):

Period Begin (mm/yyyy) 01/2014 Period End (mm/yyyy) 12/2014

Check all of the following that apply to your entity:

- Receive financial assistance of \$500,000 or more from TWDB
- Have 3,300 or more retail connections
- Have a water right with TCEQ

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SYSTEM DATA

Retail Customer Categories*

- Residential Single Family
- Residential Multi-family
- Industrial
- Commercial
- Institutional
- Agricultural

**Recommended Customer Categories for classifying your customer water use. For definitions, refer to [Guidance and Methodology on Water Conservation and Water Use](#).*

1. For this reporting period, select the category(s) used to classify customer water use:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Residential Single Family | <input checked="" type="checkbox"/> Commercial |
| <input checked="" type="checkbox"/> Residential Multi-family | <input type="checkbox"/> Institutional |
| <input type="checkbox"/> Industrial | <input type="checkbox"/> Agricultural |

2. For this reporting period, enter the gallons of **metered retail water** used by each customer category. If the Customer Category does not apply, enter zero or leave blank.

Retail Customer Category	Number of Connections	Gallons Metered
Residential Single Family	14,135	1,561,890,660
Residential Multi-family	294	444,865,340
Industrial		
Commercial	827	359,745,000
Institutional		
Agricultural		
Total Retail Water Metered¹	15,256	2,366,501,000

1. Residential + Industrial + Commercial + Institutional + Agricultural = Total Retail Water Metered

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Water Use Accounting

	Total Gallons During the Reporting Period
Water Produced: Water from permitted sources such as rivers, lakes, streams, and wells. <i>Same as line 14 of the water loss audit.</i>	108,917,708
Wholesale Water Imported: Purchased wholesale water transferred into the system. <i>Some as line 15 of the water loss audit.</i>	2,485,815,000
Wholesale Water Exported: Wholesale water sold or transferred out of the system. <i>Some as line 16 of the water loss audit.</i>	0
System Input: Total water supplied to system and available for retail use.	2,594,732,708 <small>Produced + Imported - Exported = System Input</small>
Total Retail Water Metered	2,366,501,000
Other Authorized Consumption: Water that is authorized for other uses such as the following: This water may be metered or unmetered. <i>Some as the total of lines 19, 20, and 21 of the water loss audit.</i> <ul style="list-style-type: none"> - back flushing - storage tank cleaning - fire department use - municipal government offices - line flushing - municipal golf courses/parks 	32,434,159
Total Authorized Use: All water that has been authorized for use.	2,398,935,159 <small>Total Retail Water + Other Authorized Consumption = Total Authorized Use</small>
Apparent Losses: Water that has been consumed but not properly measured or billed. <i>Some as line 28 of the water loss audit.</i> <i>(Includes losses due to customer meter occurocy, systemotic data discrepancy, unoutharized consumption such as theft)</i>	105,091,040
Real Losses: Physical losses from the distribution system prior to reaching the customer destination. <i>Same as line 29 of the water loss audit.</i> <i>(Includes physical losses from system or mains, reported breaks and leaks, or storage averflow)</i>	944,700
Unidentified Water Losses: Unreported losses not known or quantified.	89,761,809 <small>System Input - Total Authorized Use - Apparent Losses - Real Losses = Unidentified Water Losses</small>
Total Water Loss	195,797,549 <small>Apparent + Real + Unidentified = Total Water Loss</small>

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Targets and Goals

Provide the **specific and quantified five and ten-year targets** as listed in your current Water Conservation Plan. Target dates and numbers should match your current Water Conservation Plan.

Achieve Date	Target for Total GPCD	Target for Residential GPCD	Target for Water Loss (expressed in GPCD)	Target for Water Loss Percentage (expressed in percentage)
Five-year target date: 2019	153	141	9	6
Ten-year target date: 2029	140	140	8	6

Gallons per Capita per Day (GPCD) and Water Loss

Provide current GPCD and water loss totals. To see if you are making progress towards your stated goals, compare these totals to the above targets and goals. Provide the population and residential water use of your service area.

Total System Input In Gallons	Permanent Population ¹	Total GPCD
2,594,732,708 Water Produced + Wholesale Imported - Wholesale Exported	49,054	145 (System Input ÷ Permanent Population) ÷ 365

1. Permanent Population is the total permanent population of the service area, including single family, multi-family, and group quarter populations.

Residential Use in Gallons (Single Family + Multi-family)	Residential Population ²	Residential GPCD
2,006,756,000	49,054	112 (Residential Use ÷ Residential Population) ÷ 365

2. Residential Population is the total residential population of the service area, including only single family and multi-family populations.

Total Water Loss	Permanent Population	Water Loss	
		GPCD ³	Percent ⁴
195,797,549 Apparent + Real + Unidentified = Total Water Loss	49,054	11	8%

3. (Total Water Loss ÷ Permanent Population) ÷ 365 = Water Loss GPCD
 4. (Total Water Loss ÷ Total System Input) x 100 = Water Loss Percentage

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Water Conservation Programs and Activities

As you complete this section, review your utility's water conservation plan to see if you are making progress towards meeting your stated goals.

1. What year did your entity adopt or revise the most recent Water Conservation Plan? 2014
2. Does The Plan incorporate Best Management Practices? Yes No
3. Using the table below select the types of Best Management Practices or water conservation strategies actively administered during this reporting period and estimate the savings incurred in implementing water conservation activities and programs. Leave fields blank if unknown.

Methods and techniques for determining gallons saved are unique to each utility as they conduct internal effective cost analyses and long-term financial planning. Texas Best Management Practices can be found at TWDB's Water Conservation Best Management Practices [webpage](#). The [Alliance for Water Efficiency Water Conservation Tracking Tool](#) may offer guidance on determining and calculating savings for individual BMPs.

Best Management Practice	Check if Implemented	Estimated Gallons Saved
Conservation Analysis and Planning		
Conservation Coordinator	<input type="checkbox"/>	
Cost Effective Analysis	<input type="checkbox"/>	
Water Survey for Single Family and Multi-family Customers	<input type="checkbox"/>	
Financial		
Wholesale Agency Assistance Programs	<input type="checkbox"/>	
Water Conservation Pricing	<input type="checkbox"/>	
System Operations		
Metering New Connections and Retrofitting Existing Connections	<input type="checkbox"/>	
System Water Audit and Loss Control	<input type="checkbox"/>	
Landscaping		
Landscape Irrigation Conservation and Incentives	<input checked="" type="checkbox"/>	10,848,185
Athletic Fields Conservation	<input type="checkbox"/>	
Golf Course Conservation	<input type="checkbox"/>	
Park Conservation	<input type="checkbox"/>	
Education and Public Awareness		
School Education	<input checked="" type="checkbox"/>	10,048,074
Public Information	<input checked="" type="checkbox"/>	10,048,074
Rebate, Retrofit, and Incentive Programs		
Conservation Programs for ICI Accounts	<input type="checkbox"/>	
Residential Clothes Washer Incentive Program	<input type="checkbox"/>	
Water Wise Landscape Design and Conversion Programs	<input checked="" type="checkbox"/>	10,848,185

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Water Conservation Plan Annual Report - Retail Water S

FWDB Form No. 1965

Revised 1/23/2015 11:58 AM

Showerhead, Aerator, and Toilet Flapper Retrofit	<input type="checkbox"/>	
Residential Toilet Replacement Programs	<input type="checkbox"/>	
ICI Incentive Programs	<input type="checkbox"/>	
Conservation Technology		
Water Reuse	<input type="checkbox"/>	
New Construction Graywater	<input type="checkbox"/>	
Rainwater Harvesting and Condensate Reuse	<input checked="" type="checkbox"/>	325,000
Regulatory and Enforcement		
Prohibition on Wasting Water	<input type="checkbox"/>	
Other, please describe:		
Total Gallons of Water Saved		42,117,518

4. For this reporting period, provide the estimated gallons of direct or indirect reuse activities.

Reuse Activity	Estimated Volume (in gallons)
On-site irrigation	
Plant wash down	
Chlorination/de-chlorination	
Industrial	
Landscape irrigation (parks, golf courses)	
Agricultural	
Other, please describe:	
Total Volume of Reuse	0

5. For this reporting period, estimate the savings from water conservation activities and programs.

Gallons Saved/Conserved	Gallons Recycled/Reused	Total Volume of Water Saved ⁵	Dollar Value of Water Saved ⁶
42,117,518		42,117,518	\$ 142,357

5. Estimated Gallons Saved/Conserved + Estimated Gallons Recycled/Reused = Total Volume Saved

6. Estimate this value by taking into account water savings, the cost of treatment or purchase of water, and deferred capital costs due to conservation.

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Water Conservation Plan Annual Report - Retail Water S
 TWDB Form No.1966
 Revised 1/23/2015 11:58 AM

6. During this reporting period, did your rates or rate structure change? Yes No

Select the type of rate pricing structures used. Check all that apply.

<input type="checkbox"/> Uniform Rates	<input type="checkbox"/> Water Budget Based Rates	<input type="checkbox"/> Surcharge - seasonal
<input checked="" type="checkbox"/> Flat Rates	<input type="checkbox"/> Excess Use Rates	<input type="checkbox"/> Surcharge - drought
<input type="checkbox"/> Inclining/Inverted Block Rates	<input type="checkbox"/> Drought Demand Rates	<input type="checkbox"/> Other, please describe:
<input type="checkbox"/> Declining Block Rates	<input type="checkbox"/> Tailored Rates	
<input type="checkbox"/> Seasonal Rates	<input type="checkbox"/> Surcharge - usage demand	

7. For this reporting period, select the public awareness or educational activities used.

	Implemented	Number/Unit
<i>Example: Brochures Distributed</i>	√	10,000/year
<i>Example: Educational School Programs</i>	√	50 students/manth
Brochures Distributed	<input type="checkbox"/>	_____
Messages Provided on Utility Bills	<input checked="" type="checkbox"/>	15000
Press Releases	<input type="checkbox"/>	_____
TV Public Service Announcements	<input checked="" type="checkbox"/>	Movie Tavern PSA
Radio Public Service Announcements	<input type="checkbox"/>	_____
Educational School Programs	<input checked="" type="checkbox"/>	2100
Displays, Exhibits, and Presentations	<input type="checkbox"/>	400
Community Events	<input type="checkbox"/>	10500
Social Media campaigns	<input type="checkbox"/>	_____
Facility Tours	<input type="checkbox"/>	_____
Other :	<input type="checkbox"/>	_____

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Leak Detection and Water Loss

1. During this reporting period, how many leaks were repaired in the system or at service connections? 151

Select the main cause(s) of water loss in your system.

- Leaks and breaks
- Un-metered utility or city uses
- Master meter problems
- Customer meter problems
- Record and data problems
- Other: _____
- Other: _____

2. For this reporting period, provide the following information regarding meter repair:

Type of Meter	Total Number	Total Tested	Total Repaired	Total Replaced
Production Meters	1			
Meters larger than 1 1/2"	762			10
Meters 1 1/2 or smaller	14,424			100

3. Does your system have automated meter reading? Yes No

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Program Effectiveness and Drought

1. In your opinion, how would you rank the effectiveness of your conservation activities?

Customer Classification	Less Than Effective	Somewhat Effective	Highly Effective	Does Not Apply
Residential Customers	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Industrial Customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Institutional Customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Commercial Customers	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Agricultural Customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

2. During the reporting period, did you implement your Drought Contingency Plan?

- Yes No

If yes, how many days were water use restrictions in effect? 365

If yes, check the reason(s) for implementing your Drought Contingency Plan.

- | | |
|---|--|
| <input checked="" type="checkbox"/> Water Supply Shortage | <input type="checkbox"/> Equipment Failure |
| <input checked="" type="checkbox"/> High Seasonal Demand | <input type="checkbox"/> Impaired Infrastructure |
| <input type="checkbox"/> Capacity Issues | <input type="checkbox"/> Other: |

3. Select the areas for which you would like to receive more technical assistance:

- | | |
|---|---|
| <input type="checkbox"/> Best Management Practices | <input checked="" type="checkbox"/> Educational Resources |
| <input checked="" type="checkbox"/> Drought Contingency Plans | <input type="checkbox"/> Water Conservation Annual Reports |
| <input checked="" type="checkbox"/> Landscape Irrigation | <input type="checkbox"/> Water Conservation Plans |
| <input type="checkbox"/> Leak Detection and Equipment | <input checked="" type="checkbox"/> Water IQ: Know Your Water |
| <input checked="" type="checkbox"/> Rainwater Harvesting | <input type="checkbox"/> Water Loss Audits |
| <input type="checkbox"/> Rate Structures | <input checked="" type="checkbox"/> Recycling and Reuse |

SUBMIT

**TEXAS WATER DEVELOPMENT BOARD
WATER USE SURVEY**

WATER USE IN CALENDAR YEAR: 2014

SYSTEM NAME: CITY OF BEDFORD
OPERATOR NAME:
MULTIPLE SURVEY ORG:
MAILING ADDRESS 1: 1813 RELIANCE PKWY
MAILING ADDRESS 2:
CITY/STATE/ZIP: BEDFORD TX 76021-
PWS NAME: CITY OF BEDFORD

SURVEY NUMBER: 0062550
PRIMARY USED COUNTY: TARRANT
PRIMARY USED RIVER BASIN: TRINITY
ORGANIZATION MAIN PHONE: 817-952-2200
MAIN EMAIL:
WEB: www.bedfordtx.gov
PWS CODE: 2200003

INTAKE:

Water Type		County	Basin	Aquifer	Well Name (if applicable)		Metered or Estimated	Brackish / Saline (Y or N)	% Treated Prior to Intake	Total Volume (gallons)	
GROUND WATER SELF SUPPLIED		TARRANT	TRINITY	TRINITY AQUIFER			M	N	100.00	104,561,000	
JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
7,382,000	9,160,000	9,902,000	7,052,000	7,251,000	7,971,000	13,199,000	7,926,000	9,402,000	9,690,000	6,027,000	9,599,000
Water Type		County	Basin	Seller Name and/or Seller System		River / Reservoir	Metered or Estimated	Brackish / Saline (Y or N)	% Treated Prior to Intake	Total Volume (gallons)	
SURFACE WATER PURCHASED		TARRANT	TRINITY	TRINITY RIVER AUTHORITY	ARLINGTON DAM 08120	CEDAR CREEK LAKE/RESERVOIR - TRINITY	M	N	100.00	2,485,815,000	
JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
143,523,000	131,714,000	168,935,000	186,960,000	236,187,000	239,047,000	278,957,000	303,927,000	268,297,000	247,110,000	151,251,000	129,907,000

SALES:

Buyer	SALE TYPE (MUNICIPAL or INDUSTRIAL)	COUNTY NAME	BASIN NAME	Water Type	AQUIFER NAME (if GW)	SURFACE WATER Name (if SW)	TOTAL VOLUME (GALLONS)
CITY OF BEDFORD	M			SURFACE WATER			2,485,815,000

CITY CONNECTIONS:

CITY NAME	TOTAL CONNECTIONS
BEDFORD	15,256

CONNECTIONS/USAGE:	CONNECTIONS	VOLUME (GALLONS)
Total Metered Retail	15256	2590376000
Residential - Single Family	14135	1561890000
Residential - Multi Family	294	444865340
Institutional	0	0
Commercial	827	359745000
Industrial	0	0
Agriculture	0	0
Total Unmetered	0	0

WATER SYSTEM INFORMATION:

Estimated full-time residential population served directly by this system	41,722
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CONTACTS:

LAST NAME	FIRST NAME	TITLE	PHONE	PHONE EXT.	EMAIL
Overstreet	Kenneth	Utilities Manager	817-952-2223		kenneth.overstreet@bedfordtx.gov
Lavery	Jerry	Environmental Supervisor	817-952-2258		jerry.lavery@bedfordtx.gov

**TEXAS WATER DEVELOPMENT BOARD
WATER USE SURVEY**

WATER USE IN CALENDAR YEAR: 2013

SYSTEM NAME: CITY OF BEDFORD
OPERATOR NAME:
MULTIPLE SURVEY ORG:
MAILING ADDRESS 1: 1813 RELIANCE PKWY
MAILING ADDRESS 2:
CITY/STATE/ZIP: BEDFORD TX 76021-
PWS NAME: CITY OF BEDFORD

SURVEY NUMBER: 0062550
PRIMARY USED COUNTY: TARRANT
PRIMARY USED RIVER BASIN: TRINITY
ORGANIZATION MAIN PHONE: 817-952-2200
MAIN EMAIL:
WEB: www.bedfordtx.gov
PWS CODE: 2200003

INTAKE:

Water Type		County	Basin	Aquifer	Well Name (if applicable)		Metered or Estimated	Brackish / Saline (Y or N)	% Treated Prior to Intake	Total Volume (gallons)	
GROUND WATER SELF SUPPLIED		TARRANT	TRINITY	TRINITY AQUIFER			M	N	0.00	221,277,000	
JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
882,000	5,682,000	22,059,000	20,670,000	28,228,000	27,314,000	22,364,000	24,754,000	18,385,000	21,373,000	15,471,000	14,095,000
Water Type		County	Basin	Seller Name and/or Seller System		River / Reservoir	Metered or Estimated	Brackish / Saline (Y or N)	% Treated Prior to Intake	Total Volume (gallons)	
SURFACE WATER PURCHASED		TARRANT	TRINITY	TRINITY RIVER AUTHORITY	ARLINGTON DAM 08120	CEDAR CREEK LAKE/RESERVOIR - TRINITY	M	N	100.00	2,409,337,000	
JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
153,896,000	133,909,000	159,520,000	166,128,000	197,028,000	232,824,000	289,530,000	300,710,000	273,808,000	200,920,000	150,532,000	150,532,000

CONNECTIONS/USAGE:	CONNECTIONS	VOLUME (GALLONS)
Total Metered Retail	15218	2630614000
Residential - Single Family	13607	1463478
Residential - Multi Family	296	405152
Institutional	0	0
Commercial	796	345649
Industrial	0	0
Agriculture	0	0
Total Unmetered	0	0

WATER SYSTEM INFORMATION:

Estimated full-time residential population served directly by this system	47,001
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CONTACTS:

LAST NAME	FIRST NAME	TITLE	PHONE	PHONE EXT.	EMAIL
Overstreet	Kenneth	Utilities Manager	817-952-2223		kenneth.overstreet@bedfordtx.gov

**TEXAS WATER DEVELOPMENT BOARD
WATER USE SURVEY**

WATER USE IN CALENDAR YEAR: 2012

SYSTEM NAME: CITY OF BEDFORD
OPERATOR NAME:
MULTIPLE SURVEY ORG:
MAILING ADDRESS 1: 1813 RELIANCE PKWY
MAILING ADDRESS 2:
CITY/STATE/ZIP: BEDFORD TX 76021-
PWS NAME: CITY OF BEDFORD

SURVEY NUMBER: 0062550
PRIMARY USED COUNTY: TARRANT
PRIMARY USED RIVER BASIN: TRINITY
ORGANIZATION MAIN PHONE: 817-952-2200
MAIN EMAIL:
WEB: www.bedfordtx.gov
PWS CODE: 2200003

INTAKE:

Water Type		County	Basin	Aquifer	Well Name (if applicable)		Metered or Estimated	Brackish / Saline (Y or N)	% Treated Prior to Intake	Total Volume (gallons)	
GROUND WATER SELF SUPPLIED		TARRANT	TRINITY	TRINITY AQUIFER			M	N	0.00	157,086,000	
JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
15,443,000	20,251,000	20,139,000	12,078,000	14,375,000	17,706,000	19,556,000	2,348,000	0	11,412,000	13,969,000	9,809,000
Water Type		County	Basin	Seller Name and/or Seller System		River / Reservoir	Metered or Estimated	Brackish / Saline (Y or N)	% Treated Prior to Intake	Total Volume (gallons)	
SURFACE WATER PURCHASED		TARRANT	TRINITY	TRINITY RIVER AUTHORITY	ARLINGTON DAM 08120	CEDAR CREEK LAKE/RESERVOIR - TRINITY	M	N	0.00	2,797,340,000	
JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
134,815,000	117,924,000	141,259,000	169,421,000	258,399,000	265,896,000	366,666,000	370,873,000	332,710,000	245,214,000	215,036,000	179,127,000

CONNECTIONS/USAGE:	CONNECTIONS	VOLUME (GALLONS)
Total Metered Retail	14710	2615577741
Residential - Single Family	13599	0
Residential - Multi Family	294	0
Institutional	0	0
Commercial	817	0
Industrial	0	0
Agriculture	0	0
Total Unmetered	0	694741

WATER SYSTEM INFORMATION:

Estimated full-time residential population served directly by this system	47,183
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CONTACTS:

LAST NAME	FIRST NAME	TITLE	PHONE	PHONE EXT.	EMAIL
Garnett	Rick	Environmental Specialist	817-952-2258		Rick.Garnett@bedfordtx.gov

PART B.27
TEXAS WATER DEVELOPMENT BOARD
P.O. BOX 13231, CAPITOL STATION
AUSTIN, TX 78711-3231

2014 Water Audit Report

A. Water Utility General Information

1. Water Utility Name: City of Bedford

2. Contact:

 2a. Name Jerry Lavery

 2b. Telephone # (817) 952-2258

 2c. Email Address jerry.lavery@bedfordtx.gov

3. Reporting Period: From 01/1/2014 To 12/31/2014

4. Source Water Utilization, percentage: Surface Water 90.00 % Ground Water 10.00 %

5. Population Served:

5a. Retail Population Served	<u>41,722</u>	
5b. Wholesale Population Served	<u>0</u>	Assessment Scale
6. Utility's Length of Main Lines, miles	<u>172.00</u>	<u>2</u>
7. Number of Wholesale Connections Served	<u>0</u>	
8. Total Retail Metered Connections	<u>15,256</u>	
9. Service Connection Density (Number of retail service connections / miles of main lines)	<u>88.70</u>	
10. Average Yearly System Operating Pressure (psi)	<u>60.00</u>	<u>1</u>
11. Volume Units of Measure:	<u>Gallons</u>	

B. System Input Volume

12. Produced Water	<u>104,561,000</u> gallons	<u>3</u>
13. Production Meter Accuracy (enter percentage)	<u>96.00</u> %	<u>1</u>
14. Corrected Input Volume	<u>108,917,708</u> gallons	
15. Total Water Purchased	<u>2,485,815,000</u> gallons	<u>3</u>
16. Total Wholesale Water Sales	<u>0</u> gallons	<u>0</u>
17. Total System Input Volume (Corrected input volume, plus imported water, minus exported water)	<u>2,594,732,708</u> gallons	

C. Authorized Consumption

18. Billed Metered	<u>2,366,501,000</u> gallons	<u>2</u>
19. Billed Unmetered	<u>0</u> gallons	<u>0</u>
20. Unbilled Metered	<u>0</u> gallons	<u>0</u>
21. Unbilled Unmetered	<u>32,434,159</u> gallons	<u>1</u>
22. Total Authorized Consumption	<u>2,398,935,159</u> gallons	

Assessment
Scale

PART B.27
TEXAS WATER DEVELOPMENT BOARD
P.O. BOX 13231, CAPITOL STATION
AUSTIN, TX 78711-3231

2014 Water Audit Report

D. Water Losses

23. Water Losses 195,797,549 gallons
(Line 17 minus Line 22)

E. Apparent Losses

24. Average Customer Meter Accuracy (Enter percentage)	<u>96.00</u> %	<u>2</u>
25. Customer Meter Accuracy Loss	<u>98,604,208</u> gallons	
26. Systematic Data Handling Discrepancy	<u>0</u> gallons	<u>0</u>
27. Unauthorized Consumption	<u>6,486,832</u> gallons	<u>0</u>
28. Total Apparent Losses	<u>105,091,040</u> gallons	

F. Real Losses

29. Reported Breaks and Leaks (Estimated volume of leaks & breaks repaired during the audit period)	<u>944,700</u> gallons	<u>3</u>
30. Unreported Loss (Includes all unknown water loss)	<u>89,761,809</u> gallons	<u>0</u>
31. Total Real Losses (Line 29, plus Line 30)	<u>90,706,509</u> gallons	
32. Water Losses (Apparent + Real) (Line 28 plus Line 31) = Line 23	<u>195,797,549</u> gallons	
33. Non-revenue Water (Water Losses + Unbilled Authorized Consumption) (Line 32, plus Line 20, plus Line 21)	<u>228,231,708</u> gallons	

G. Technical Performance Indicator for Apparent Loss

34. Apparent Losses Normalized 19 gallons
(Apparent Loss Volume / # of Retail Service Connections/365)

H. Technical Performance Indicators for Real Loss

35. Real Loss Volume (Line 31)	<u>90,706,509</u> gallons	
36. Unavoidable Annual Real Losses, volume (calculated)	<u>70,456,680</u> gallons	
37. Infrastructure Leakage Index (calculated) (Equals real loss volume divided by unavoidable annual real losses)	<u>1.28740</u>	
38. Real Losses Normalized (Real Loss Volume / # of Service Connections / 365) (This indicator applies if service connection density is greater than or equal to 32 / mile)	<u>16</u> gallons	

PART B.27
TEXAS WATER DEVELOPMENT BOARD
P.O. BOX 13231, CAPITOL STATION
AUSTIN, TX 78711-3231

2014 Water Audit Report

39. Real Losses Normalized (Real Loss Volume/Miles of Main Lines/365) (This indicator applies if service connection density is less than 32/mile)	<u>0</u> gallons	
I. Financial Performance Indicators		
40. Total Apparent Losses (Line 28)	<u>105,091,040</u> gallons	Assessment Scale
41. Retail Price of Water	<u>\$0.00338</u>	<u>2</u>
42. Cost of Apparent Losses (Apparent loss volume multiplied by retail cost of water, Line 40 x Line 41)	<u>\$355,207.72</u>	
43. Total Real Losses (Line 31)	<u>90,706,509.38</u>	
44. Variable Production Cost of Water* (*Note: in case of water shortage, real losses might be valued at the retail price of water instead of the variable production cost.)	<u>\$0.00338</u>	<u>3</u>
45. Cost of Real Losses (Real Loss multiplied by variable production cost of water, Line 43 x Line 44)	<u>\$306,588.00</u>	
46. Total Assessment Scale		<u>23</u>
47. Total Cost Impact of Apparent and Real Losses	<u>\$661,795.72</u>	
48. Comments		
49. Total Water Loss %	<u>7.55</u> %	
50. GPCD (Gallons Per Capita Per Day) Input	<u>170.39</u>	
51. GPCD (Gallons Per Capita Per Day) Loss	<u>12.86</u>	

PART B.27
TEXAS WATER DEVELOPMENT BOARD
P.O. BOX 13231, CAPITOL STATION
AUSTIN, TX 78711-3231

2013 Water Audit Report

A. Water Utility General Information

1. Water Utility Name:	<u>City of Bedford</u>		
2. Contact:			
2a. Name	<u>Joseph Lavery</u>		
2b. Telephone #	<u>817-952-2258</u>		
2c. Email Address	<u>jerry.lavery@bedfordtx.gov</u>		
3. Reporting Period:	From	<u>1/1/2013</u>	To <u>12/31/2013</u>
4. Source Water Utilization, percentage:	Surface Water	<u>90.00</u> %	Ground Water <u>10.00</u> %
5. Population Served:			
5a. Retail Population Served		<u>14,927</u>	Assessment Scale
5b. Wholesale Population Served		<u>0</u>	
6. Utility's Length of Main Lines, miles		<u>165.00</u>	<u>2</u>
7. Number of Wholesale Connections Served		<u>0</u>	
8. Number of Retail Service Connections Served		<u>14,927</u>	
9. Service Connection Density (Number of retail service connections / miles of main lines)		<u>90.47</u>	
10. Average Yearly System Operating Pressure (psi)		<u>60.00</u>	<u>1</u>
11. Volume Units of Measure:		<u>Gallons</u>	

B. System Input Volume

12. Produced Water	<u>221,277,000</u> gallons	<u>3</u>
13. Production Meter Accuracy (enter percentage)	<u>96.00</u> %	<u>1</u>
14. Corrected Input Volume	<u>230,496,875</u> gallons	
15. Water Imported	<u>2,394,765,000</u> gallons	<u>3</u>
16. Water Exported	<u>0</u> gallons	<u>0</u>
17. System Input Volume (Corrected input volume, plus imported water, minus exported water)	<u>2,625,261,875</u> gallons	

Assessment
Scale

C. Authorized Consumption

18. Billed Metered	<u>2,438,043,000</u> gallons	<u>2</u>
19. Billed Unmetered	<u>0</u> gallons	<u>0</u>
20. Unbilled Metered	<u>0</u> gallons	<u>0</u>
21. Unbilled Unmetered	<u>32,815,773</u> gallons	<u>1</u>
22. Total Authorized Consumption	<u>2,470,858,773</u> gallons	

PART B.27
TEXAS WATER DEVELOPMENT BOARD
P.O. BOX 13231, CAPITOL STATION
AUSTIN, TX 78711-3231

2013 Water Audit Report

D. Water Losses

23. **Water Losses** 154,403,102 gallons
(Line 17 minus Line 22)

E. Apparent Losses

24. Average Customer Meter Accuracy (Enter percentage)	<u>96.00</u> %	<u>2</u>
25. Customer Meter Accuracy Loss	<u>101,585,125</u> gallons	
26. Systematic Data Handling Discrepancy	<u>0</u> gallons	<u>0</u>
27. Unauthorized Consumption	<u>6,563,155</u> gallons	<u>2</u>
28. Total Apparent Losses	<u>108,148,280</u> gallons	

F. Real Losses

29. Reported Breaks and Leaks (Estimated volume of leaks & breaks repaired during the audit period)	<u>4,252,508</u> gallons	<u>4</u>
30. Unreported Loss (Includes all unknown water loss)	<u>42,002,314</u> gallons	<u>0</u>
31. Total Real Losses (Line 29, plus Line 30)	<u>46,254,822</u> gallons	
32. Water Losses (Apparent + Real) (Line 28 plus Line 31) = Line 23	<u>154,403,102</u> gallons	
33. Non-revenue Water (Water Losses + Unbilled Authorized Consumption) (Line 32, plus Line 20, plus Line 21)	<u>187,218,875</u> gallons	

G. Technical Performance Indicator for Apparent Loss

34. Apparent Losses Normalized 20 gallons
(Apparent Loss Volume / # of Retail Service Connections/365)

H. Technical Performance Indicators for Real Loss

35. Real Loss Volume (Line 31)	<u>46,254,822</u> gallons	
36. Unavoidable Annual Real Losses, volume (calculated)	<u>68,548,095</u> gallons	
37. Infrastructure Leakage Index (calculated) (Equals real loss volume divided by unavoidable annual real losses)	<u>0.67480</u>	
38. Real Losses Normalized (Real Loss Volume / # of Service Connections / 365) (This indicator applies if service connection density is greater than 32 / mile)	<u>8</u> gallons	

PART B.27
TEXAS WATER DEVELOPMENT BOARD
P.O. BOX 13231, CAPITOL STATION
AUSTIN, TX 78711-3231
2013 Water Audit Report

39. Real Losses Normalized	<u>768</u> gallons	
(Real Loss Volume/Miles of Main Lines/365)		
(This indicator applies if service connection density is less than 32/mile)		
 I. Financial Performance Indicators		
		Assessment Scale
40. Total Apparent Losses (Line 28)	<u>108,148,280</u> gallons	
41. Retail Price of Water	<u>\$3.11000</u>	<u>2</u>
42. Cost of Apparent Losses (Apparent loss volume multiplied by retail cost of water, Line 40 x Line 41)	<u>\$336,341,149.83</u>	
43. Total Real Losses (Line 31)	<u>46,254,821.88</u>	
44. Variable Production Cost of Water* (*Note: in case of water shortage, real losses might be valued at the retail price of water instead of the variable production cost.)	<u>\$0.00220</u>	<u>3</u>
45. Cost of Real Losses (Real Loss multiplied by variable production cost of water, Line 43 x Line 44)	<u>\$101,760.61</u>	
46. Total Assessment Scale		<u>26</u>
47. Total Cost Impact of Apparent and Real Losses	<u>\$336,442,910.44</u>	
48. Comments		
49. Total Water Loss %	<u>5.88</u> %	



CITY OF BEDFORD

Discover the Center

Financial Assistance Application to the
Texas Water Development Board
June 5, 2015

Attachment C Financial Information



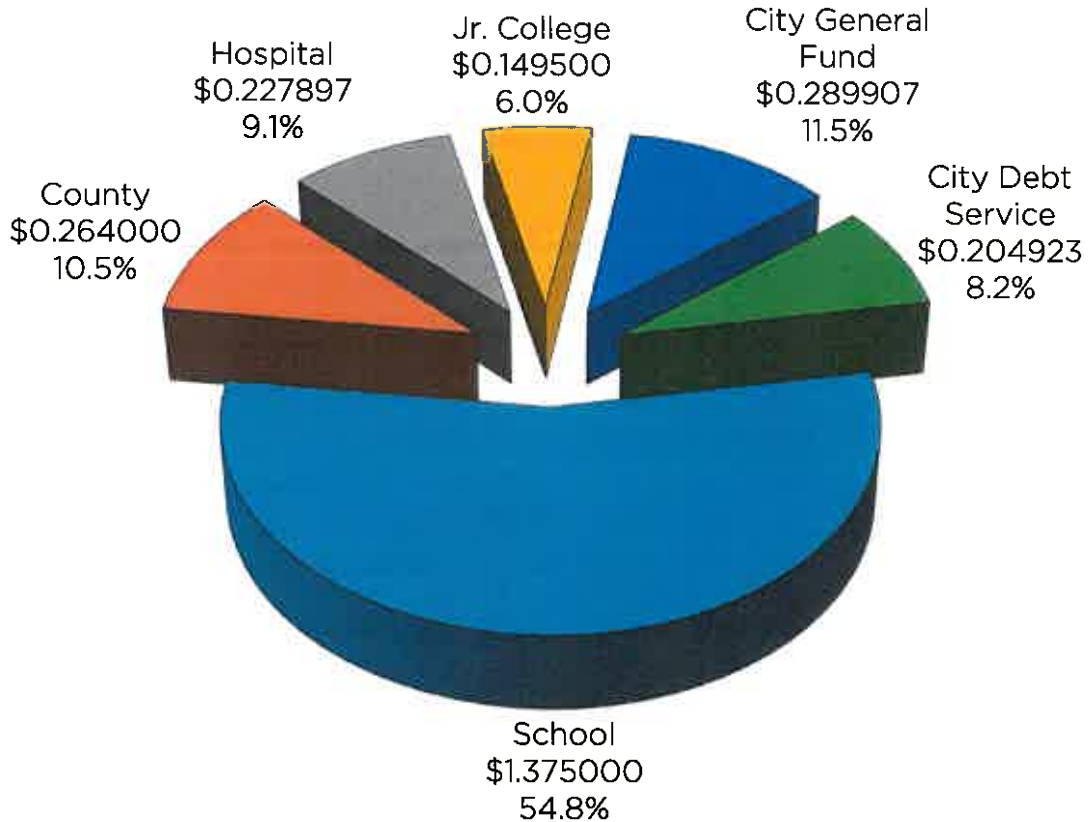
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ASSESSED VALUES BY CLASSIFICATION

Taxable Appraised Value for Fiscal Year Ended September 30,						
Category	2015		2014		2013	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential Single Family	\$ 2,096,154,206	63.94%	\$ 2,028,917,442	65.25%	\$ 2,003,195,685	64.86%
Real, Residential Multi-Family	484,836,910	14.79%	437,125,222	14.06%	414,960,572	13.44%
Real, Vacant Lots/Tracts	24,006,674	0.73%	18,925,264	0.61%	21,033,457	0.68%
Real, Acreage (Land Only)	-	0.00%	6,611,643	0.21%	7,229,190	0.23%
Real, Farm and Ranch Improvements	-	0.00%	-	0.00%	-	0.00%
Real, Commercial	518,160,362	15.81%	492,091,153	15.83%	509,355,990	16.49%
Real, Industrial	4,788,555	0.15%	4,488,555	0.14%	5,090,000	0.16%
Minerals, Oil and Gas	75,890	0.00%	-	0.00%	-	0.00%
Real and Tangible Personal, Utilities	39,218,872	1.20%	30,180,823	0.97%	32,879,841	1.06%
Tangible Personal, Commercial	109,130,752	3.33%	88,429,959	2.84%	92,293,917	2.99%
Tangible Personal, Industrial	1,742,463	0.05%	1,848,270	0.06%	1,930,078	0.06%
Tangible Personal, Other	-	0.00%	-	0.00%	-	0.00%
Real Property, Inventory	82,880	0.00%	794,260	0.03%	479,360	0.02%
Total Appraised Value Before Exemptions	\$ 3,278,197,564	100.00%	\$ 3,109,412,591	100.00%	\$ 3,088,448,090	100.00%
Net Taxable Value in Arbitration and Incomplete Adjustments	40,950,873		91,402,942		65,142,631	
Less: Total Exemptions/Reductions	(190,147,555)		(178,968,198)		(180,088,352)	
Taxable Assessed Value	<u>\$ 3,129,000,882</u>		<u>\$ 3,121,183,647</u>		<u>\$ 2,961,094,384</u>	

Taxable Appraised Value for Fiscal Year Ended September 30,				
Category	2012		2011	
	Amount	% of Total	Amount	% of Total
Real, Residential Single Family	\$ 1,987,715,627	68.27%	\$ 1,986,597,091	65.31%
Real, Residential Multi-Family	291,145,940	10.00%	340,719,435	11.20%
Real, Vacant Lots/Tracts	19,067,285	0.65%	22,230,002	0.73%
Real, Acreage (Land Only)	7,285,333	0.25%	8,044,972	0.26%
Real, Farm and Ranch Improvements	-	0.00%	-	0.00%
Real, Commercial	477,887,650	16.41%	520,601,155	17.11%
Real, Industrial	5,466,619	0.19%	5,266,619	0.17%
Minerals, Oil and Gas	-	0.00%	-	0.00%
Real and Tangible Personal, Utilities	35,847,781	1.23%	37,043,385	1.22%
Tangible Personal, Commercial	83,871,850	2.88%	117,497,878	3.86%
Tangible Personal, Industrial	2,545,540	0.09%	2,828,276	0.09%
Tangible Personal, Other	-	0.00%	-	0.00%
Real Property, Inventory	900,800	0.03%	1,145,840	0.04%
Total Appraised Value Before Exemptions	\$ 2,911,734,425	100.00%	\$ 3,041,974,653	100.00%
Net Taxable Value in Arbitration and Incomplete Adjustments	195,494,153		-	
Less: Total Exemptions/Reductions	(164,076,940)		(164,946,222)	
Taxable Assessed Value	<u>\$ 2,965,988,327</u>		<u>\$ 2,877,028,431</u>	

CITY OF BEDFORD OVERLAPPING TAX RATES FY 2014 – 2015



This information is utilized to determine the total tax liability of the average homeowner in the City of Bedford. The FY 2014-2015 tax rates are shown.

The total overlapping tax bill for our citizens is \$2.511227 for the 2014-2015 tax year, with the City's share 19.7% of the total.

The average residential taxable assessed valuation is estimated at \$152,234. Based on the average value, the total overlapping tax liability for FY 2014-2015 is \$3,822.94.

OVERLAPPING TAX RATE

Taxing Jurisdiction	2014/15 Taxable Assessed Value	2014/15 Tax Rate	Total Tax Supported Debt	Estimated % Applicable	City's Overlapping Tax Supported Debt As of 5/1/15
City of Bedford	\$ 3,120,591,219	\$ 0.494830	48,805,000	100.00%	\$ 48,805,000
Hurst-Eules-Bedford Independent School District	9,592,152,999	1.375000	290,687,648	31.62%	91,915,434
Tarrant County	135,529,907,137	0.264000	362,600,000	2.35%	8,521,100
Tarrant County College District	136,312,562,282	0.149500	-	2.35%	-
Tarrant County Hospital District	135,784,012,236	0.227897	25,375,000	2.35%	596,313
Total Direct and Overlapping Tax Supported Debt					\$ 149,837,847
Ratio of Direct and Overlapping Tax Supported Debt to Taxable Assessed Valuation					4.80%
Per Capita Overlapping Tax Supported Debt					\$ 3,054.55

FIVE YEAR COMPARATIVE SYSTEM OPERATING STATEMENT

	6 Months	Fiscal Year Ended September 30,				
	Ended 03/31/2015	2014	2013	2012	2011	2010
<u>Revenues</u>						
Water Sales	\$ 5,907,453	\$ 11,917,187	\$ 11,739,641	\$ 12,185,112	\$ 12,943,929	\$ 10,475,115
Charges for Sewer Services	3,287,609	6,516,659	5,930,354	5,995,840	5,884,928	5,364,676
Other	88,501	173,949	238,626	734,183	982,398	264,912
Total Revenue	\$ 9,283,563	\$ 18,607,795	\$ 17,908,621	\$ 18,915,135	\$ 19,811,255	\$ 16,104,703
<u>Expenses</u>						
Water Supply and Distribution	\$ 4,065,252	\$ 8,448,973	\$ 8,116,217	\$ 7,914,658	\$ 9,102,950	\$ 8,243,196
Wastewater Collection and Disposal	2,481,641	4,320,847	3,960,054	3,837,162	3,744,916	3,629,709
Billing and Collection	511,267	1,195,481	1,218,968	1,155,188	1,149,980	1,098,619
Public Services/Engineering	308,113	610,256	605,250	566,978	554,722	560,172
Depreciation and Amortization	-	1,553,447	1,309,435	1,260,972	1,261,401	1,182,634
Total Expense	\$ 7,366,274	\$ 16,129,004	\$ 15,209,924	\$ 14,734,958	\$ 15,813,969	\$ 14,714,330
Operating Income	\$ 1,917,290	\$ 2,478,791	\$ 2,698,697	\$ 4,180,177	\$ 3,997,286	\$ 1,390,373
<u>Nonoperating Revenues (Expenses)</u>						
Interest Income	\$ 4,311	\$ 18,662	\$ 42,245	\$ 15,816	\$ 35,616	\$ 11,783
Gain on Sale of Capital Assets	-	-	11,406	3,734	3,317	-
Interest Expense and Fiscal Agent Charges	(155,715)	(431,905)	(435,337)	(377,292)	(480,838)	(380,291)
Total Nonoperating Revenues (Expenses)	\$ (151,404)	\$ (413,243)	\$ (381,686)	\$ (357,742)	\$ (441,905)	\$ (368,508)
Income Before Transfers	\$ 1,765,885	\$ 2,065,548	\$ 2,317,011	\$ 3,822,435	\$ 3,555,381	\$ 1,021,865
Capital Contributions	-	6,263,044	-	147,360	26,446	267,469
Special Item - Change in OPEB Plan	-	-	-	-	-	97,555
Transfers In	64,977	123,497	237,470	112,945	112,945	217,493
Transfers Out	(1,088,526)	(2,213,763)	(2,205,526)	(2,147,258)	(2,057,276)	(1,865,996)
Change in Net Assets	\$ 742,336	\$ 6,238,326	\$ 348,955	\$ 1,935,482	\$ 1,637,496	\$ (261,614)
Total Net Assets, Beginning	32,108,338	25,870,012	25,521,057	23,721,198	22,083,703	22,345,047
Total Net Assets, Ending	\$ 32,850,674	\$ 32,108,338	\$ 25,870,012	\$ 25,656,680	\$ 23,721,199	\$ 22,083,433



CITY OF BEDFORD

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ending September 30, 2014

BEDFORD, TX

PART C.47

City of Bedford, Texas

September 30, 2014

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September 30, 2014

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City of Bedford, Texas

September 30, 2014

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Introductory Section

CITY of BEDFORD

2000 FOREST RIDGE DRIVE, BEDFORD, TEXAS 76021-1895

February 9, 2015

Citizens of Bedford, Honorable Mayor,
Members of the City Council and City Manager:

The Administrative Services Department is pleased to submit the Comprehensive Annual Financial Report for the City of Bedford, Texas (City), for the fiscal year ended September 30, 2014. This report was prepared through the cooperative effort of the Administrative Services Department and the City's independent auditor. It is published to provide the City Council, staff, citizens, bondholders and other interested parties with detailed information concerning the financial condition and activities of the City government.

Responsibility for both the accuracy of the data and completeness and fairness of the presentation rests with the City. We believe the data, as presented, is accurate in all material aspects. It is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds and all disclosures necessary have been included to enable the reader to gain the maximum understanding of the City's financial affairs.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, organizational chart and a list of principal officials. The financial section includes the independent auditor's report, Management's Discussion and Analysis (MD&A), basic financial statements and combining and individual fund statements and schedules. The statistical section includes a variety of financial and demographic information presented on a multiyear basis that is relevant to a financial statement reader. The financial section is prepared in accordance with generally accepted accounting principles for governments as prescribed by the Governmental Accounting Standards Board (GASB).

CITY PROFILE

The City of Bedford is a predominately residential community located in Tarrant County, near several major transportation links between Dallas and Fort Worth. It is part of the "Metroplex" of North Central Texas, which includes the cities of Dallas and Fort Worth. The City of Bedford is bordered on the east and south by the City of Euless, on the west by the City of Hurst and on the north by the City of Colleyville. Bedford lies approximately five miles from the Dallas/Fort Worth International Airport, 12 miles from downtown Fort Worth and 20 miles from downtown Dallas. There are three State Highways (183, 121, 157) and two Interstate Highways (35, 30) serving the City with the nearest Interstate located six miles away.

The City was incorporated in 1953 under the general laws of the state of Texas and the voters approved the current charter in 1966. The City is a home rule city and operates under the Council/Manager form of government. The City Council is composed of a mayor and six council members elected at large every three years.

THE REPORTING ENTITY AND ITS SERVICES

Generally accepted accounting principles require that general-purpose financial statements present the City (the primary government) and its component units. Component units are organizations for which the City is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete.

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. Based on this criterion, the following blended component unit is included. The City of Bedford Street Improvement Economic Development Corporation (EDC) is governed by a seven-member board appointed by the City Council. Although it is legally separate from the City, the EDC is reported as a Special Revenue Fund as if it were part of the primary government because its sole purpose is to operate, maintain and finance the costs of the City's street improvements using sales taxes collected under Section 4B of the Development Corporation Act of 1979.

Services provided by the City under the general governmental functions include police and fire protection, emergency medical services, planning and zoning, code enforcement and inspections, street maintenance, parks, recreation, library and senior citizen services. A Special Revenue Fund is used to account for revenues derived from hotel/motel taxes, with proceeds used to promote tourism. Water and sewer services are provided under an enterprise fund concept, with user charges set by the City Council to ensure adequate coverage of operating expenses and payments on outstanding debt. Drainage maintenance services are also provided under the enterprise fund concept, implemented in 1991 in accordance with amendments to Title 13 of the Texas Local Government Code.

The water supply for the City of Bedford is provided by the Trinity River Authority (TRA), which provides treated water to Bedford, Euless, Colleyville, Grapevine and North Richland Hills pursuant to separate, but similar contracts dated January 21, 1972 and April 25, 1979. In October 1973 the Trinity River Authority (Central Regional Wastewater System) entered into a 50-year contract with numerous cities in the metroplex, including the City of Bedford for construction of a wastewater treatment plant to service all contracting parties.

The original 50-year duration of the contract is automatically extended through the latest maturity of any TRA outstanding debt issues.

ECONOMIC OUTLOOK AND FINANCIAL CONDITION

The information presented in the financial statements should be considered from the broad perspective of the specific environment within which the City operates.

In recent years, the City of Bedford, located in the heart of the Dallas/Fort Worth Metropolitan area (DFW), has experienced a significant slowdown in population growth. The 2010 census reflects a population of 46,979, which is approximately a 0.4% decrease from the census results of 2000. However, current population estimates are projected to be 48,721 or 3.7% above the census results.

Multiple light manufacturing firms are located in Bedford, as well as a variety of commercial establishments, restaurants, health care facilities, retail stores, shops and food stores. Several of the retail shopping centers in the City are undergoing renovation and expansion. Undeveloped property accounts for approximately 3.0% of the total area in the City.

The City is not financially dependent upon any one industry, or type of industry. The City recognizes the value of commercial development to its economic base and continues to encourage commercial growth that will be beneficial to the community.

The local economy, like the North Texas Region, has been impacted by the economic challenges experienced by the nation as a whole. However, the City of Bedford has experienced an upswing in its sales tax revenue from the previous year by 3.7% or \$356,000.

As a policy, the City Council has set certain economic goals that are intended to attract high quality, visually appealing businesses, as well as revitalize and invest in areas that have seen some deterioration of economic activity. By emphasizing the need to be more business friendly, the goals of the City Council seek to provide the general direction for future land use plans and decisions for the City.

Current longer range financial planning primarily revolves around several major water/sewer system infrastructure projects as well as significant improvements to our drainage system. In addition, as the City is approximately 97% built out, significant planning initiatives are being considered to provide for re-development of certain aging corridors within the City.

The state of Texas is currently widening State Highway 183 (Airport Freeway), which runs East/West through the center of the City. During the construction period, the City was highly successful in retaining existing businesses, and recruiting new businesses to the highway corridor. Although the major highway reconstruction project had the potential to significantly impact business activity along the highway corridor, the City saw minimal negative impact. Moving forward, the highway expansion project is now complete and the City has realized new development opportunities as a result of the expansion. The City is working strategically with property owners to ensure that these opportunities develop to the highest standard possible.

To the extent that operations result in surplus funds, we will continue to fund various capital needs of a one-time nature from the surplus rather than issuing unnecessary debt.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's proprietary funds are maintained on the accrual basis.

In developing and maintaining the City's accounting system, consideration is given to the adequacy of the internal control structure. The internal control structure is designed to provide reasonable but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of the control should not exceed the benefits likely to be derived and the evaluation of cost and benefits requires estimates and judgments by management.

We believe the City's internal control structure is adequate to safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The budgetary process begins each year with the preparation of revenue estimates by the City's Administrative Services Department staff and expenditure estimates by each City department. Estimates are reviewed by the City Manager, and evaluated within the total financial framework. Budget proposals are recommended by the City Manager and reviewed extensively by the City Council, a process that includes a public hearing. After the conclusion of the public hearing, the City Council may make changes as deemed appropriate. The budget as amended is then adopted by ordinance, which also adopts the tax rate.

In addition, the annual budget also contains a capital improvement program which may be revised and extended each year to indicate capital improvements pending or in process of construction or acquisition. The capital program includes a list of all capital improvements that are planned during the upcoming five fiscal years, cost estimates, time schedules and methods of financing for each improvement.

GENERAL GOVERNMENTAL FUNCTIONS

Property Taxes

All eligible property within the City is subject to assessment, levy, and collection of a continuing, direct ad valorem tax sufficient to provide for the payment of principal and interest on outstanding bonds within the limits prescribed by law, and the payment of operation and maintenance costs as approved by the City Council. Under state law, the City is limited to a maximum tax rate of \$2.50 per \$100 assessed valuation.

In addition, the City's home rule charter limits the tax rate to a maximum of \$1.50 per \$100 assessed valuation.

The appraisal of property within the City is the responsibility of the Tarrant County Appraisal District (TAD). The City of Bedford and other taxing jurisdictions in Tarrant County provide a pro rata share of the budgeted expenditures incurred by TAD based upon individual levy. The City contracts with the Tarrant County Tax Office for tax billing and collection services.

OTHER INFORMATION

Audit

The City Charter requires an annual audit of the books of accounts, financial records and transactions of all administrative departments of the City by independent certified public accountants selected and engaged by the City Council. The Independent Auditor's Report is included in the financial section of this report.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bedford for its Comprehensive Annual Financial Report (CAFR) for fiscal year ended September 30, 2013. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement a government unit must publish an easily readable and efficiently organized CAFR with contents that conform to program standards. In addition, an award winning CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. This is the 18th consecutive year the City of Bedford has received the Certificate of Achievement. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA for their consideration.

ACKNOWLEDGMENTS

The preparation of this report could not be accomplished without the dedicated services of the entire staff of the Administrative Services Department. Many individuals devoted extra hours and exhibited dedicated effort in ensuring the accuracy and timeliness of this report. Appreciation is expressed to the City employees throughout the organization, especially those responsible for the maintenance of records upon which this report is based. Special acknowledgment is extended to Paula McPartlin and Crystal Segovia, whose hard work and dedication was instrumental in the preparation of this report. Acknowledgment is also given to representatives of BKD, LLP for their assistance in producing the final product. This was the third year in which BKD conducted its audit of the City's financials and a considerable amount of time and effort has been given in order to ensure accuracy. Our appreciation is extended to the Mayor, the members of the City Council and the City Manager for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

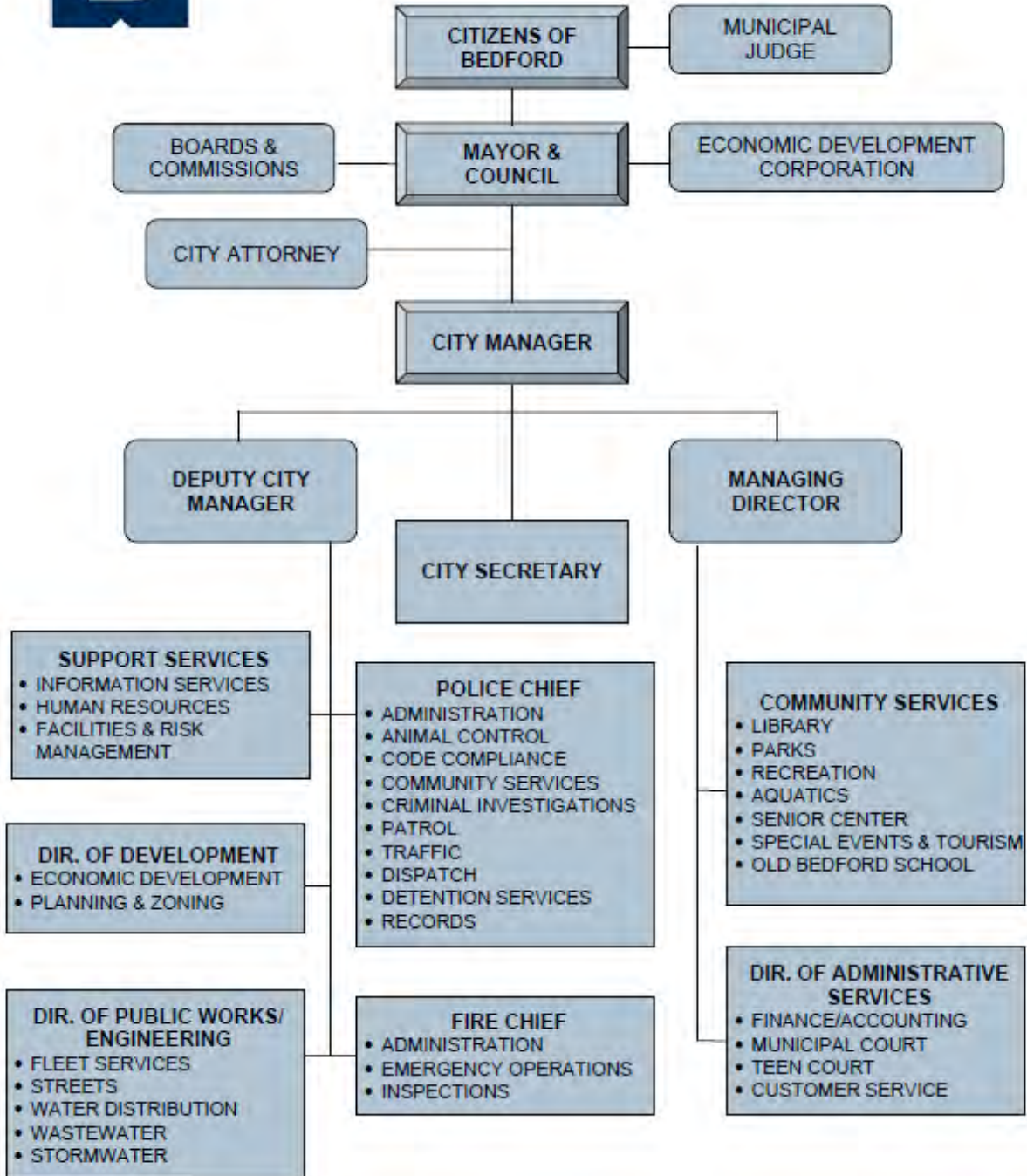
Respectfully submitted,

A handwritten signature in black ink, appearing to read 'C. Blackwell', written in a cursive style.

Clifford Blackwell, C.G.F.O.
Director of Administrative Services



CITY OF BEDFORD ORGANIZATIONAL CHART



City of Bedford, Texas

Principal Officials Fiscal Year 2013 - 2014

ELECTED

CITY COUNCIL

Jim Griffin – Mayor

Michael Boyter, Mayor Pro Tem, Place 1	Steve Farco, Council Member, Place 4
Jim Davisson, Council Member, Place 2	Dr. Roy Turner, Council Member, Place 5
Ray Champney, Council Member, Place 3	Roger Fisher, Council Member, Place 6

SENIOR STAFF

Beverly Griffith – City Manager

David Miller	Deputy City Manager
Michael Wells	City Secretary
Jill McAdams	Director of Human Resources
Roger Gibson	Police Chief
James Tindell	Fire Chief
Thomas Hoover, P.E.	Director of Public Works/Engineering
Mirenda McQuagge-Walden.....	Managing Director
Clifford W. Blackwell, III.....	Director of Administrative Services
Bill Syblon	Director of Development

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Bedford
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2013

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Christopher P. Moirice

President

Jeffrey R. Enev

Executive Director



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Financial Section

Independent Auditor's Report

The Mayor and City Council
City of Bedford, Texas
Bedford, Texas

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bedford, Texas (City), as of and for the year ended September 30, 2014, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2014, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Year Comparative Information

The financial statements include summarized prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended September 30, 2013, from which the summarized information was derived.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary and pension information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining fund statements and schedules listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements as a whole. The accompanying introductory and statistical sections listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 9, 2015, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

BKD, LLP

Dallas, Texas
February 9, 2015

City of Bedford, Texas
Management's Discussion and Analysis (Unaudited)
September 30, 2014

The discussion and analysis of the City of Bedford's (City) financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2014. Please read it in conjunction with the accompanying letter of transmittal and the City's basic financial statements.

Financial Highlights

The assets and deferred outflows of the City exceeded its liabilities at the close of the most recent fiscal year by \$60,340,993 (net position). Of this amount, \$10,919,249 (unrestricted net position) may be used to meet ongoing obligations to citizens and creditors.

The City's net position increased \$5,596,997 or 10.22%. The increase is primarily due to an increase in revenues from charges for services including public safety and water and sewer services, as well as other taxes. Charges for services under public safety were \$3,374,638 and \$4,083,939 for fiscal years 2013 and 2014, respectively; resulting in an increase of \$709,301 or 21%. Additionally, charges for water and sewer services were \$17,908,621 and \$18,607,795 for fiscal years 2013 and 2014, respectively; resulting in an increase of \$699,174 or 4%. Other non-property taxes were \$13,869,690 and \$14,598,416 for fiscal years 2013 and 2014, respectively, resulting in an increase of \$728,726 or 5.25%. Moreover, the City received a capital contribution from North Tarrant Expressway (NTE) of \$6,263,044 of utility distribution updates under the highway 183 expansion project.

As of September 30, 2014, the City's governmental funds reported combined ending fund balances of \$21,249,729, an increase of \$5,828,034 in comparison with the prior fiscal year. Of this amount, \$6,172,841, or 29% of the total amount is unassigned.

As of September 30, 2014, the fund balance for the General Fund increased by \$1,038,134. Total General Fund balance was \$7,375,923. The increase in the General Fund balance was the result of \$1,167,290 or 4.1% increase in total revenues, primarily in the area of fines and forfeitures which increased \$657,266 or 53.0% due to an increase in court fines. In addition, total taxes increased by \$469,467 or 2.4% due to increases in sales and franchise taxes. The increase in total revenues was partially offset by a 2.5% increase in operating expenditures. Therefore, the outliers that mostly contributed to the increase in fund balance are taxes, fines and forfeitures.

The City's total debt of \$55,845,817 decreased by \$708,055 during the 2013/2014 fiscal year due to the following reasons: the City repaid \$6,208,055 in principal balances that were partially offset by the newly issued \$3,200,000 in general obligation bonds and \$2,300,000 in public property finance contractual obligations.

Using This Annual Report

This discussion and analysis serves as an introduction to the City's basic financial statements. This annual report consists of a series of financial statements.

The statement of net position and statement of activities provide information about the activities of the City as a whole and presents a long-term view of the City's finances.

The next section is the fund financial statements. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements report the City's operations in more detail than the government-wide statements by providing information about the City's most financially significant funds.

This report also includes other supplementary information in addition to the basic financial statements.

Reporting the City as a Whole

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The statement of net position and the statement of activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include assets, deferred outflows and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in them. You can think of the City's net position (the difference between assets and deferred outflows, what the citizens own and liabilities and deferred inflows of resources, what the citizens owe) as one way to measure the City's financial health or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base, and the condition of the City's capital assets (roads, buildings, water and sewer lines) to assess the overall health of the City.

In the statement of net position and the statement of activities, the City is divided into two kinds of activities:

- **Governmental Activities** – Most of the City's basic services are reported here, including the police, fire, street maintenance, parks and recreation and general administration. Taxes (property, sales, franchise, mixed beverage), licenses/permits, charges for services and fines/forfeitures finance most of these activities.
- **Business-type Activities** – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer system, and stormwater facilities are reported here.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by state law. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain revenues.

The City's two kinds of funds, governmental and proprietary, use different accounting approaches.

Governmental Funds

Most of the City’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City’s general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the City’s programs. We describe the relationship (of differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds in reconciliations.

Proprietary Funds

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Generally speaking, a city maintains two different types of proprietary funds to record charges for the full cost of the services it provides whether to outside customers or to other units of the city. These services are reported in either Enterprise Funds or Internal Service Funds.

- **Enterprise Funds** – Are used to report the same function presented as business-type activities in the government-wide financial statements. The City uses Enterprise Funds to account for its water and sewer and stormwater operations.
- **Internal Service Funds** – Are an accounting device used to accumulate costs internally among various functions of the City. The City currently has no operations that qualify as an Internal Service Fund.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources would not be available to support the City’s own programs. The City currently has no fiduciary funds.

Major Governmental Funds

As noted elsewhere in this report, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The focus of governmental funds is to provide information on inflows, outflows and balances of spendable resources. Information such as unassigned fund balance serves as a useful measure of the City’s ability to finance unforeseen upcoming obligations. As a measure of the General Fund’s liquidity, year ending unassigned fund balance of \$6,172,841 represents 20.75% (approximately 76 days) of next year’s budgeted expenditures.

The Debt Service Fund has a total fund balance of \$977,409, all of which is reserved for the payment of debt. There was, however, a decrease in fund balance of \$83,184 during the current year, due to tax assessment income levels not reaching total debt service expended from the fund. The fund incurred a new debt issuance, as well as a refunding, in which the payment schedule was finalized post budget preparation. As a result, the actual payment exceeded budgetary expectations for the year.

The Street Bond Capital Project Fund has a total fund balance of \$1,839,601, all of which is reserved for street projects. There was an increase in fund balance of \$6,630 during the current year, due to interest income.

The Economic Development 4B Fund has a total fund balance of \$2,697,890, all of which is reserved for street infrastructure improvements and maintenance. There was an increase in fund balance of \$794,155 during the current year.

The City as a Whole

The City's combined net position changed from a year ago, increasing from \$54,743,996 to \$60,340,993. Looking at the net position and net expenses of governmental and business-type activities separately, different stories emerge. Our analysis below focuses on the net position and changes in net position of the City's governmental and business-type activities.

Net position of the City's governmental activities decreased from \$22,728,556, last fiscal year, to \$22,113,131 as of September 30, 2014, or 2.7%. In the business-type activities, the net position increased from \$32,015,440 to \$38,227,862, or 19.4%. The unrestricted net position of the City's governmental activities (the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements) increased to \$5,653,694. The primary reason for the increase was due to a decrease in net investment in capital assets related to depreciation expense of \$7,706,770 and increase in outstanding bonds totaling of \$5,500,000 through 2014 issuance of general and public property finance contractual obligations. The unrestricted net position of the business-type activities decreased from \$11,845,248 to \$5,256,555 as of September 30, 2014, or -55.6%. The primary reason for the decrease was annual debt service, transfers out and capital outlay for utility distribution infrastructure of Highway 183 expansion. The water and sewer fund decreased \$6,149,797 or 56.88% and the stormwater fund decreased \$438,896 or 42.47% in their unrestricted net positions.

Restricted net position of the City, those restricted mainly for economic development, capital projects and debt service increased from \$4,562,897 to \$6,240,223 or 36.76%.

The largest portion of the City's net position (71.58%) reflects its investment in capital assets, less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Resources needed to repay debt associated with acquisition of these assets must be provided from other sources, since the capital assets themselves cannot be used for this purpose.

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Current	\$ 25,760	\$ 18,401	\$ 11,093	\$ 15,153	\$ 36,853	\$ 33,554
Internal balances	300	300	(300)	(300)	-	-
Capital assets	42,765	48,371	47,820	38,581	90,585	86,952
Total assets	68,825	67,072	58,613	53,434	127,438	120,506
Deferred outflows of resources	109	118	42	47	151	165
Current liabilities	10,854	8,530	3,693	3,790	14,547	12,320
Long-term liabilities	35,967	35,931	16,734	17,676	52,701	53,607
Total liabilities	46,821	44,461	20,427	21,466	67,248	65,927
Net position						
Invested in capital assets, net of related debt	10,378	14,323	32,812	20,170	43,190	34,493
Restricted	6,081	4,563	159	-	6,240	4,563
Unrestricted	5,654	3,843	5,257	11,845	10,911	15,688
Total net position	\$ 22,113	\$ 22,729	\$ 38,228	\$ 32,015	\$ 60,341	\$ 54,744

- **Governmental Activities** – Net position for Governmental Activities decreased by \$615,425. This was primarily caused by an increase in general government and administration expenses of \$1,100,529 or 23.5%.
- **Business-type Activities** – Revenues of the City’s business-type activities totaled \$26,206,192 for the fiscal year ended September 30, 2014. Expenses for these activities were \$17,487,167, resulting in a net gain of \$8,719,025 from operations before transfers. The net position, after interfund transfers, of the business-type activities increased by \$6,212,422. This is primarily due to capital contributions of \$6,263,044.

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Revenues						
Program revenues						
Charges for services	\$ 6,229	\$ 5,187	\$ 19,921	\$ 19,199	\$ 26,150	\$ 24,386
Operating grants and contributions	600	611	-	-	600	611
Capital grants and contributions	94	-	6,263	-	6,357	-
General revenue						
Property taxes	14,297	14,489	-	-	14,297	14,489
Other taxes	14,598	13,870	-	-	14,598	13,870
Interest and investment earnings	43	34	23	47	66	81
Other general revenues	467	535	-	11	467	546
Total revenues	<u>36,328</u>	<u>34,726</u>	<u>26,207</u>	<u>19,257</u>	<u>62,535</u>	<u>53,983</u>
Expenses						
Public safety	23,670	22,829	-	-	23,670	22,829
Leisure services	3,823	3,766	-	-	3,823	3,766
Community services	1,549	2,017	-	-	1,549	2,017
General government/administration	5,689	4,688	-	-	5,689	4,688
Public services	3,431	3,486	-	-	3,431	3,486
Interest on long-term debt	1,289	1,725	-	-	1,289	1,725
Water and sewer	-	-	16,561	15,646	16,561	15,646
Stormwater	-	-	926	1,256	926	1,256
Total expenses	<u>39,451</u>	<u>38,511</u>	<u>17,487</u>	<u>16,902</u>	<u>56,938</u>	<u>55,413</u>
Increase (Decrease) in Net Position Before Transfers	(3,123)	(3,785)	8,720	2,355	5,597	(1,430)
Transfers	<u>2,507</u>	<u>2,414</u>	<u>(2,507)</u>	<u>(2,414)</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>(616)</u>	<u>(1,371)</u>	<u>6,213</u>	<u>(59)</u>	<u>5,597</u>	<u>(1,430)</u>
Net Position, As Previously Reported*	22,729	25,156	32,015	32,276	54,744	57,432
Change in Accounting Principle	<u>-</u>	<u>(1,056)</u>	<u>-</u>	<u>(202)</u>	<u>-</u>	<u>(1,258)</u>
Net Position, Beginning of Year	<u>22,729</u>	<u>24,100</u>	<u>32,015</u>	<u>32,074</u>	<u>54,744</u>	<u>56,174</u>
Net Position, End of Year	<u>\$ 22,113</u>	<u>\$ 22,729</u>	<u>\$ 38,228</u>	<u>\$ 32,015</u>	<u>\$ 60,341</u>	<u>\$ 54,744</u>

*Net position as of September 1, 2012 has been restated for the effects of adopting GASB No. 65.

General Fund Budgetary Highlights

Actual revenues exceeded budgetary expectations by \$376,691 and actual expenditures were \$535,391 less than budgetary projections. Total operating revenues were \$26,534,792, while total operating expenditures were \$28,340,253. This resulted in a deficiency of \$1,805,121, which was \$912,082 better than budgetary expectations. This is primarily related to increased tax revenues, along with other major revenue categories, exceeding budgetary expectations. Coupled with other financing sources that totaled \$2,843,255, the General Fund completed the fiscal year with a positive variance that resulted in a \$1,038,134 net increase in fund balance.

The City's Funds

The following tables present a summary of General, Special Revenue, Capital Projects and Debt Service Fund revenues and expenditures for the fiscal year ended September 30, 2014, and the amount and percentage of increases and decreases in relation to the prior year:

	General Revenues (in thousands)				
	2013	2014	2014 Percent of Total	Increase (Decrease) from 2013	Percent Increase (Decrease)
Taxes	\$ 27,279	\$ 29,073	80%	\$ 1,794	7%
Licenses and permits	457	629	2%	172	38%
Charges for services	3,097	3,177	9%	80	3%
Fines and forfeitures	1,503	2,221	6%	718	48%
Intergovernmental	661	690	2%	29	4%
Interest	34	43	0%	9	26%
Miscellaneous	623	426	1%	(197)	-32%
Total	\$ 33,654	\$ 36,259	100%	\$ 2,605	95%

	General Expenditures (in thousands)				
	2013	2014	2014 Percent of Total	Increase (Decrease) from 2013	Percent Increase (Decrease)
General government	\$ 1,628	\$ 1,792	5%	\$ 164	10%
Community services	1,953	1,489	4%	(464)	-24%
Public services	2,458	2,453	6%	(5)	0%
Administrative services	1,947	2,262	6%	315	16%
Public safety	16,798	18,052	47%	1,254	7%
Leisure services	3,752	3,804	10%	52	1%
Capital outlay	1,244	2,114	5%	870	70%
Debt service	6,829	6,827	18%	(2)	0%
Total	\$ 36,609	\$ 38,793	100%	\$ 2,184	81%

Capital Asset and Debt Administration

Capital Assets

As of September 30, 2014, the City had \$266,247,115 invested in capital assets including police and fire equipment, buildings, park facilities, roads, water, sewer, and stormwater facilities. This represents net increase of \$12,900,381 or 5.09% over last year. Capital assets net of depreciation increased by approximately \$3,631,686 or 4.18%. The City's capital plans for fiscal year 2015/2016 call for expenditures of approximately \$3.3 million for capital projects, primarily in the following categories: street improvements, drainage, and water and sewer distribution system. The estimated capital expenditure for street improvements is approximately \$585,000 to improve one of the City's major thoroughfares. This type of project is a mill and overlay project for Bedford Road. The drainage projects are estimated at \$1,010,000 for channel and culvert improvements and erosion control throughout areas of the City in need of major enhancements to improve downstream water flow.

Finally, the estimated capital improvement for water and sewer projects is \$1,735,000. The most notable of these projects is water main replacement for the Regents Park Area totaling \$670,000 out of \$900,000 worth of water projects. On the sewer side, the most notable project includes the implementation of trenchless technology in sewer main replacements along Rollingwood & Lincolnshire totaling \$620,000 out of \$835,000 worth of sewer projects. Additional information on capital asset activity can be found in *Note 7* of this report

**Capital Assets at Year-end
(in thousands)**

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Land	\$ 7,261	\$ 7,262	\$ 100	\$ 100	\$ 7,361	\$ 7,362
Buildings and structures	25,524	25,256	519	519	26,043	25,775
Other improvements	123,027	122,956	-	-	123,027	122,956
Equipment	26,595	26,419	3,357	3,306	29,952	29,725
Utility distribution	-	-	72,254	61,462	72,254	61,462
Construction in progress	1,924	603	5,686	5,464	7,610	6,067
Total	\$ 184,331	\$ 182,496	\$ 81,916	\$ 70,851	\$ 266,247	\$ 253,347

Debt

At year-end, the City had \$55,845,817 in General Obligation Bonds, Combination Tax and Revenue Certificates of Obligation, and capital lease obligations compared to \$56,553,872 at the end of the prior fiscal year, a decrease of 1.25%. The City issued debt in fiscal year 2013/2014, partially offset by the retirement of such debt as well, thus rendering a slight decrease in outstanding debt when compared to fiscal year ending 2012/2013.

**Outstanding Debt at Year-end
(in thousands)**

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
General obligations	\$ 38,115	\$ 37,800	\$ -	\$ -	\$ 38,115	\$ 37,800
Certificates of obligation	-	-	17,335	18,275	17,335	18,275
Capital lease	396	479	-	-	396	479
Total	\$ 38,511	\$ 38,279	\$ 17,335	\$ 18,275	\$ 55,846	\$ 56,554

Standard and Poor's (S&P) affirmed the City of Bedford's "AA" rating in conjunction with the City's issuance of the Series 2014 General Obligation bonds as well as the Series 2014 Public Property Finance Contractual Obligations. The City's rating outlook from S&P's is "Stable." S&P's rating reflects their view of the City's strong wealth and income levels, its historically strong financial performance and reserves, and its moderate debt burden. In their opinion, the City budgetary flexibility remains very strong with reserves above 20% of expenditures. The General Obligation bonds are secured by an ad valorem tax levied against all taxable property within the City, within the limits prescribed by law. Additional information regarding the City's long-term debt can be found in *Note 8* of this report.

Economic Factors and Next Year's Budgets and Rates

Continued growth in sales tax collections, coupled with moderate increases in taxable property values enabled the City Council to maintain a stable tax rate of \$0.4948303 per \$100 assessed valuation. The tax rate provides the City with the ability to continue to provide the high level quality of services the citizens of Bedford deserve and have come to expect, while providing for merit based increases to employee compensation and benefits.

In budget year 2014, the City Council also was able to fund a compensation plan that combined salary increases based on market levels and merit increases where market increases are not warranted. The total plan, valued at \$485,017, was added to the budget. In addition, the City Council authorized several personnel changes that included adding an intern the City Manager's office, reclassifying positions in Code Enforcement, Public Works, and the City Manager's Office, as well as increasing the part time/seasonal staffing in Leisure Services to meet increasing demands for services.

Moreover, in an effort to keep up with increased wholesale water and wastewater costs, the City Council authorized pass-through rate increases for both areas. They also approved funding for increased sidewalk maintenance, water tower tank bowl rehabilitation, additional utility expenses related to water well pumping, as well as meter replacements. In addition, the City Council will continue its goal of increasing the utility fund's working capital in an effort to replace the City's aging water and wastewater infrastructure.

Contacting The City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Division at 2000 Forest Ridge Drive, Bedford, Texas 76021.



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Basic Financial Statements

City of Bedford, Texas
Statement of Net Position
September 30, 2014 (with Comparative Totals for 2013)

	Primary Government		Totals	
	Governmental Activities	Business-type Activities	2014	2013
Assets				
Current assets				
Cash and cash equivalents	\$ 14,318,593	\$ 5,229,047	\$ 19,547,640	\$ 17,104,917
Investments	6,172,076	-	6,172,076	5,132,091
Receivables (net of allowance)	4,961,090	3,424,358	8,385,448	7,162,856
Internal balances	196,703	(196,703)	-	-
Due from other governments	87,530	-	87,530	99,423
Inventories and prepaid expenses	24,037	-	24,037	29,164
Restricted assets				
Investments	-	2,636,714	2,636,714	4,024,402
Total current assets	<u>25,760,029</u>	<u>11,093,416</u>	<u>36,853,445</u>	<u>33,552,853</u>
Noncurrent assets				
Internal balances	300,000	(300,000)	-	-
Capital assets, not being depreciated	9,185,295	5,786,170	14,971,465	13,428,584
Capital assets, being depreciated, net	<u>33,579,241</u>	<u>42,033,260</u>	<u>75,612,501</u>	<u>73,523,696</u>
Total noncurrent assets	<u>43,064,536</u>	<u>47,519,430</u>	<u>90,583,966</u>	<u>86,952,280</u>
Total assets	<u>68,824,565</u>	<u>58,612,846</u>	<u>127,437,411</u>	<u>120,505,133</u>
Deferred Outflows of Resources				
Deferred charge on refunding	<u>108,822</u>	<u>42,183</u>	<u>151,005</u>	<u>165,433</u>
Total deferred outflows of resources	<u>108,822</u>	<u>42,183</u>	<u>151,005</u>	<u>165,433</u>
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	3,176,842	1,786,381	4,963,223	3,583,301
Due to other governments	-	-	-	205,189
Escrow and unearned revenue	704,792	2,041	706,833	415,687
Customer deposits	-	882,002	882,002	851,164
Current portion of compensated absences	1,039,792	56,482	1,096,274	890,979
Current portion of bonds payable and capital leases	<u>5,932,148</u>	<u>966,062</u>	<u>6,898,210</u>	<u>6,373,363</u>
Total current liabilities	<u>10,853,574</u>	<u>3,692,968</u>	<u>14,546,542</u>	<u>12,319,683</u>
Noncurrent liabilities				
Bonds payable	33,367,665	16,492,960	49,860,625	51,111,212
Capital leases	310,142	-	310,142	395,817
Compensated absences	2,079,585	112,965	2,192,550	1,781,958
Other post-employment benefits	<u>209,290</u>	<u>128,274</u>	<u>337,564</u>	<u>317,900</u>
Total noncurrent liabilities	<u>35,966,682</u>	<u>16,734,199</u>	<u>52,700,881</u>	<u>53,606,887</u>
Total liabilities	<u>46,820,256</u>	<u>20,427,167</u>	<u>67,247,423</u>	<u>65,926,570</u>
Net Position				
Net investment in capital assets	10,378,086	32,812,435	43,190,521	34,493,258
Restricted for				
Capital acquisition and construction	-	158,872	158,872	-
Debt service	977,409	-	977,409	1,060,593
Economic development	2,697,890	-	2,697,890	1,903,735
Other purposes	1,854,632	-	1,854,632	1,073,199
Public safety	475,830	-	475,830	476,461
Parks and beautification	75,590	-	75,590	48,909
Unrestricted	<u>5,653,694</u>	<u>5,256,555</u>	<u>10,910,249</u>	<u>15,687,841</u>
Total net position	<u>\$ 22,113,131</u>	<u>\$ 38,227,862</u>	<u>\$ 60,340,993</u>	<u>\$ 54,743,996</u>



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City of Bedford, Texas
Statement of Activities
Year Ended September 30, 2014 (with Comparative Totals for 2013)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities				
General government and administration	\$ 5,688,961	\$ 86,874	\$ 5,684	\$ -
Community services	1,549,075	586,449	-	-
Public services	3,431,383	261,846	-	-
Public safety	23,669,141	4,083,939	571,548	93,556
Leisure services	3,823,403	1,210,305	22,698	-
Interest expense	1,288,725	-	-	-
	<u>39,450,688</u>	<u>6,229,413</u>	<u>599,930</u>	<u>93,556</u>
	939,958	1,042,359		
Business-type activities				
Water and sewer services	16,560,909	18,607,795	-	6,263,044
Stormwater collection and disposal	926,258	1,312,932	-	-
	<u>17,487,167</u>	<u>19,920,727</u>	<u>-</u>	<u>6,263,044</u>
Total primary government	<u>\$ 56,937,855</u>	<u>\$ 26,150,140</u>	<u>\$ 599,930</u>	<u>\$ 6,356,600</u>

General Revenues

Taxes
Property taxes, penalty and interest
Sales
Franchise
Occupancy
Other
Investment earnings
Gain on sale of assets
Miscellaneous
Transfers
Total general revenues, special item and transfers

Change in Net Position

Net Position, As Previously Reported

Change in Accounting Principle

Net Position, Beginning of Year

Net Position, End of Year

Net (Expenses) Revenues and Changes in Net Position			
Primary Government		Totals	
Governmental Activities	Business-type Activities	2014	2013
\$ (5,596,403)	\$ -	\$ (5,596,403)	\$ (4,605,531)
(962,626)	-	(962,626)	(1,658,844)
(3,169,537)	-	(3,169,537)	(3,267,502)
(18,920,098)	-	(18,920,098)	(18,871,914)
(2,590,400)	-	(2,590,400)	(2,584,771)
<u>(1,288,725)</u>		<u>(1,288,725)</u>	<u>(1,724,511)</u>
<u>(32,527,789)</u>	<u>-</u>	<u>(32,527,789)</u>	<u>(32,713,073)</u>
-	8,309,930	8,309,930	2,263,360
-	386,674	386,674	34,498
-	8,696,604	8,696,604	2,297,858
<u>\$ (32,527,789)</u>	<u>\$ 8,696,604</u>	<u>\$ (23,831,185)</u>	<u>\$ (30,415,215)</u>
\$ 14,297,275	\$ -	\$ 14,297,275	\$ 14,488,399
9,985,658	-	9,985,658	9,629,427
3,584,311	-	3,584,311	3,338,307
840,119	-	840,119	749,612
188,328	-	188,328	152,344
43,393	22,421	65,814	80,842
40,764	-	40,764	11,483
425,913	-	425,913	535,397
<u>2,506,603</u>	<u>(2,506,603)</u>	<u>-</u>	<u>-</u>
<u>31,912,364</u>	<u>(2,484,182)</u>	<u>29,428,182</u>	<u>28,985,811</u>
(615,425)	6,212,422	5,596,997	(1,429,404)
22,728,556	32,015,440	54,743,996	57,432,143
-	-	-	(1,258,743)
<u>22,728,556</u>	<u>32,015,440</u>	<u>54,743,996</u>	<u>56,173,400</u>
<u>\$ 22,113,131</u>	<u>\$ 38,227,862</u>	<u>\$ 60,340,993</u>	<u>\$ 54,743,996</u>

City of Bedford, Texas
Balance Sheet – Governmental Funds
September 30, 2014 (with Comparative Totals for 2013)

	General	Debt Service	Street Bond
Assets			
Cash and cash equivalents	\$ 3,627,260	\$ 406,861	\$ 747,248
Investments	2,898,456	568,522	1,505,979
Receivables			
Taxes, less allowance for uncollectible	2,882,846	114,000	-
Accounts	440,795	-	20
Other	101,682	-	345,978
Due from other governments	87,530	-	-
Due from other funds	260,173	-	-
Inventories and prepaid expenditures	24,037	-	-
Advances to other funds	300,000	-	-
	<u>10,622,779</u>	<u>1,089,383</u>	<u>2,599,225</u>
Total assets	<u>\$ 10,622,779</u>	<u>\$ 1,089,383</u>	<u>\$ 2,599,225</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts and contracts payable	\$ 2,744,443	\$ 2,517	\$ -
Due to other funds	-	-	-
Escrow	64,164	-	413,646
Unearned revenue	-	-	-
	<u>2,808,607</u>	<u>2,517</u>	<u>413,646</u>
Total liabilities	<u>2,808,607</u>	<u>2,517</u>	<u>413,646</u>
Deferred inflows of resources	<u>438,249</u>	<u>109,457</u>	<u>345,978</u>
Fund balances			
Nonspendable			
Advances to other funds	560,173	-	-
Inventories and prepaids	24,037	-	-
Restricted for			
Debt service	-	977,409	-
Road improvements	-	-	1,839,601
Capital acquisition and construction	-	-	-
Economic development	-	-	-
Public safety	190,990	-	-
Parks and beautification	-	-	-
Other	287,882	-	-
Assigned	140,000	-	-
Unassigned	6,172,841	-	-
	<u>7,375,923</u>	<u>977,409</u>	<u>1,839,601</u>
Total fund balances	<u>7,375,923</u>	<u>977,409</u>	<u>1,839,601</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,622,779</u>	<u>\$ 1,089,383</u>	<u>\$ 2,599,225</u>

See Notes to Financial Statements

Economic Development 4B	Series 2014	Nonmajor Government	Totals	
			2014	2013
\$ 1,414,010	\$ 4,976,624	\$ 3,146,590	\$ 14,318,593	\$ 9,252,798
717,457	-	481,662	6,172,076	5,132,091
596,055	-	-	3,592,901	2,817,564
74	-	75,725	516,614	421,109
-	-	80,022	527,682	363,781
-	-	-	87,530	99,423
-	-	-	260,173	28,797
-	-	-	24,037	29,164
-	-	-	300,000	300,000
<u>\$ 2,727,596</u>	<u>\$ 4,976,624</u>	<u>\$ 3,783,999</u>	<u>\$ 25,799,606</u>	<u>\$ 18,444,727</u>
\$ 29,706	\$ 57,562	\$ 263,861	\$ 3,098,089	\$ 1,646,433
-	-	63,470	63,470	68,017
-	-	-	477,810	473,385
-	-	16,824	16,824	-
<u>29,706</u>	<u>57,562</u>	<u>344,155</u>	<u>3,656,193</u>	<u>2,187,835</u>
-	-	-	893,684	835,197
-	-	-	560,173	328,597
-	-	-	24,037	29,164
-	-	-	977,409	1,060,593
-	-	-	1,839,601	1,832,971
-	4,919,062	2,096,874	7,015,936	3,274,169
2,697,890	-	-	2,697,890	1,903,735
-	-	284,840	475,830	476,461
-	-	75,590	75,590	48,909
-	-	982,540	1,270,422	715,438
-	-	-	140,000	-
-	-	-	6,172,841	5,751,658
<u>2,697,890</u>	<u>4,919,062</u>	<u>3,439,844</u>	<u>21,249,729</u>	<u>15,421,695</u>
<u>\$ 2,727,596</u>	<u>\$ 4,976,624</u>	<u>\$ 3,783,999</u>	<u>\$ 25,799,606</u>	<u>\$ 18,444,727</u>



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City of Bedford, Texas
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
September 30, 2014

Fund balances of governmental funds		\$ 21,249,729
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets (net of accumulated depreciation) used in governmental activities are not current financial resources and therefore are not reported as assets in the governmental funds. Capital assets are reported in the government-wide financial statements, net of accumulated depreciation.</p>		42,764,536
<p>Interest payable on long-term debt does not require current financial resources, therefore interest payable is not reported as a liability in the governmental funds balance sheet.</p>		(78,753)
<p>Revenues earned but not available within 60 days of the year-end are not recognized as revenue on the fund financial statements.</p>		683,526
<p>Receivables not measureable and available within 60 days of year-end, and therefore are entirely deferred in the fund financial statements.</p>		323,893
<p>Bond premiums and deferred charges on refunding are recognized as an other financing sources (uses) in the fund statements. In the government-wide statements, premiums and deferred charges on refunding are amortized over the life of the bonds. Unamortized balances as of fiscal year end equal premiums of \$1,099,138 and deferred charges on refunding of \$108,822.</p>		(990,316)
<p>Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the fund financial statements. Long-term liabilities at year-end consist of:</p>		
General and contractual obligation bonds	38,115,000	
Compensated absences	3,119,377	
OPEB liability	209,290	
Capital leases	395,817	(41,839,484)
Total net position of governmental activities		\$ 22,113,131

City of Bedford, Texas
Statement of Revenues, Expenditures and
Changes in Fund Balance – Governmental Funds
Year Ended September 30, 2014 (with Comparative Totals for 2013)

	General	Debt Service	Street Bond
Revenues			
Taxes, penalty and interest	\$ 20,360,037	\$ 5,157,454	\$ -
Licenses and permits	628,484	-	-
Charges for services	2,823,084	-	-
Fines and forfeitures	1,896,359	-	-
Support from governmental entities	549,418	-	-
Interest	8,165	4,715	6,630
Miscellaneous	269,245	7,651	-
	<u>26,534,792</u>	<u>5,169,820</u>	<u>6,630</u>
Total revenues			
	<u>26,534,792</u>	<u>5,169,820</u>	<u>6,630</u>
Expenditures			
Current	-	-	-
General governmental	1,789,456	-	-
Community services	548,643	-	-
Public services	1,879,833	-	-
Administrative services	2,208,433	-	-
Public safety	17,671,843	-	-
Leisure services	3,800,313	-	-
Capital outlay	341,651	-	-
Debt service	-	-	-
Principal retirement	83,055	5,185,000	-
Interest and fiscal agent fees	16,686	1,446,151	-
Bond issuance costs	-	-	-
	<u>28,339,913</u>	<u>6,631,151</u>	<u>-</u>
Total expenditures			
	<u>28,339,913</u>	<u>6,631,151</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures			
	<u>(1,805,121)</u>	<u>(1,461,331)</u>	<u>6,630</u>
Other Financing Sources (Uses)			
Transfers in	2,549,886	1,378,147	-
Transfers out	-	-	-
Issuance of debt	-	-	-
Premium on debt	-	-	-
Payment to refunded bond escrow agent	-	-	-
Lease purchase proceeds	221,936	-	-
Proceeds from sale of capital assets	40,764	-	-
Insurance proceeds	30,669	-	-
	<u>2,843,255</u>	<u>1,378,147</u>	<u>-</u>
Total other financing sources (uses)			
	<u>2,843,255</u>	<u>1,378,147</u>	<u>-</u>
Net Change in Fund Balances			
	1,038,134	(83,184)	6,630
Fund Balances, Beginning of Year			
	<u>6,337,789</u>	<u>1,060,593</u>	<u>1,832,971</u>
Fund Balances, End of Year			
	<u>\$ 7,375,923</u>	<u>\$ 977,409</u>	<u>\$ 1,839,601</u>

See Notes to Financial Statements

Economic Development 4B	Series 2014	Nonmajor Governmental	Totals	
			2014	2013
\$ 2,715,318	\$ -	\$ 840,119	\$ 29,072,928	\$ 28,278,856
-	-	-	628,484	456,761
-	-	354,345	3,177,429	3,097,437
-	-	324,547	2,220,906	1,502,737
-	-	140,422	689,840	661,413
2,660	15,653	5,570	43,393	33,521
39,910	-	109,107	425,913	622,819
<u>2,757,888</u>	<u>15,653</u>	<u>1,774,110</u>	<u>36,258,893</u>	<u>34,653,544</u>
-	-	2,055	1,791,511	1,627,934
-	-	940,338	1,488,981	1,953,414
573,068	-	-	2,452,901	2,457,948
-	-	53,519	2,261,952	1,946,533
-	-	379,892	18,051,735	16,797,850
-	-	3,758	3,804,071	3,751,588
12,518	562,063	1,198,020	2,114,252	1,243,851
-	-	-	5,268,055	5,066,888
-	-	8	1,462,845	1,689,615
-	96,476	-	96,476	72,818
<u>585,586</u>	<u>658,539</u>	<u>2,577,590</u>	<u>38,792,779</u>	<u>36,608,439</u>
<u>2,172,302</u>	<u>(642,886)</u>	<u>(803,480)</u>	<u>(2,533,886)</u>	<u>(1,954,895)</u>
-	-	71,717	3,999,750	3,896,716
(1,378,147)	-	(115,000)	(1,493,147)	(1,482,265)
-	5,500,000	-	5,500,000	5,375,000
-	61,948	-	61,948	75,085
-	-	-	-	(3,682,267)
-	-	-	221,936	228,370
-	-	-	40,764	77
-	-	-	30,669	45,073
<u>(1,378,147)</u>	<u>5,561,948</u>	<u>(43,283)</u>	<u>8,361,920</u>	<u>4,455,789</u>
794,155	4,919,062	(846,763)	5,828,034	2,500,894
<u>1,903,735</u>	<u>-</u>	<u>4,286,607</u>	<u>15,421,695</u>	<u>12,920,801</u>
<u>\$ 2,697,890</u>	<u>\$ 4,919,062</u>	<u>\$ 3,439,844</u>	<u>\$ 21,249,729</u>	<u>\$ 15,421,695</u>

City of Bedford, Texas
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended September 30, 2014

Net change in fund balances – total governmental funds		\$ 5,828,034
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital assets recorded in the current period.		2,114,252
Depreciation expense on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds.		(7,706,770)
Current year principal payments of long-term liabilities are shown as expenditures in the fund financial statements, but shown as reductions in long-term liabilities in the government-wide financial statements as follows:		
General and certificates of obligation bonds		5,268,055
The issuance of long-term debt, such as bonds and capital leases, are shown as “Other Sources” and “Other Uses” in the governmental funds, but are shown on the statement of net assets with related costs amortized over the life of the bonds. Differences consist of the following:		
Issuance of debt	(5,500,000)	
Premium on debt issuance	(61,948)	
Amortization of refunding loss	(9,155)	
Amortization of bond premium	153,315	(5,417,788)
Current year change in long-term liability for compensated absences and OPEB liability do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds.		(602,215)
Current year changes in accrued interest payable do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds.		126,436
Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds. This is the net change in these revenues for the year.		(225,429)
Change in net position of governmental activities		\$ (615,425)

City of Bedford, Texas
Statement of Net Position
Proprietary Funds
September 30, 2014 (with Comparative Totals for 2013)

	Water and Sewer	Stormwater Utility	Totals	
			2014	2013
Assets				
Current Assets				
Cash and cash equivalents	\$ 4,614,296	\$ 614,751	\$ 5,229,047	\$ 7,852,119
Accounts receivable, net	3,217,427	206,931	3,424,358	3,236,509
Due from other funds	-	-	-	40,591
Restricted assets – investments	2,008,349	628,365	2,636,714	4,024,402
Total current assets	9,840,072	1,450,047	11,290,119	15,153,621
Property, plant and equipment				
Land	100,255	-	100,255	100,255
Equipment	3,147,579	209,192	3,356,771	-
Buildings and improvements	518,600	-	518,600	518,600
Utility distribution	59,314,849	12,939,166	72,254,015	64,768,467
Construction in progress	4,215,205	1,470,710	5,685,915	5,463,925
Total property, plant and equipment	67,296,488	14,619,068	81,915,556	70,851,247
Less accumulated depreciation and amortization	(27,673,762)	(6,422,364)	(34,096,126)	(32,270,040)
Total long-term assets	39,622,726	8,196,704	47,819,430	38,581,207
Total assets	49,462,798	9,646,751	59,109,549	53,734,828
Deferred Outflows of Resources	42,183	-	42,183	47,456
Liabilities				
Current Liabilities				
Accounts payable and accrued liabilities	1,700,441	85,940	1,786,381	1,936,868
Compensated absences	49,030	7,452	56,482	47,861
Deferred revenue	-	2,041	2,041	2,041
Due to other funds	168,057	28,646	196,703	1,371
Advances from other funds	-	300,000	300,000	300,000
Current maturities of bonds	831,062	135,000	966,062	951,993
Customer deposits	882,002	-	882,002	851,164
Total current liabilities	3,630,592	559,079	4,189,671	4,091,298
Long-term liabilities				
Compensated absences	98,060	14,905	112,965	95,722
Bonds payable	13,556,548	2,936,412	16,492,960	17,459,022
Other post-employment benefits	111,443	16,831	128,274	120,802
Total long-term liabilities	13,766,051	2,968,148	16,734,199	17,675,546
Total liabilities	17,396,643	3,527,227	20,923,870	21,766,844
Net Position				
Net investment in capital assets	27,287,411	5,525,024	32,812,435	20,170,192
Restricted for				
Capital acquisition and construction	158,872	-	158,872	-
Unrestricted	4,662,055	594,500	5,256,555	11,845,248
Total net position	\$ 32,108,338	\$ 6,119,524	\$ 38,227,862	\$ 32,015,440

City of Bedford, Texas
Statement of Revenues, Expenses and
Changes in Fund Net Position – Proprietary Funds
Year Ended September 30, 2014 (with Comparative Totals for 2013)

	Water and Sewer	Stormwater Utility	Totals	
			2014	2013
Operating Revenues				
Water sales	\$ 11,917,187	\$ -	\$ 11,917,187	\$ 11,739,641
Charges for sewer services	6,516,659	-	6,516,659	5,930,354
Stormwater charges	-	1,282,819	1,282,819	1,260,624
Other	173,949	30,113	204,062	268,626
	<u>18,607,795</u>	<u>1,312,932</u>	<u>19,920,727</u>	<u>19,199,245</u>
Total operating revenues				
Operating Expenses				
Water supply and distribution	8,448,973	-	8,448,973	8,116,217
Wastewater collection and disposal	4,320,847	-	4,320,847	3,960,054
Billing and collection	1,195,481	506,864	1,702,345	2,099,464
Public services/engineering	610,256	-	610,256	605,250
Depreciation	1,553,447	294,885	1,848,332	1,571,352
	<u>16,129,004</u>	<u>801,749</u>	<u>16,930,753</u>	<u>16,352,337</u>
Total operating expenses				
Operating Income	<u>2,478,791</u>	<u>511,183</u>	<u>2,989,974</u>	<u>2,846,908</u>
Nonoperating Revenues (Expenses)				
Interest income	18,662	3,759	22,421	47,321
Gain on sale of capital assets	-	-	-	11,406
Interest expense and fiscal agent charges	(431,905)	(124,509)	(556,414)	(549,050)
	<u>(413,243)</u>	<u>(120,750)</u>	<u>(533,993)</u>	<u>(490,323)</u>
Total nonoperating revenues (expenses)				
Income Before Transfers	<u>2,065,548</u>	<u>390,433</u>	<u>2,455,981</u>	<u>2,356,585</u>
Capital Contributions	6,263,044	-	6,263,044	-
Transfers In	123,497	-	123,497	237,470
Transfers Out	<u>(2,213,763)</u>	<u>(416,337)</u>	<u>(2,630,100)</u>	<u>(2,651,921)</u>
Change in Net Position	<u>6,238,326</u>	<u>(25,904)</u>	<u>6,212,422</u>	<u>(57,866)</u>
Total Net Position, As Previously Reported	25,870,012	6,145,428	32,015,440	32,275,731
Change in Accounting Principle	-	-	-	(202,425)
Total Net Position, Beginning of Year	<u>25,870,012</u>	<u>6,145,428</u>	<u>32,015,440</u>	<u>32,073,306</u>
Total Net Position, End of Year	<u>\$ 32,108,338</u>	<u>\$ 6,119,524</u>	<u>\$ 38,227,862</u>	<u>\$ 32,015,440</u>

City of Bedford, Texas
Statement of Cash Flows – Proprietary Funds
Year Ended September 30, 2014 (with Comparative Totals for 2013)

	Water and Sewer	Stormwater Utility	Totals	
			2014	2013
Operating Activities				
Receipts from customers and users	\$ 18,461,720	\$ 1,301,996	\$ 19,763,716	\$ 19,472,399
Receipts from other funds	208,648	-	208,648	(5,245)
Payments to suppliers	(12,631,982)	(435,301)	(13,067,283)	(12,866,377)
Payments to employees	(1,856,822)	(300,182)	(2,157,004)	(2,340,174)
Net cash provided by operating activities	<u>4,181,564</u>	<u>566,513</u>	<u>4,748,077</u>	<u>4,260,603</u>
Noncapital Financing Activities				
Transfers in	123,497	-	123,497	237,470
Transfers out	(2,213,763)	(389,062)	(2,602,825)	(2,650,550)
Net cash used in noncapital financing activities	<u>(2,090,266)</u>	<u>(389,062)</u>	<u>(2,479,328)</u>	<u>(2,413,080)</u>
Capital and Related Financing Activities				
Repayment of debt	(798,467)	(128,811)	(927,278)	(81,858)
Proceeds from capital related debt	-	-	-	4,048,753
Interest and fiscal agent fees	(426,632)	(124,509)	(551,141)	(543,777)
Proceeds from sale of property	-	-	-	13,906
Additions to property and equipment	(4,654,275)	(169,236)	(4,823,511)	(4,013,157)
Net cash used in capital and related financing activities	<u>(5,879,374)</u>	<u>(422,556)</u>	<u>(6,301,930)</u>	<u>(576,133)</u>
Investing Activities				
Interest on investments	18,662	3,759	22,421	47,321
Purchase (Maturity) on investments, net	1,387,798	(110)	1,387,688	339,712
Net cash provided by investing activities	<u>1,406,460</u>	<u>3,649</u>	<u>1,410,109</u>	<u>387,033</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(2,381,616)</u>	<u>(241,456)</u>	<u>(2,623,072)</u>	<u>1,658,423</u>
Cash and Cash Equivalents, Beginning of Year	<u>6,995,912</u>	<u>856,207</u>	<u>7,852,119</u>	<u>6,193,696</u>
Cash and Cash Equivalents, End of Year	<u>\$ 4,614,296</u>	<u>\$ 614,751</u>	<u>\$ 5,229,047</u>	<u>\$ 7,852,119</u>

City of Bedford, Texas
Statement of Cash Flows – Proprietary Funds (Continued)
Year Ended September 30, 2014 (with Comparative Totals for 2013)

	Water and Sewer	Stormwater Utility	Totals	
			2014	2013
Reconciliation of Operating Income to Net Cash Provided by Operating Activities				
Operating income	\$ 2,478,791	\$ 511,183	\$ 2,989,974	\$ 2,846,908
Adjustment to reconcile operating income to net cash provided by operating activities				
Depreciation	1,553,447	294,885	1,848,332	1,571,352
Change in				
Receivables	(176,913)	(10,936)	(187,849)	250,659
Due from other funds	208,648	-	208,648	(5,245)
Accounts payable and accrued liabilities	82,691	(233,178)	(150,487)	(434,396)
Compensated absences	4,062	4,559	8,621	8,830
Customer deposits	30,838	-	30,838	22,495
	<u>\$ 4,181,564</u>	<u>\$ 566,513</u>	<u>\$ 4,748,077</u>	<u>\$ 4,260,603</u>
Net cash provided by operating activities				
Supplemental Disclosure of Noncash Capital and Related Financing Activities				
Capital Contributions	<u>\$ 6,263,044</u>	<u>\$ -</u>	<u>\$ 6,263,044</u>	<u>\$ -</u>



Notes to Financial Statements

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

Note 1: Summary of Significant Accounting Policies

The City of Bedford, Texas (City) Home Rule Charter was adopted September 24, 1966. The City operates under a Council/Manager form of government and provides the following services by its charter: public safety, public works, health, culture, recreation, community development, water and sewer utilities.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles. Management uses estimates and assumptions in preparing financial statements in accordance with GAAP. Those estimates and assumptions affect the reported amounts of assets, deferred outflows, and liabilities and deferred inflows, the disclosure of contingent assets and liabilities, and the reported revenues, expenditures and expenses. Actual results could vary from the estimates that are used. Significant policies of the City are described below.

Financial Reporting Entity

Generally accepted accounting principles require that financial statements present the City (the primary government) and its component units. Component units are organizations for which the City is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The accompanying general purpose financial statements comply with the provisions of the GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. Based on these criteria, the following blended component unit is included in the accompanying financial statements. Blended component units, although legally separate entities are, in substance, part of the City's operations.

The City Street Improvement Economic Development Corporation (EDC) is governed by a seven-member board appointed by the City Council. Although it is legally separate from the City, the EDC is reported as if it were part of the primary government because its sole purpose is to operate, maintain, and finance the costs of the City's street improvements using taxes collected under Section 4B of the Development Corporation Act of 1979. Separate financial statements are not available.

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

Basis of Presentation

The government-wide financial statements (*i.e.*, the statement of net position and the statement of activities) report information on all of the activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The primary effect of internal activity has been eliminated from the government-wide financial statements. However, interfund service provided and used is not eliminated in the process of consolidation on the government-wide statement of activities.

Fund financial statements report detailed information about the City. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The City reports the following major governmental funds:

- **General Fund** – is the City’s primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- **Debt Service Fund** – is used to account for the accumulation of resources for the payment of general long-term debt principal, interest and related costs.
- **Street Bond Capital Projects Fund** – is used to account for construction of improvements to streets, street related drainage and sidewalks.
- **Economic Development 4B Fund** – is used to account for revenues and expenses associated with the operation, maintenance and financing of the costs of the City’s street improvements. Primary revenue source is sales taxes, and a small amount of interest.
- **Series 2014** – to account for construction projects authorized for the General and Contractual Obligation Series 2014 bond issues.

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

All proprietary funds account for operations that are primarily financed by user charges.

The City reports the following proprietary funds:

- **Water and Sewer Fund** – accounts for providing water and sewer services to residential and commercial users in the City.
- **Stormwater Utility Fund** – accounts for the storm drainage runoff service provided to the residential and commercial users of the City.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and proprietary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

City of Bedford, Texas
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Property taxes, sales taxes, franchise taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Licenses and permits, charges for services (except for sanitation services), fines and forfeits and rents and concessions are recorded as revenues when received in cash because they are generally not measurable until actually received. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers cash and cash equivalents to be all unrestricted cash and certificates of deposit with an original maturity date of three months or less.

Investments

Investments maturing within one year of date of purchase are reported at cost or amortized cost; all other investments are reported at fair value except for positions in investment pools. In accordance with state law, these pools operate in conformity with all of the requirements of the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, the pools qualify as a 2a7-like pool and are reported at the net asset value per share (which approximates fair value) even though they are calculated using the amortized cost method. The pools are subject to regulatory oversight by the State Comptroller of Public Accounts although it is not registered with the SEC.

Accounts Receivable

Accounts receivable consist primarily of amounts due from citizens for various services provided by the City as well as property taxes and sales taxes receivable. Management evaluates the adequacy of the allowance for doubtful accounts based on a review of individual accounts. The primary factors considered in determining the amount of the allowance are collection history, the aging of the accounts and other specific information known to management that may affect collectibility.

City of Bedford, Texas
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Inventories

Inventories in the general and proprietary fund types are carried at cost (first-in, first-out method). The City uses the consumption method for determining cost; inventories are recognized as expenditures when consumed.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure such as roads, bridges, drainage systems and lighting systems, are reported at historical cost. Contributed assets are recorded at their estimated fair value as of the date received. Depreciation is recorded on each class of depreciable property utilizing the straight-line method over the estimated useful lives of the assets. Estimated useful lives of major categories of property are:

Buildings	20 – 40 years
Infrastructure	20 – 30 years
Water and sewer system	50 years
Improvements	10 – 20 years
Machinery and equipment	3 – 10 years

Interest expense is capitalized on contracts with durations over one-year in the proprietary funds. The minimum capitalization threshold is any item with a total cost greater than \$5,000 and a useful life greater than one-year.

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then.

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service from the City.

City of Bedford, Texas
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Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay only if the compensated absences have matured with unused reimbursable leave outstanding following an employee's resignation or retirement. Vested or accumulated vacation leave within proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

Interfund Transactions

During the course of normal operations, the City has transactions between funds, including expenditures and transfers of resources to provide services, construct assets and service debt. There is no interest charged between funds for these advances.

Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The net position of the Tourism Development Fund and the Economic Development 4B Fund are restricted by enabling legislation as indicated on the statement of net position.

The City's policy is to use restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Balances include items not expected to be converted to cash including inventories and prepaid amounts.

City of Bedford, Texas
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- **Restricted** – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed** – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by ordinance of the City Council, the City’s highest level of decision making authority. These amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- **Assigned** – This classification includes amounts that are constrained by the City’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council.
- **Unassigned** – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds.

Prior Year Comparative Information

The basic financial statements include certain prior year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the City’s financial statements as of and for the year ended September 30, 2013, from which the summarized information was derived.

City of Bedford, Texas
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New Pronouncements

During the year ending September 30, 2015, the City will implement GASB Statements No. 68, *Accounting and Financial Reporting for Pensions* – an Amendment of GASB Statement No. 27. This statement establishes standards for measuring and recognizing liabilities, deferred inflows of resources, and expense/expenditures. Management has not currently determined what impact implementation will have on net position.

Reclassifications

Certain reclassifications have been made to the 2013 financial statements to conform to the 2014 financial statement presentation. These reclassifications had no effect on change in net position/fund balance.

Note 2: Deposits and Investments

The deposit and investment policies of the City are governed by State Statutes and the adopted City Investment Policy. City policies governing bank deposits require depositories to be FDIC-insured institutions, and depositories must fully collateralize all deposits in excess of FDIC insurance limits.

Statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agency securities, repurchase agreements and municipal pools.

The City utilizes a pooled investment concept for all its funds to maximize its investment program. Investment income from this internal pooling is allocated to the respective funds based upon the sources of funds invested.

During the year ended September 30, 2014, the City invested in TexCLASS, TexSTAR, Texas DAILY and Lone Star, which are investment pools authorized by the Texas Legislature. The Texas Treasury Safekeeping Trust Company is the trustee and is a limited purpose trust company authorized pursuant to Texas Government Code. The pools operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The pools use amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in the pools is the same as the value of the pools shares.

City of Bedford, Texas
Notes to Financial Statements
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Investments at year-end are shown below:

Investment Type	Fair Value	Weighted-Average Maturity
TexCLASS	\$ 202,131	1 day
TexSTAR	2,333,647	1 day
Texas DAILY	738,249	1 day
Lone Star investment public pool	83,777	1 day
Certificates of deposit	<u>7,521,947</u>	351 days
Total	<u>\$ 10,879,751</u>	

The City's investments at September 30, 2014, are held by the following investment pools:

Investment Type	Standard & Poor's Credit Rating
TexCLASS	AAAm
TexSTAR	AAAm
Texas DAILY	AAAm
Lone Star investment public pool	AAAm

- **Interest Rate Risk** – In accordance with its investment policy, the City manages its exposure to declines in fair market values by investing operating funds primarily in short-term securities, money market mutual funds or similar investment pools. Furthermore, unless matched to a specific cash flow, the City will not directly invest in securities maturing more than three years from the date of purchase.
- **Credit Risk** – It is the City's policy to follow statutes, which authorize the City to invest in obligations of the U. S. Treasury agencies and instrumentalities, obligations of the state of Texas and related agencies, obligations of states, agencies, counties, cities and other political subdivisions of any state rated "A" or above by Standard & Poor's Corporation or Moody's, repurchase agreements and designated investment pools. The City's assets in investment pools meet this requirement as noted above.
- **Custodial Credit Risk – Investments** – In accordance with its investment policy, the City minimizes custodial credit risk by limiting investments to the safest types of investment vehicles, prequalifying the financial institutions, brokers/dealers, intermediaries and advisors with which the City will do business and diversifying the investment portfolio so that potential losses on individual investments will be minimized. Currently, all investments are registered in the City's name.

City of Bedford, Texas
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- **Custodial Credit Risk – Deposits** – The City’s deposits do not have any exposure to credit risk because all deposits in financial institutions are fully collateralized by U.S. government obligations or obligations of the state of Texas and its agencies that have a value of not less than the principal amount of the deposits. The collateral is held by a third-party custodial bank as the City’s agent.
- **Concentration of Credit Risk** – The City limits investments to avoid concentration in securities from a specific issuer or business sector (where appropriate). As noted above, the City’s investments are distributed into a variety of allowable investment vehicles. Management does not believe there is a significant risk of loss due to the credit rating and nature of the investments.

Summary of Deposit and Investment Balances

Following is a reconciliation of the City’s deposit and investment balances as of September 30, 2014:

	Totals
Investments	\$ 10,879,751
Deposits and cash on hand	17,476,679
	\$ 28,356,430
Government-wide Statement of Net Position	
	Government-wide Statement of Net Position
Cash and cash equivalents	\$ 19,547,640
Investments	6,172,076
Restricted Assets:	
Investments	2,636,714
	\$ 28,356,430

City of Bedford, Texas
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Note 3: Receivables

Receivables, including amounts due from other governments, as of September 30, 2014, for the City's individual major funds and nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Funds				Enterprise Funds			Total
	General	Debt Service	Street Bond	Economic Development	Nonmajor Governmental	Water and Sewer	Stormwater Utility	
Receivables								
Taxes								
Delinquent property taxes	\$ 217,985	\$ 137,504	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 355,489
Sales taxes	1,788,166	-	-	596,055	-	-	-	2,384,221
Franchise	867,104	-	-	-	-	-	-	867,104
Other	47,860	-	-	-	-	-	-	47,860
Accounts	440,795	-	206	74	75,725	3,497,088	206,931	4,220,819
Other	189,212	-	345,792	-	80,022	-	-	615,026
Gross receivables	<u>3,551,122</u>	<u>137,504</u>	<u>345,998</u>	<u>596,129</u>	<u>155,747</u>	<u>3,497,088</u>	<u>206,931</u>	<u>8,490,519</u>
Less allowance for uncollectibles	<u>(38,269)</u>	<u>(23,504)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(279,661)</u>	<u>-</u>	<u>(341,434)</u>
Net total receivables	<u>\$ 3,512,853</u>	<u>\$ 114,000</u>	<u>\$ 345,998</u>	<u>\$ 596,129</u>	<u>\$ 155,747</u>	<u>\$ 3,217,427</u>	<u>\$ 206,931</u>	<u>\$ 8,149,085</u>

Governmental funds report deferred outflows in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period.

At the end of the current fiscal year, the various components of deferred outflows reported in the governmental funds were as follows:

	<u>Unavailable</u>
Delinquent property taxes receivable (General Fund)	\$ 172,515
Delinquent property taxes receivable (Debt Service Fund)	109,457
Delinquent ambulance receivable (General Fund)	265,734
Street and drainage assessments receivable (Street Bond)	<u>345,978</u>
Total deferred outflows for governmental funds	<u>\$ 893,684</u>

Note 4: Property Tax

Property taxes attach as an enforceable lien on property as of January 1. The City's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real property and personal business property located in the City. The assessed value upon which the fiscal 2013 levy was based was \$3,121,183,647. The appraisal function is performed by the Tarrant County Appraisal District.

City of Bedford, Texas
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General property taxes are limited by the Texas Constitution to \$2.50 per \$100 of assessed valuation and by Home Rule Charter to \$1.50 per \$100 of assessed valuation for general governmental services and payment of principal and interest on long-term debt. The combined tax rate to finance general governmental service and debt service for the year ended September 30, 2014, was \$.4948303 per \$100 of assessed valuation.

Taxes are due by January 31 following the levy date. Current tax collection for the year ended September 30, 2014, was 100% of the tax levy.

Uncollected property taxes levied for the current fiscal year are recognized as receivables, and are deemed collectible in full.

Note 5: Interfund Transfers

Interfund transfers are payments between funds that are designed to cover various operating and overhead expenses and to allocate charges for services performed by one fund on behalf of another fund.

Individual fund transfers for the year ended September 30, 2014, were:

	Transfer In				Total
	General	Debt Service	Nonmajor Governmental	Water and Sewer	
Transfers out					
Economic Development 4B	\$ -	\$ 1,378,147	\$ -	\$ -	\$ 1,378,147
Nonmajor governmental	80,000	-	35,000	-	115,000
Water and sewer	2,177,046	-	36,717	-	2,213,763
Stormwater utility	292,840	-	-	123,497	416,337
	<u>2,549,886</u>	<u>1,378,147</u>	<u>71,717</u>	<u>123,497</u>	<u>4,123,247</u>
Total transfers out	<u>\$ 2,549,886</u>	<u>\$ 1,378,147</u>	<u>\$ 71,717</u>	<u>\$ 123,497</u>	<u>\$ 4,123,247</u>

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Note 6: Interfund Assets/Liabilities

Interfund balances reflect payments made by one fund on behalf of another fund for which cash settlement has not been made as of the end of the accounting period. Amounts due to and from other funds will be settled within the next accounting period. Management has no current intention of repaying the advance to the Stormwater Utility Fund in the immediate future.

Individual interfund receivable and payable balances as well as advances at September 30, 2014, were:

	Due From			
	Nonmajor Governmental	Water Sewer	Stormwater Utility	Total
Due To				
General Fund	63,470	168,057	28,646	260,173
Total transfers out	\$ 63,470	\$ 168,057	\$ 28,646	\$ 260,173
Advances				
General Fund	\$ 300,000	\$ -		
Stormwater Utility Fund	-	300,000		
	\$ 300,000	\$ 300,000		

The advances between the General Fund and Stormwater Utility Fund are the result of the General Fund lending funds to cover start-up operating costs to the Stormwater Utility Fund.

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

Note 7: Capital Assets

The following tables summarize changes in capital assets during the year ended September 30, 2014:

	Beginning Balance	Additions	Retirements	Reclassifications	Ending Balance
Governmental Activities					
Capital assets, not being depreciated					
Land	\$ 7,261,343	\$ -	\$ -	\$ -	\$ 7,261,343
Construction in progress	603,061	1,581,602	(14,019)	(246,692)	1,923,952
Total assets not being depreciated	<u>7,864,404</u>	<u>1,581,602</u>	<u>(14,019)</u>	<u>(246,692)</u>	<u>9,185,295</u>
Capital assets, being depreciated					
Buildings	25,255,790	59,113	-	209,375	25,524,278
Equipment	26,419,105	440,143	(264,160)	-	26,595,088
Improvements other than buildings	122,956,187	33,394	-	37,317	123,026,898
Total capital assets being depreciated	<u>174,631,082</u>	<u>532,650</u>	<u>(264,160)</u>	<u>246,692</u>	<u>175,146,264</u>
Less accumulated depreciation					
Buildings	(10,577,820)	(777,088)	-	-	(11,354,908)
Equipment	(22,481,109)	(1,158,248)	264,160	-	(23,375,197)
Improvement other than buildings	(101,065,484)	(5,771,434)	-	-	(106,836,918)
Total accumulated depreciation	<u>(134,124,413)</u>	<u>(7,706,770)</u>	<u>264,160</u>	<u>-</u>	<u>(141,567,023)</u>
Total capital assets being depreciated, net	<u>40,506,669</u>	<u>(7,174,120)</u>	<u>-</u>	<u>246,692</u>	<u>33,579,241</u>
Governmental activities capital assets, net	<u>\$ 48,371,073</u>	<u>\$ (5,592,518)</u>	<u>\$ (14,019)</u>	<u>\$ -</u>	<u>\$ 42,764,536</u>
Business-type Activities					
Capital assets, not being depreciated					
Land	\$ 100,255	\$ -	\$ -	\$ -	\$ 100,255
Construction in progress	5,463,925	2,141,494	-	(1,919,504)	5,685,915
Total assets not being depreciated	<u>5,564,180</u>	<u>2,141,494</u>	<u>-</u>	<u>(1,919,504)</u>	<u>5,786,170</u>
Capital assets, being depreciated					
Buildings	518,600	-	-	-	518,600
Equipment	3,306,571	72,447	(22,247)	-	3,356,771
Utility distributions	61,461,897	8,893,586	(20,972)	1,919,504	72,254,015
Total capital assets being depreciated	<u>65,287,068</u>	<u>8,966,033</u>	<u>(43,219)</u>	<u>1,919,504</u>	<u>76,129,386</u>
Less accumulated depreciation					
Buildings	(518,600)	-	-	-	(518,600)
Equipment	(3,065,143)	(126,539)	22,247	-	(3,169,435)
Utility distributions	(28,686,298)	(1,721,793)	-	-	(30,408,091)
Total accumulated depreciation	<u>(32,270,041)</u>	<u>(1,848,332)</u>	<u>22,247</u>	<u>-</u>	<u>(34,096,126)</u>
Total capital assets being depreciated, net	<u>33,017,027</u>	<u>7,117,701</u>	<u>(20,972)</u>	<u>1,919,504</u>	<u>42,033,260</u>
Business-type activities capital assets, net	<u>\$ 38,581,207</u>	<u>\$ 9,259,195</u>	<u>\$ (20,972)</u>	<u>\$ -</u>	<u>\$ 47,819,430</u>

City of Bedford, Texas
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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities	
General government	\$ 146,777
Community services	60,094
Public services	5,603,387
Public safety	978,482
Leisure services	898,698
Administrative services	<u>19,332</u>
 Total depreciation expense – governmental activities	 <u><u>\$ 7,706,770</u></u>
 Business-type Activities	
Water and sewer	\$ 1,553,447
Stormwater collection and disposal	<u>294,885</u>
 Total depreciation expense – business-type activities	 <u><u>\$ 1,848,332</u></u>

Note 8: Long-term Liabilities

The following is a summary of the long-term liabilities of the City for the year ended September 30, 2014:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Amounts Due Within One-Year</u>
Governmental Activities					
General/Contractual obligation bonds	\$ 37,800,000	\$ 5,500,000	\$ (5,185,000)	\$ 38,115,000	\$ 5,690,000
Premium on debt	1,190,505	61,948	(153,315)	1,099,138	156,473
Capital lease	478,872	-	(83,055)	395,817	85,675
Compensated absences	2,529,354	2,163,310	(1,573,287)	3,119,377	1,039,792
Other post-employment benefits	<u>197,098</u>	<u>12,192</u>	<u>-</u>	<u>209,290</u>	<u>-</u>
Governmental activities long-term liabilities	<u><u>\$ 42,195,829</u></u>	<u><u>\$ 7,737,450</u></u>	<u><u>\$ (6,994,657)</u></u>	<u><u>\$ 42,938,622</u></u>	<u><u>\$ 6,971,940</u></u>
 Business-type Activities					
Certificates of obligation	\$ 18,275,000	\$ -	\$ (940,000)	\$ 17,335,000	\$ 955,000
Premiums on debt	136,015	-	(11,993)	124,022	11,062
Compensated absences	143,583	172,596	(146,732)	169,447	56,482
Other post-employment benefits	<u>120,802</u>	<u>7,472</u>	<u>-</u>	<u>128,274</u>	<u>-</u>
Business-type activities long-term liabilities	<u><u>\$ 18,675,400</u></u>	<u><u>\$ 180,068</u></u>	<u><u>\$ (1,098,725)</u></u>	<u><u>\$ 17,756,743</u></u>	<u><u>\$ 1,022,544</u></u>

City of Bedford, Texas
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Governmental long-term debt consists of the following individual issues at September 30, 2014:

Series	Original Issue	Interest Rate	Debt Outstanding
General Obligation and Contractual Bonds			
Series 2004 General Obligation Refunding Bonds	\$ 12,350,000	2.4% – 5.0%	\$ 2,050,000
Series 2005 General Obligation Refunding Bonds	28,600,000	3.25% – 5.0%	13,200,000
Series 2007 General Obligation Bonds	4,000,000	3.875% – 5.0%	2,965,000
Series 2010 General Obligation Bonds	4,885,000	2.0% – 5.0%	4,355,000
Series 2011 General Obligation Refunding and Improvement Bonds	8,185,000	2.0% – 4.375%	3,005,000
Series 2011 General Tax and Revenue Certificates of Obligation	6,590,000	2.0% – 4.375%	1,950,000
Series 2013 General Obligation Refunding and Improvement Bonds	5,375,000	2.0% – 4.0%	5,090,000
Series 2014 General Obligation Bonds	3,200,000	2.0% – 4.0%	3,200,000
Series 2014 Public Property Finance Contractual Obligations	2,300,000	1.0% – 2.5%	<u>2,300,000</u>
Total General Obligation and Contractual Bonds			<u>\$ 38,115,000</u>

Business-type long-term debt consists of the following individual issues at September 30, 2014:

Series	Original Issue	Interest Rate	Debt Outstanding
Certificates of Obligation			
Series 2007 Certificates of Obligation	\$ 4,975,000	3.875% – 4.25%	\$ 3,690,000
Series 2010 Certificates of Obligation	2,035,000	3.0% – 4.125%	1,815,000
Series 2011 Certificates of Obligation Refunding and Improvement Bonds	8,185,000	2.0% – 4.375%	3,645,000
Series 2011 Combination Tax and Revenue Certificates of Obligation	6,590,000	2.0% – 4.375%	3,680,000
Series 2012 Combination Tax and Revenue Certificates of Obligation	630,000	0.09% – 1.4%	570,000
Series 2012A Combination Tax and Revenue Certificates of Obligation	4,270,000	1.0% – 2.75%	<u>3,935,000</u>
Total Certificates of Obligation			<u>\$ 17,335,000</u>

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

The annual debt service requirement to amortize the bonds, certificates of obligation and capital lease obligations outstanding at September 30, 2014, follows:

Governmental Activities:

Year Ending September 30,	General Obligation Bonds	Capital Lease	Interest	Total
2015	\$ 5,690,000	\$ 85,675	\$ 1,342,922	\$ 7,118,597
2016	5,610,000	88,767	1,105,212	6,803,979
2017	5,520,000	91,973	870,174	6,482,147
2018	4,310,000	95,297	662,828	5,068,125
2019	2,135,000	34,105	540,865	2,709,970
2020 – 2024	8,515,000	-	1,846,344	10,361,344
2025 – 2029	4,255,000	-	814,815	5,069,815
2030 – 2034	<u>2,080,000</u>	<u>-</u>	<u>161,566</u>	<u>2,241,566</u>
	<u>\$ 38,115,000</u>	<u>\$ 395,817</u>	<u>\$ 7,344,726</u>	<u>\$ 45,855,543</u>

Business-type Activities:

Year Ending September 30,	Certificate of Obligations	Interest	Total
2015	\$ 955,000	\$ 546,313	\$ 1,501,313
2016	990,000	523,076	1,513,076
2017	1,020,000	496,488	1,516,488
2018	1,065,000	466,785	1,531,785
2019	935,000	438,296	1,373,296
2020 – 2024	5,230,000	1,724,376	6,954,376
2025 – 2029	5,260,000	750,831	6,010,831
2030 – 2032	<u>1,880,000</u>	<u>74,524</u>	<u>1,954,524</u>
	<u>\$ 17,335,000</u>	<u>\$ 5,020,689</u>	<u>\$ 22,355,689</u>

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

New Bond Issuance

In March 2014, the City issued \$3,200,000 of General Obligation Bonds, Series 2014 (Bonds), as well as \$2,300,000 of Public Property Finance Contractual Obligations, Series 2014 (Contractual Obligations). The Bonds are issued with an interest rate ranging from 2.00% to 4.00% through maturity in February 2034; with proceeds from the sale designated for the purpose of permanent public improvements and public purposes including park improvements at the Boys Ranch Park. The Contractual Obligations are issued with an interest rate ranging from 1.00% to 2.50% through maturity in February 2024, with proceeds from the sale designated for the purpose of capital additions and improvements in general government and public safety classes. Bond and Contractual Obligation proceeds are kept in the Series 2014 Capital Projects Fund.

Note 9: Retirement Plan

Plan Description

The City provides pension benefits for all of its eligible employees through a non-traditional, joint contributory, hybrid defined benefit plan in the statewide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system. The plan provisions that have been adopted by the City are within the options available in the governing state statutes of TMRS.

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information (RSI) for TMRS; the report also provides detailed explanations of the contributions, benefits and actuarial methods and assumptions used by TMRS. This report may be obtained by writing to TMRS, P. O. Box 149153, Austin, Texas 78714-9153 or by calling 800-924-8677; in addition, the report is available on TMRS' website at www.TMRS.com.

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

	December 31,	
	2014	2013
Deposit rate	5.0%	5.0%
Matching ratio (City to employee)	2 – 1	2 – 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	0%	0%
Annuity increase (to retirees)	0% of CPI	0% of CPI

Contributions

Under the state law governing TMRS, the contribution rate for each City is determined annually by the actuary, using the Projected Unit Credit actuarial cost method. This rate consists of the normal cost contribution rate and the prior service cost contribution rate, which is calculated to be a level percent of payroll from year-to-year. The normal cost contribution rate finances the portion of an active member’s projected benefit allocated annually; the prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the applicable period for that city. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits, such as updated service credits and annuity increases.

The City contributes to the TMRS plan at an actuarially determined rate. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect.

Annual Pension Cost

Contributions by the City were \$920,307 or 4.88% of the covered payroll of \$18,853,517 as required by the actuarial valuation.

City of Bedford, Texas
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September 30, 2014

In June 2011, SB 350 was enacted by the Texas Legislature, resulting in a restructure of the TMRS funds. This legislation provided for the actuarial valuation to be completed, as if restructuring had occurred on December 31, 2010. In addition, the actuarial assumptions were updated for the new fund structure, based on an actuarial experience study that was adopted by the TMRS Board at their May 2011 meeting (the review compared actual to expected experience for the four-year period of January 1, 2006 through December 31, 2009). For a complete description of the combined impact of the legislation and revised actuarial assumptions, including the effects on TMRS city rates and funding ratios, please see the December 31, 2010, TMRS Comprehensive Annual Financial Report (CAFR).

Actuarial valuations are based on long-term assumptions, and actual results in a specific year can, and almost certainly will, differ as actual experience deviates from the assumptions. The following table provides a detailed breakdown of changes in the retirement portion of the City of Bedford's contribution rate. This analysis reconciles the change in the retirement portion the City's contribution from plan year 2013 to 2014, but will not reflect any change in the cost of the supplemental death benefit. The City of Bedford does not participate in that benefit.

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

Annual City pension cost and related information for the last three years is as follows:

	December 31,		
	2013	2012	2011
Actuarial Information			
Actuarial cost method	Employee Age Normal	Project Unit Credit	Project Unit Credit
Amortization method	Level percent of payroll	Level percent of payroll	Level percent of payroll
GASB 25 equivalent single amortization period	30.0 years-closed period	22.1 years-closed period	23.1 years-closed period
Amortization period for new gains/losses	25 years	25 years	25 years
Asset valuation method	10-year smoothed market	10-year smoothed market	10-year smoothed market
Actuarial Assumptions			
Investment rate of return	7.0%	7.0%	7.0%
Projected salary increases	Varies by age and services	Varies by age and services	Varies by age and services
Inflation	3.0%	3.0%	3.0%
Cost of living adjustment	0.0%	0.0%	0.0%
City specific assumptions			
Payroll growth assumption	3.00%	3.00%	3.00%
Schedule of Funding Information			
Actuarial valuation date	12/31/2013	12/31/2012	12/31/2011
Actuarial value of assets	\$ 8,824,005	\$ 6,694,752	\$ 4,713,345
Actuarial accrued liability	\$ 18,629,880	\$ 17,582,830	\$ 15,748,320
Unfunded (overfund) Actuarial Accrued Liability (UAAL)	\$ 9,805,875	\$ 10,888,078	\$ 11,034,975
Funded ratio	47%	38%	30%
Annual covered payroll	\$ 18,853,517	\$ 18,597,171	\$ 18,649,701
UAAL as a percentage of covered payroll	52%	59%	59%

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits.

The City's net pension obligation (NPO) for TMRS at December 31, 2014, 2013 and 2012, is calculated as follows:

Actuarial Valuation Date	2013	December 31, 2012	2011
NPO, beginning of year	\$ -	\$ -	\$ -
Annual required contribution (ARC)	920,307	844,310	1,262,583
Contributions made	<u>920,307</u>	<u>844,310</u>	<u>1,262,583</u>
NPO, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Actuarial calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation, and reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

Note 10: Post-employment Health Care Plan

Plan Description and Funding Policy

Starting January 1, 2010, the City began requiring participants who are active employees with less than 20 years of service or 60 years or more of age with less than 5 years of service to contribute an age-based full-cost premium if they choose to remain on the City's health care plan upon retirement. In return, the City will make scheduled annual contributions into a retiree health savings plan in the name of each eligible employee who has 10 years of service or more. Employees are 50% vested at 20 years of service and 100% vested at 30 years of service.

Under provisions of GASB Statement No. 45, employees who will be required to contribute the full age-based cost of coverage for the City's health plan do not receive another post-employment benefit.

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

Retiring employees will pay either age-based or blended premiums depending on their status as “grandfathered” or “non-grandfathered.” Blended premiums blend the cost of providing health coverage to both active employees and retirees, and will be based on the total employer/employee premium for the health plan as a whole, and will be determined annually during the budget process.

Grandfathered Employees

As of January 1, 2010, employees that have 20 years of continuous service with the City or employees having 5 years of continuous service and have reached the age of 60 will be eligible to purchase City health benefits at blended rates upon the date of their retirement if they are less than age 65. Employees who meet the requirements to stay on the plan will continue to pay both employee and employer required contributions for the retiree health plan chosen for themselves and eligible dependents. Employer and employee required contributions are determined annually by plan as part of the City’s annual budget. If the spouse or eligible dependents are on the plan at the time of the employee’s retirement, they can remain on the plan, until which time they are no longer eligible.

Non-Grandfathered Employees

Employees who do not meet the eligibility requirements to stay on the plan will pay age-based premiums for the retiree health plan chosen for themselves and eligible dependents. These employees will participate in the City’s retiree health savings plan.

Policy Information

Retiree Health Plan Benefit Eligibility

To be eligible for retiree health benefits, employees must meet the following criteria:

- Any employee who is covered under the City’s health plan at the effective date of (the employee’s) retirement, who is less than age 65, and who meets the “retiree” definition (as described below) may elect to continue health insurance coverage under the plan.
- Employees who are eligible and elect to stay on the plan will be required to begin paying monthly premiums immediately upon retirement.
- Employees eligible for retiree health insurance may also continue coverage for any dependents following the employee’s retirement, provided the dependents were covered under the employee’s health insurance as of the effective date of the employee’s retirement and the appropriate enrollment forms are completed within 30 days of retirement. Anyone electing this coverage must meet all of the eligibility rules of the plan.

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

NOTE: When a covered retiree's spouse is employed at the time the City of Bedford employee retires, an exception to this policy may be made. The spouse may elect coverage under the City's health plan if the spouse's employment ends or the spouse's employer discontinues coverage.

- Dependents who are covered under the retiree's health insurance at the time of the retiree's death may continue coverage as follows: (a) the spouse may continue coverage following the death of the retiree until such time as the spouse remarries, dies or reaches age 65 (b) any other eligible dependent(s), as defined by the City's self-funded plan, may continue to be covered under retiree health insurance as long as all eligibility requirements of the City's plan are met.

Retiree Health Plan Benefit Coverage

Retirees are able to maintain retiree coverage through the City until they reach age 65 (see section below). Retirees cannot drop the City's plan and re-elect retiree benefits at a later date unless they become re-employed by the City. If this is the case, they must re-enroll into the City's retiree insurance program within 30 days of the termination from the City's re-employment.

- Retirees are able to choose from and elect the same plans offered to active employees during open enrollment each year until they reach age 65.
- Retirees who decide to elect the City's retiree health benefits will pay either age based on blended premiums depending on their status as "grandfathered" or "non-grandfathered."
- Blended premiums blend the cost of providing health coverage to both active employees and retirees, will be based on the total employer/employee premium for the health plan as a whole, and will be determined annually during the budget process.

Retirees Age 65 or Older

Effective January 1, 2010, retirees who are Medicare eligible or age 65 or older will have access to a more cost effective and comparable Medicare Supplement or Medicare Advantage Plan and will no longer have access to the City's health plan. Retirees will continue to have access to the City's dental plan.

- Retirees who choose to obtain coverage elsewhere may later elect one of the City's Medicare Supplement or Medicare Advantage plans when they become eligible for Medicare.

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

- Retirees' dependents who are under 65 years of age will be able to maintain coverage through the City's health plan. Once a dependent reaches age 65, the dependent will no longer be able to access the City's health plan, but will be able to select either the Medicare Supplement or Medicare Advantage Plan which is less expensive than the current retiree premiums and is comparable to or offers a richer benefit than the City's health plan.
- If the employee is 65 years of age or older, but is not Medicare eligible, the City will evaluate the cost of Medicare Part A premiums each year and determine whether the City will reimburse the employee for the purchase of Medicare Part A (on behalf of the retiree or whether to allow the retiree to pay the premium to stay on the City's health plan). Retirees in this situation will be notified of this determination at the end of each year for the following plan year.

Applicability

This policy applies to all regular full-time employees.

Definitions

Retiree – is defined as an employee who has effected retirement with the City and is eligible to retire according to the City's pension plan guidelines.

Policy Authority

The City Council authorizes this policy. The City's management team and Human Resources are responsible for interpreting and enforcing this policy.

Implementation Procedures

Employees eligible for retiree health insurance will be given written notification from Human Resources explaining their eligibility to elect retiree health insurance, the applicable premium rates for the type of coverage(s) they are eligible to continue, and the procedures the employee must follow in order to elect retiree health insurance. They will also be given an election form on which to make their health insurance elections.

Employees eligible for retiree health insurance must complete the retiree health insurance election form and remit the appropriate premium payment as outlined in the retiree medical information packet within 30 days following the effective date of the employee's retirement; otherwise, the retiree will automatically forfeit his/her right to continue health insurance under this policy, except as provided by federal law.

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

Retirees who are not age 65 and who are eligible for and elect retiree coverage through the City will receive notification from the City's Human Resources Department of the discontinuation of their retiree coverage along with enrollment information for the Medicare Supplement and Medicare Advantage plans upon turning age 65.

Termination of Retiree Health Plan Coverage

Retiree health insurance will automatically terminate for the retiree and/or covered dependents upon the earliest of the following occurrences:

- The City ceases to provide group health insurance.
- Retiree/retiree's dependent(s) fail to remit the monthly premium payment to the City's Human Resources Department by the last day of each month.
- The retiree returns to active employment status with the City and becomes covered under a City sponsored health plan.
- Dependent(s) of the retiree cease to meet the eligibility requirements of the City's medical plan.

Note 11: Other Post-Employment Benefits

Plan Description

The City provides post-employment medical care (OPEB) for employees through a single-employer defined benefit medical plan. The plan provides medical benefits for eligible retirees, their spouses and dependents through the City's group health insurance plans, which cover both active and retired members. The benefit levels and contribution rates are approved annually by the City management and the City Council as part of the budget process. Since an irrevocable trust has not been established, the plan is not accounted for as a trust fund. The plan does not issue a separate financial report.

Benefits Provided

The City provides post-employment medical and dental care benefits to its retirees. Retirees who elect COBRA cannot later elect retiree coverage. To be eligible for coverage an employee must qualify under all three of the following:

- The retiree must have been covered for medical benefits under the City health plan as an employee immediately prior to termination of employment.
- Apply for pension benefits from TMRS in accordance with their requirements and deadlines, but in no event later than 90 days from termination of employment.
- Enroll for retiree health coverage within 30 days of the date of termination.

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

Annual Funding Policy

The plan's premium rates are determined annually by City management and approved by the City Council as part of the annual budget. Members receiving PPO medical benefits contribute 50% – 80% per month for retiree-only coverage, 50% – 80% per month for retiree and spouse and 50% – 80% per month for retiree and family.

Annual OPEB Costs

The City's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB No. Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The City's annual OPEB cost for the past three years and the related information is listed below:

	2014	September 30, 2013	2012
Annual required contribution	\$ 97,796	\$ 97,796	\$ 97,796
Interest on prior year net OPEB obligation	14,306	12,881	10,989
Adjustment to annual required contribution	<u>(20,970)</u>	<u>(18,882)</u>	<u>(16,109)</u>
Annual OPEB cost	91,132	91,795	92,676
Contributions made	<u>(71,468)</u>	<u>(60,130)</u>	<u>(50,649)</u>
Increase in net OPEB obligation	19,664	31,665	42,027
Net obligation, beginning of year	<u>317,900</u>	<u>286,235</u>	<u>244,208</u>
Net obligation, end of year	<u><u>\$ 337,564</u></u>	<u><u>\$ 317,900</u></u>	<u><u>\$ 286,235</u></u>
Percentage of OPEB costs contributed	21%	19%	18%

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current year are calculated using a 4.5% discount rate, and the Projected Unit Credit Cost method.

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

Funded Status and Funding Progress

The funded status of the plan as of actuarial measurement date of December 31, 2013, was as follows:

Actuarial accrued liability	\$	1,138,070
Actuarial value of plan assets		27,970
Unfunded actuarial accrued liability	\$	1,110,100
Funded ratio		2.46%
Covered payroll	\$	3,596,883
Unfunded actuarial accrued liability as a percentage of covered payroll		30.9%

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2011, actuarial valuation, the Projected Unit Credit Cost method was used. The actuarial assumptions included a 4.5% investment rate of return (net of administrative expenses) and an annual health care cost trend rate of 9.0% initially, reduced by decrements to an ultimate rate of 4.5% after a number of years. Both rates include a 3.0% inflation assumption. The actuarial value of the plan's assets was set equal to the reported market value of assets. The assets are allocated among the divisions based on liabilities valued at 4.5%. The City's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2011, was 25 years.

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

Note 12: Commitments and Contingencies

Risk Management

The City is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City participates in the Texas Municipal League Intergovernmental Risk Pool (Risk Pool) to provide insurance for workers' compensation benefits, liability and property coverage.

At September 30, 2014, the Risk Pool was self-sustaining based on premiums charged, so that total contributions plus compounded earnings on these contributions will be sufficient to satisfy claims and liabilities and other expenses. Premiums are assessed based on the rates set by the Texas State Board of Insurance and may be adjusted, on an annual basis, by the Risk Pool's Board of Trustees for each participating political subdivision's experience. The City is not liable for payments beyond the annual contributions.

The Risk Pool has purchased stop-loss coverage to protect the assets of the pool from catastrophic losses. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years, and there have been no significant reductions in insurance coverage during the current year.

Trinity River Authority of Texas

In 1972, the City entered into a contract with the Trinity River Authority (TRA) for the purchase of water. The contract shall remain in effect until all bonds, including refunding bonds, have been paid.

Under the terms of the contract, the City is obligated to pay its proportional share of operating and maintenance expenses and debt service charges by the TRA based on the ratio of estimated water usage for the ensuing year to the total estimated water usage. Total purchases during fiscal year 2014 were approximately \$7,700,000.

In 1973, the City entered into a 50-year contract with the TRA for the transportation, treatment, and disposal of sanitary sewage actually discharged and to share in the cost of operation and maintenance of the system. Total payments of approximately \$3,832,000 were made in fiscal year 2014. Additionally, \$322,767 was spent with the City of Hurst for the transportation, treatment and disposal of sanitary sewage as well.

City of Bedford, Texas
Notes to Financial Statements
September 30, 2014

Litigation

Various claims and lawsuits are pending against the City. In the opinion of the City's legal counsel and management, the potential loss on all claims after insurance will not be significant to the City's financial statements.

State and Federal Programs

The City has received federal and state grants for specific purposes that are subject to review and audit by grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. In the opinion of management of the City, disallowed costs, if any, should not be material.

Note 13: Subsequent Events

Subsequent events have been evaluated through February 9, 2015, which is the date the financial statements were available to be issued.



Required Supplementary Information

City of Bedford, Texas
Schedule of Funding Progress
September 30, 2014

Actuarial Valuation Date	Plan	Actuarial Value of Assets [1]	Actuarial Accrual Liability (AAL) [2]	Funded Ratio [3] [1]/[2]	Unfunded AAL (UAAL) [4] [2]-[1]	Covered Payroll [5]	UAAL as a Percentage of Covered Payroll [6] [4]/[5]
12/31/2010	TMRS *	2,378,268	11,372,548	20.9%	8,994,280	18,787,516	47.9%
12/31/2010	TMRS **	2,424,829	13,872,080	17.5%	11,447,251	18,787,516	60.9%
12/31/2011	TMRS	4,713,345	15,748,320	29.9%	11,034,975	18,649,701	59.2%
12/31/2012	TMRS	6,694,752	17,582,830	38.1%	10,888,078	18,597,171	58.5%
12/31/2013	TMRS	8,824,005	18,629,880	47.4%	9,805,875	18,853,517	52.0%
11/30/2010	OPEB	-	2,467,613	0.0%	2,467,613	16,465,708	15%
12/31/2011	OPEB	27,970	1,138,070	2.5%	1,110,100	3,596,883	31%

* Actuarial valuation performed under original fund structure

** Actuarial valuation performed under the new fund structure

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Actuarial calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation, and reflect a long-term perspective. Consistent with the perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

In October 2013 the TMRS board adopted actuarial changes that were reflected in the December 31, 2013 actuarial valuation. The changes included updating the Annuity Purchase Rate (APR) factors to more accurately reflect continued mortality improvement. In addition, the board changed the funding method to Entry Age Normal (EAN) to minimize contribution rate volatility. For a complete description of the impact of the new actuarial assumptions, including the effects of TMRS city rates and funding ratios, please see the December 31, 2013, TMRS Comprehensive Annual Financial Report (CAFR) as well as the GRS actuarial valuation report on the TMRS website.

Under the reporting parameters, the City's retiree health care plan is 2.46% funded with an estimated actuarial accrued liability exceeding actuarial assets by \$1,110,100 at December 31, 2011. As of the most recent valuation, the ratio of the unfunded actuarial accrued liability to annual covered payroll is 30.9%.

City of Bedford, Texas
Schedule of Funding Progress
September 30, 2014

The Projected Unit Credit actuarial cost method is used to calculate the GASB ARC for the City's retiree health care plan. Using the plan benefits, the present health premiums and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic recognition of the cost of these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability.



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City of Bedford, Texas
Budgetary Comparison Schedule General Fund
September 30, 2014

	<u>Budgeted Amounts</u>		Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes, penalty and interest	\$ 20,249,179	\$ 20,249,179	\$ 20,360,037	\$ 110,858
Licenses and permits	815,450	815,450	628,484	(186,966)
Charges for services	2,501,280	2,721,280	2,823,084	101,804
Fines and forfeits	1,454,700	1,629,700	1,896,359	266,659
Support from other governmental entities	538,592	538,592	549,418	10,826
Interest	8,000	8,000	8,165	165
Miscellaneous	195,900	195,900	269,245	73,345
	<u>25,763,101</u>	<u>26,158,101</u>	<u>26,534,792</u>	<u>376,691</u>
Expenditures				
General government				
City Council	116,877	116,877	123,343	(6,466)
City Manager	490,474	505,665	526,355	(20,690)
City Secretary	244,073	256,170	241,112	15,058
Information systems	668,739	694,314	591,751	102,563
Human Resources	321,364	321,364	306,895	14,469
	<u>1,841,527</u>	<u>1,894,390</u>	<u>1,789,456</u>	<u>104,934</u>
Community services				
Economic development	193,237	193,237	143,086	50,151
Planning and zoning	347,182	355,846	405,557	(49,711)
	<u>540,419</u>	<u>549,083</u>	<u>548,643</u>	<u>440</u>
Public services				
Facilities maintenance	586,783	589,903	501,121	88,782
Maintenance services	244,594	249,068	249,564	(496)
Streets	1,072,556	1,164,806	1,129,148	35,658
	<u>1,903,933</u>	<u>2,003,777</u>	<u>1,879,833</u>	<u>123,944</u>
Administrative services				
Finance	509,145	517,183	518,879	(1,696)
Nondepartmental	1,383,652	1,348,707	953,921	394,786
Municipal court	564,881	573,391	580,290	(6,899)
Teen court	163,583	163,583	155,343	8,240
	<u>2,621,261</u>	<u>2,602,864</u>	<u>2,208,433</u>	<u>394,431</u>

City of Bedford, Texas
Budgetary Comparison Schedule General Fund (Continued)
September 30, 2014

	<u>Budgeted Amounts</u>		Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Expenditures				
Public safety				
Administration	\$ 851,182	\$ 863,804	\$ 859,964	\$ 3,840
Animal control	365,307	369,868	378,336	(8,468)
Criminal investigation division	1,526,109	1,555,818	1,526,617	29,201
Community services	688,653	700,243	716,447	(16,204)
Code compliance	419,224	527,554	481,148	46,406
SWAT	15,030	15,030	17,709	(2,679)
Patrol	4,303,548	4,303,548	4,158,236	145,312
Traffic	582,303	592,659	602,362	(9,703)
Dispatch	693,281	693,281	683,639	9,642
Jail	814,922	814,922	798,835	16,087
Records	558,928	558,928	559,449	(521)
Fire operations	<u>6,776,966</u>	<u>6,893,469</u>	<u>6,889,101</u>	<u>4,368</u>
Total public safety	<u>17,595,453</u>	<u>17,889,124</u>	<u>17,671,843</u>	<u>217,281</u>
Leisure services				
Library	1,297,036	1,317,112	1,272,047	45,065
Parks	1,180,112	1,180,112	1,114,758	65,354
Recreation	792,991	808,507	785,298	23,209
Senior citizens	218,899	218,899	211,690	7,209
Splash	<u>411,436</u>	<u>411,436</u>	<u>416,520</u>	<u>(5,084)</u>
Total leisure services	<u>3,900,474</u>	<u>3,936,066</u>	<u>3,800,313</u>	<u>135,753</u>
Capital outlay	-	-	341,651	(341,651)
Debt service	<u>-</u>	<u>-</u>	<u>99,741</u>	<u>(99,741)</u>
Total expenditures	<u>28,403,067</u>	<u>28,875,304</u>	<u>28,339,913</u>	<u>535,391</u>
Excess (deficiency) of revenues over expenditures	<u>(2,639,966)</u>	<u>(2,717,203)</u>	<u>(1,805,121)</u>	<u>912,082</u>
Other Financing Sources (Uses)				
Transfers in	2,549,886	2,549,886	2,549,886	-
Proceeds from sale of capital asset	-	-	40,764	40,764
Lease purchase proceeds	217,000	217,000	221,936	4,936
Insurance proceeds	<u>-</u>	<u>-</u>	<u>30,669</u>	<u>30,669</u>
Total other financing sources (uses)	<u>2,766,886</u>	<u>2,766,886</u>	<u>2,843,255</u>	<u>76,369</u>
Net Changes in Fund Balance	126,920	49,683	1,038,134	988,451
Fund Balance, Beginning of Year	<u>6,337,789</u>	<u>6,337,789</u>	<u>6,337,789</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 6,464,709</u>	<u>\$ 6,387,472</u>	<u>\$ 7,375,923</u>	<u>\$ 988,451</u>

City of Bedford, Texas
Budgetary Comparison Schedule
Economic Development 4B Fund
Year Ended September 30, 2014

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes, penalty and interest	\$ 2,300,000	\$ 2,300,000	\$ 2,715,318	\$ 415,318
Interest	10,000	10,000	2,660	(7,340)
Miscellaneous	-	-	39,910	39,910
Total revenues	<u>2,310,000</u>	<u>2,310,000</u>	<u>2,757,888</u>	<u>447,888</u>
Expenditures				
Current				
Public services	867,460	867,460	573,068	294,392
Capital outlay	<u>15,500</u>	<u>15,500</u>	<u>12,518</u>	<u>2,982</u>
Total expenditures	<u>882,960</u>	<u>882,960</u>	<u>585,586</u>	<u>297,374</u>
Excess (deficiency) of revenues over expenditures	1,427,040	1,427,040	2,172,302	745,262
Other Financing Sources (Uses)				
Transfers out	<u>(1,412,995)</u>	<u>(1,412,995)</u>	<u>(1,378,147)</u>	<u>34,848</u>
Net Changes in Fund Balance	14,045	14,045	794,155	780,110
Fund Balance, Beginning of Year	<u>1,903,735</u>	<u>1,903,735</u>	<u>1,903,735</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,917,780</u>	<u>\$ 1,917,780</u>	<u>\$ 2,697,890</u>	<u>\$ 780,110</u>

City of Bedford, Texas
Notes to Required Supplementary Information
September 30, 2014

Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted for the General, Debt Service, Court Security, Court Technology, Drug Forfeiture, Tourism Development, Park Donation, Bedford Beautification, Economic Development, Red Light Cameras and Public Safety Training funds using the modified accrual basis of accounting.

The City Council follows these procedures in establishing budgetary data reflected in the financial statements:

- Prior to August 15, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to September 30, the budget is legally enacted through passage of an ordinance.
- The City Manager is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the City Council after public hearings.
- All unexpended appropriations lapse at year-end.



Combining Fund Statements and Schedules

City of Bedford, Texas
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2014

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	\$ 931,444	\$ 2,215,146	\$ 3,146,590
Investments	481,662	-	481,662
Receivables			
Accounts	75,725	-	75,725
Other	80,022	-	80,022
Total assets	\$ 1,568,853	\$ 2,215,146	\$ 3,783,999
 Liabilities and Fund Balances			
Liabilities			
Accounts and contracts payable	\$ 145,589	\$ 118,272	\$ 263,861
Unearned revenues	16,824	-	16,824
Due to other funds	63,470	-	63,470
Total liabilities	225,883	118,272	344,155
 Fund balances			
Restricted for			
Public safety	284,840	-	284,840
Parks and beautification	75,590	-	75,590
Other	982,540	-	982,540
Capital acquisition and construction	-	2,096,874	2,096,874
Total fund balances	1,342,970	2,096,874	3,439,844
Total liabilities and fund balances	\$ 1,568,853	\$ 2,215,146	\$ 3,783,999

City of Bedford, Texas
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended September 30, 2014

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Revenues			
Taxes, penalty and interest	\$ 840,119	\$ -	\$ 840,119
Charges for service	354,345	-	354,345
Fines and forfeitures	324,547	-	324,547
Support from governmental entities	140,422	-	140,422
Interest	2,987	2,583	5,570
Miscellaneous	109,107	-	109,107
	<u>1,771,527</u>	<u>2,583</u>	<u>1,774,110</u>
Expenditures			
Current			
General government	2,055	-	2,055
Community services	940,338	-	940,338
Public safety	379,892	-	379,892
Administrative services	53,519	-	53,519
Leisure	3,758	-	3,758
Capital outlay	18,150	1,179,870	1,198,020
Interest	-	8	8
	<u>1,397,712</u>	<u>1,179,878</u>	<u>2,577,590</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>373,815</u>	<u>(1,177,295)</u>	<u>(803,480)</u>
Other Financing Sources (Uses)			
Transfers in	71,717	-	71,717
Transfers out	(115,000)	-	(115,000)
	<u>(43,283)</u>	<u>-</u>	<u>(43,283)</u>
Net Change in Fund Balances	330,532	(1,177,295)	(846,763)
Fund Balances, Beginning of Year	<u>1,012,438</u>	<u>3,274,169</u>	<u>4,286,607</u>
Fund Balances, End of Year	<u>\$ 1,342,970</u>	<u>\$ 2,096,874</u>	<u>\$ 3,439,844</u>

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The City's nonmajor special revenue funds are as follows:

Miscellaneous Donations Fund – This fund is used to account for miscellaneous designated contributions from citizens and other governments.

Court Security Fund – This fund accounts for monies collected under state statute designated to provide security for the Municipal Court facilities.

Court Technology Fund – This fund is used for monies collected under state statute designed to provide increased technology for the Municipal Court facilities.

Library Technology Fund – This fund is used for monies collected under state statute designed to provide increased technology for the Bedford Public Library.

Park Donation Fund – This fund is used for contributions from citizens designated for park improvements.

Drug Forfeiture Fund – This fund accounts for monies received from participation in federal drug enforcement activities.

Bedford Beautification Fund – This fund accounts for revenue and expenditures related to various citywide beautification programs proposed by the City's Beautification Commission.

Public Safety Training Fund – This fund accounts for funds received from state surplus to be used for police training.

Tourism Development Fund – This fund accounts for hotel/motel taxes received.

Local Law Enforcement Block Grant Fund – This fund accounts for revenue and expenditures of funds provided by the state for the purchase of various qualifying law enforcement related equipment.

Regional Fire Grant Fund – This fund is used to account for the revenues and expenditures related to the regional fire grants.

Red Light Cameras Fund – This fund accounts for revenues generated from red light camera fines.

NETCO/Motorola Rebanding – This fund accounts for the City's portion of proceeds received from Motorola for Northeast Tarrant County Trunked Radio Consortium (NETCO). Resolution No. 07-53.

Various Grants – This fund accounts for revenues and expenditures from multiple grants, the majority of which pertain to energy conservation.

City of Bedford, Texas
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2014

	Miscellaneous Donation	Court Security	Court Technology	Library Technology	Park Donation	Drug Forfeiture	Bedford Beautification
Assets							
Cash and cash equivalents	\$ 16,770	\$ 3,098	\$ 59,873	\$ 29,366	\$ 29,491	\$ 6,946	\$ 10,781
Investments	186,087	11,005	81,441	5,634	56,026	58,027	33,015
Receivables							
Accounts	25	28	-	-	408	-	-
Other	-	-	39	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 202,882</u>	<u>\$ 14,131</u>	<u>\$ 141,353</u>	<u>\$ 35,000</u>	<u>\$ 85,925</u>	<u>\$ 64,973</u>	<u>\$ 43,796</u>
Liabilities and Fund Balances							
Liabilities							
Accounts and contract payable	\$ 111	\$ -	\$ 221	\$ -	\$ 17,418	\$ 676	\$ -
Due to other funds	-	-	-	-	36,713	-	-
Unearned revenue	-	-	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>111</u>	<u>-</u>	<u>221</u>	<u>-</u>	<u>54,131</u>	<u>676</u>	<u>-</u>
Fund balances	<u>202,771</u>	<u>14,131</u>	<u>141,132</u>	<u>35,000</u>	<u>31,794</u>	<u>64,297</u>	<u>43,796</u>
Total liabilities and fund balances	<u>\$ 202,882</u>	<u>\$ 14,131</u>	<u>\$ 141,353</u>	<u>\$ 35,000</u>	<u>\$ 85,925</u>	<u>\$ 64,973</u>	<u>\$ 43,796</u>

Public Safety Training	Tourism Development	Local Law Enforcement Block Grant	Regional Fire Grant	Red Light Cameras	NETCO/Motorola Rebanding	Various Grants	Total Nonmajor Governmental Funds
\$ 18,746	\$ 530,619	\$ 1,117	\$ 5,028	\$ 7,980	\$ 3,767	\$ 207,862	\$ 931,444
-	-	-	-	50,427	-	-	481,662
-	75,264	-	-	-	-	-	75,725
-	-	-	-	18,842	-	61,141	80,022
<u>\$ 18,746</u>	<u>\$ 605,883</u>	<u>\$ 1,117</u>	<u>\$ 5,028</u>	<u>\$ 77,249</u>	<u>\$ 3,767</u>	<u>\$ 269,003</u>	<u>\$ 1,568,853</u>
\$ -	\$ 91,501	\$ -	\$ -	\$ 30,274	\$ -	\$ 5,388	\$ 145,589
-	20,171	-	-	6,586	-	-	63,470
-	16,824	-	-	-	-	-	16,824
-	128,496	-	-	36,860	-	5,388	225,883
<u>18,746</u>	<u>477,387</u>	<u>1,117</u>	<u>5,028</u>	<u>40,389</u>	<u>3,767</u>	<u>263,615</u>	<u>1,342,970</u>
<u>\$ 18,746</u>	<u>\$ 605,883</u>	<u>\$ 1,117</u>	<u>\$ 5,028</u>	<u>\$ 77,249</u>	<u>\$ 3,767</u>	<u>\$ 269,003</u>	<u>\$ 1,568,853</u>

City of Bedford, Texas
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended September 30, 2014

	Miscellaneous Donation	Court Security	Court Technology	Library Technology	Park Donation	Drug Forfeiture	Bedford Beautification
Revenues							
Taxes, penalty and interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-	-	-	-
Fines and forfeitures	-	42,703	56,936	-	-	-	-
Support from governmental entities	-	-	-	-	-	46,866	-
Interest	1,400	71	363	-	362	376	214
Miscellaneous	55,453	-	-	-	13,516	-	10,000
	<u>56,853</u>	<u>42,774</u>	<u>57,299</u>	<u>-</u>	<u>13,878</u>	<u>47,242</u>	<u>10,214</u>
Total revenues	56,853	42,774	57,299	-	13,878	47,242	10,214
Expenditures							
Current							
General government	2,055	-	-	-	-	-	-
Community services	12,621	-	-	-	-	-	-
Public safety	-	-	-	-	30,370	54,080	-
Administrative services	31,095	-	22,424	-	-	-	-
Leisure services	-	-	-	-	-	-	3,758
Capital outlay	-	-	-	-	-	-	-
	<u>45,771</u>	<u>-</u>	<u>22,424</u>	<u>-</u>	<u>30,370</u>	<u>54,080</u>	<u>3,758</u>
Total Expenditures	45,771	-	22,424	-	30,370	54,080	3,758
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>11,082</u>	<u>42,774</u>	<u>34,875</u>	<u>-</u>	<u>(16,492)</u>	<u>(6,838)</u>	<u>6,456</u>
Other Financing Sources (Uses)							
Transfers in	-	-	-	35,000	36,717	-	-
Transfers out	(35,000)	(35,000)	-	-	-	-	-
	<u>(35,000)</u>	<u>(35,000)</u>	<u>-</u>	<u>35,000</u>	<u>36,717</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	(35,000)	(35,000)	-	35,000	36,717	-	-
Net Change in Fund Balances	(23,918)	7,774	34,875	35,000	20,225	(6,838)	6,456
Fund Balances, Beginning of Year	<u>226,689</u>	<u>6,357</u>	<u>106,257</u>	<u>-</u>	<u>11,569</u>	<u>71,135</u>	<u>37,340</u>
Fund Balances, End of Year	<u>\$ 202,771</u>	<u>\$ 14,131</u>	<u>\$ 141,132</u>	<u>\$ 35,000</u>	<u>\$ 31,794</u>	<u>\$ 64,297</u>	<u>\$ 43,796</u>

Public Safety Training	Tourism Development	Local Law Enforcement Block Grant	Regional Fire Grant	Red Light Cameras	NETCO/Motorola Rebanding	Various Grants	Total Nonmajor Governmental Funds
\$ -	\$ 840,119	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 840,119
-	354,345	-	-	-	-	-	354,345
-	-	-	-	224,908	-	-	324,547
-	-	-	-	-	-	93,556	140,422
-	22	-	-	164	-	15	2,987
<u>5,926</u>	<u>24,212</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>109,107</u>
<u>5,926</u>	<u>1,218,698</u>	<u>-</u>	<u>-</u>	<u>225,072</u>	<u>-</u>	<u>93,571</u>	<u>1,771,527</u>
-	-	-	-	-	-	-	2,055
-	927,717	-	-	-	-	-	940,338
-	-	-	-	211,910	-	83,532	379,892
-	-	-	-	-	-	-	53,519
-	-	-	-	-	-	-	3,758
-	-	-	-	18,150	-	-	18,150
<u>-</u>	<u>927,717</u>	<u>-</u>	<u>-</u>	<u>230,060</u>	<u>-</u>	<u>83,532</u>	<u>1,397,712</u>
<u>5,926</u>	<u>290,981</u>	<u>-</u>	<u>-</u>	<u>(4,988)</u>	<u>-</u>	<u>10,039</u>	<u>373,815</u>
-	-	-	-	-	-	-	71,717
-	(45,000)	-	-	-	-	-	(115,000)
-	(45,000)	-	-	-	-	-	(43,283)
<u>5,926</u>	<u>245,981</u>	<u>-</u>	<u>-</u>	<u>(4,988)</u>	<u>-</u>	<u>10,039</u>	<u>330,532</u>
<u>12,820</u>	<u>231,406</u>	<u>1,117</u>	<u>5,028</u>	<u>45,377</u>	<u>3,767</u>	<u>253,576</u>	<u>1,012,438</u>
<u>\$ 18,746</u>	<u>\$ 477,387</u>	<u>\$ 1,117</u>	<u>\$ 5,028</u>	<u>\$ 40,389</u>	<u>\$ 3,767</u>	<u>\$ 263,615</u>	<u>\$ 1,342,970</u>

City of Bedford, Texas
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances – Budget and Actual
Nonmajor Special Revenue Funds
Year Ended September 30, 2014

	Court Security			
	Original Budget	Final Budget	Actual	Variance from Budget
Revenues				
Taxes, penalty and interest	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Fines and forfeitures	35,000	35,000	42,703	7,703
Support from governmental entities	-	-	-	-
Interest	-	-	71	71
Miscellaneous	-	-	-	-
Total revenues	<u>35,000</u>	<u>35,000</u>	<u>42,774</u>	<u>7,774</u>
Expenditures				
Current				
General government	-	-	-	-
Administrative services	-	-	-	-
Community services	-	-	-	-
Public safety	-	-	-	-
Public service	-	-	-	-
Leisure	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>35,000</u>	<u>35,000</u>	<u>42,774</u>	<u>7,774</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	(35,000)	(35,000)	(35,000)	-
Total other financing sources (uses)	<u>(35,000)</u>	<u>(35,000)</u>	<u>(35,000)</u>	<u>-</u>
Net Change in Fund Balances	-	-	7,774	7,774
Fund Balances, Beginning of Year	<u>12,638</u>	<u>12,638</u>	<u>6,357</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 12,638</u>	<u>\$ 12,638</u>	<u>\$ 14,131</u>	<u>\$ 7,774</u>

Court Technology

Park Donation

Court Technology				Park Donation			
Original Budget	Final Budget	Actual	Variance from Budget	Original Budget	Final Budget	Actual	Variance from Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
45,000	45,000	56,936	11,936	-	-	-	-
-	-	-	-	-	-	-	-
-	-	363	363	-	-	362	362
-	-	-	-	11,000	11,000	13,516	2,516
<u>45,000</u>	<u>45,000</u>	<u>57,299</u>	<u>12,299</u>	<u>11,000</u>	<u>11,000</u>	<u>13,878</u>	<u>2,878</u>
-	-	-	-	-	-	-	-
20,555	20,555	22,424	(1,869)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	25,000	-	-	-
-	-	-	-	-	33,300	30,370	2,930
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>20,555</u>	<u>20,555</u>	<u>22,424</u>	<u>(1,869)</u>	<u>25,000</u>	<u>33,300</u>	<u>30,370</u>	<u>2,930</u>
24,445	24,445	34,875	10,430	(14,000)	(22,300)	(16,492)	5,808
-	-	-	-	-	-	36,717	36,717
-	-	-	-	-	-	-	-
-	-	-	-	-	-	36,717	36,717
24,445	24,445	34,875	10,430	(14,000)	(22,300)	20,225	42,525
86,027	86,027	106,257	-	20,760	20,760	11,569	-
<u>\$ 110,472</u>	<u>\$ 110,472</u>	<u>\$ 141,132</u>	<u>\$ 10,430</u>	<u>\$ 6,760</u>	<u>\$ (1,540)</u>	<u>\$ 31,794</u>	<u>\$ 42,525</u>

City of Bedford, Texas
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances – Budget and Actual
Nonmajor Special Revenue Funds (Continued)
Year Ended September 30, 2014

	Drug Forfeiture			
	Original Budget	Final Budget	Actual	Variance from Budget
Revenues				
Taxes, penalty and interest	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	-
Fines and forfeitures	-	-	-	-
Support from governmental entities	25,000	25,000	46,866	21,866
Interest	-	-	376	376
Miscellaneous	-	-	-	-
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>47,242</u>	<u>22,242</u>
Expenditures				
Current				
General government	-	-	-	-
Administrative services	-	-	-	-
Community services	-	-	-	-
Public safety	15,000	65,000	54,080	10,920
Public services	-	-	-	-
Leisure	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>15,000</u>	<u>65,000</u>	<u>54,080</u>	<u>10,920</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>10,000</u>	<u>(40,000)</u>	<u>(6,838)</u>	<u>33,162</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	10,000	(40,000)	(6,838)	33,162
Fund Balances, Beginning of year	<u>59,262</u>	<u>59,262</u>	<u>71,135</u>	<u>-</u>
Fund Balances, End of year	<u>\$ 69,262</u>	<u>\$ 19,262</u>	<u>\$ 64,297</u>	<u>\$ 33,162</u>

Bedford Beautification

Public Safety Training

Bedford Beautification				Public Safety Training			
Original Budget	Final Budget	Actual	Variance from Budget	Original Budget	Final Budget	Actual	Variance from Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	214	214	-	-	-	-
10,000	10,000	10,000	-	-	-	5,926	5,926
<u>10,000</u>	<u>10,000</u>	<u>10,214</u>	<u>214</u>	<u>-</u>	<u>-</u>	<u>5,926</u>	<u>5,926</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
10,000	10,000	3,758	6,242	-	-	-	-
-	-	-	-	-	-	-	-
<u>10,000</u>	<u>10,000</u>	<u>3,758</u>	<u>6,242</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	6,456	6,456	-	-	5,926	5,926
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	6,456	6,456	-	-	5,926	5,926
34,200	34,200	37,340	-	12,816	12,816	12,820	-
<u>\$ 34,200</u>	<u>\$ 34,200</u>	<u>\$ 43,796</u>	<u>\$ 6,456</u>	<u>\$ 12,816</u>	<u>\$ 12,816</u>	<u>\$ 18,746</u>	<u>\$ 5,926</u>

City of Bedford, Texas
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances – Budget and Actual
Nonmajor Special Revenue Funds (Continued)
Year Ended September 30, 2014

	Tourism Development			Variance from Budget
	Original Budget	Final Budget	Actual	
Revenues				
Taxes, penalty and interest	\$ 750,000	\$ 750,000	\$ 840,119	\$ 90,119
Charges for service	433,550	433,550	354,345	(79,205)
Fines and forfeitures	-	-	-	-
Support from governmental entities	-	-	-	-
Interest	325	325	22	(303)
Miscellaneous	800	800	24,212	23,412
Total revenues	<u>1,184,675</u>	<u>1,184,675</u>	<u>1,218,698</u>	<u>34,023</u>
Expenditures				
Current				
General government	-	-	-	-
Administrative services	-	-	-	-
Community services	990,907	990,907	927,717	63,190
Public safety	-	-	-	-
Public services	-	-	-	-
Leisure	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>990,907</u>	<u>990,907</u>	<u>927,717</u>	<u>63,190</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>193,768</u>	<u>193,768</u>	<u>290,981</u>	<u>97,213</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	(45,000)	(45,000)	(45,000)	-
Total other financing sources (uses)	<u>(45,000)</u>	<u>(45,000)</u>	<u>(45,000)</u>	<u>-</u>
Net Change in Fund Balances	148,768	148,768	245,981	97,213
Fund Balances, Beginning of Year	<u>24,041</u>	<u>24,041</u>	<u>231,406</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 172,809</u>	<u>\$ 172,809</u>	<u>\$ 477,387</u>	<u>\$ 97,213</u>

Red Light Cameras				Totals			
Original Budget	Final Budget	Actual	Variance from Budget	Original Budget	Final Budget	Actual	Variance from Budget
\$ -	\$ -	\$ -	\$ -	\$ 750,000	\$ 750,000	\$ 840,119	\$ 90,119
-	-	-	-	433,550	433,550	354,345	(79,205)
200,000	200,000	224,908	24,908	280,000	280,000	324,547	44,547
-	-	-	-	25,000	25,000	46,866	21,866
-	-	164	164	325	325	1,572	1,247
-	-	-	-	21,800	21,800	53,654	31,854
<u>200,000</u>	<u>200,000</u>	<u>225,072</u>	<u>25,072</u>	<u>1,510,675</u>	<u>1,510,675</u>	<u>1,621,103</u>	<u>110,428</u>
-	-	-	-	-	-	-	-
-	-	-	-	20,555	20,555	22,424	(1,869)
-	-	-	-	990,907	990,907	927,717	63,190
161,429	162,057	211,910	(49,853)	201,429	260,357	296,360	(36,003)
-	-	-	-	-	33,300	30,370	2,930
-	-	-	-	10,000	10,000	3,758	6,242
22,500	22,500	18,150	4,350	22,500	22,500	18,150	4,350
<u>183,929</u>	<u>184,557</u>	<u>230,060</u>	<u>(45,503)</u>	<u>1,245,391</u>	<u>1,337,619</u>	<u>1,298,779</u>	<u>38,840</u>
<u>16,071</u>	<u>15,443</u>	<u>(4,988)</u>	<u>(20,431)</u>	<u>265,284</u>	<u>173,056</u>	<u>322,324</u>	<u>149,268</u>
-	-	-	-	-	-	36,717	36,717
-	-	-	-	(80,000)	(80,000)	(80,000)	-
-	-	-	-	(80,000)	(80,000)	(43,283)	36,717
16,071	15,443	(4,988)	(20,431)	185,284	93,056	279,041	185,985
<u>131,810</u>	<u>131,810</u>	<u>45,377</u>	<u>-</u>	<u>381,554</u>	<u>381,554</u>	<u>522,261</u>	<u>-</u>
<u>\$ 147,881</u>	<u>\$ 147,253</u>	<u>\$ 40,389</u>	<u>\$ (20,431)</u>	<u>\$ 566,838</u>	<u>\$ 474,610</u>	<u>\$ 801,302</u>	<u>\$ 185,985</u>

Debt Service Fund

The Debt Service Fund – is used to account for the accumulation of resources for the repayment of long-term debt.

City of Bedford, Texas
Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual
Debt Service Fund
Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		Actual GAAP Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes, penalty and interest	\$ 5,154,966	\$ 5,154,966	\$ 5,157,454	\$ 2,488
Interest	9,000	9,000	4,715	(4,285)
Miscellaneous	-	-	7,651	7,651
Total revenues	<u>5,163,966</u>	<u>5,163,966</u>	<u>5,169,820</u>	<u>5,854</u>
Expenditures				
Principal retirement	5,085,000	5,085,000	5,185,000	(100,000)
Interest and fiscal agent fees	1,466,187	1,466,187	1,446,151	20,036
Total expenditures	<u>6,551,187</u>	<u>6,551,187</u>	<u>6,631,151</u>	<u>(79,964)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,387,221)</u>	<u>(1,387,221)</u>	<u>(1,461,331)</u>	<u>(74,110)</u>
Other Financing Sources (Uses)				
Transfers in	1,377,875	1,377,875	1,378,147	272
Total other financing sources (uses)	<u>1,377,875</u>	<u>1,377,875</u>	<u>1,378,147</u>	<u>272</u>
Net Change in Fund Balance	(9,346)	(9,346)	(83,184)	(73,838)
Fund Balance, Beginning of Year	<u>1,060,593</u>	<u>1,060,593</u>	<u>1,060,593</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,051,247</u>	<u>\$ 1,051,247</u>	<u>\$ 977,409</u>	<u>\$ (73,838)</u>

Capital Projects Funds

The **Capital Projects Funds** are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Series 2002 – to account for construction projects authorized for the General Obligation Series 2002 bond issue.

Series 2003 – to account for construction projects authorized for the General Obligation Series 2003 bond issue.

Series 2004 – to account for construction projects authorized for the General Obligation Series 2004 refunding and improvement bond issue.

Series 2007 – to account for construction projects authorized for the General Obligation Series 2007 bond issue.

Series 2011 – to account for construction projects authorized for the General Obligation Series 2011 bond issue.

Series 2013 – to account for construction projects authorized for the General Obligation Series 2013 bond issue.

Series 2014 – to account for construction projects authorized for the General and Contractual Obligation Series 2014 bond issues (included as a major fund on governmental funds Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances statements).

City of Bedford, Texas
Combining Balance Sheet
Nonmajor Capital Projects Funds
September 30, 2014

	Series 2002	Series 2003	Series 2004	Series 2007	Series 2011	Series 2013	Totals
Assets							
Cash and cash equivalents	\$ 194,538	\$ 3,643	\$ 138,045	\$ 243,595	\$ 756,843	\$ 878,482	\$ 2,215,146
Due to (from) other funds	-	-	(148,199)	-	148,199	-	-
Total assets	<u>\$ 194,538</u>	<u>\$ 3,643</u>	<u>\$ (10,154)</u>	<u>\$ 243,595</u>	<u>\$ 905,042</u>	<u>\$ 878,482</u>	<u>\$ 2,215,146</u>
Liabilities and Fund Balances (Deficit)							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ 70,551	\$ 4,737	\$ 42,984	\$ 118,272
Total liabilities	-	-	-	70,551	4,737	42,984	118,272
Fund balances (Deficit)	194,538	3,643	(10,154)	173,044	900,305	835,498	2,096,874
Total liabilities and fund balances (deficit)	<u>\$ 194,538</u>	<u>\$ 3,643</u>	<u>\$ (10,154)</u>	<u>\$ 243,595</u>	<u>\$ 905,042</u>	<u>\$ 878,482</u>	<u>\$ 2,215,146</u>

City of Bedford, Texas
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Capital Projects Funds
September 30, 2014

	Series 2002	Series 2003	Series 2004	Series 2007	Series 2011	Series 2013	Totals
Revenues							
Interest	\$ -	\$ -	\$ 52	\$ 108	\$ 941	\$ 1,482	\$ 2,583
Total revenues	<u>-</u>	<u>-</u>	<u>52</u>	<u>108</u>	<u>941</u>	<u>1,482</u>	<u>2,583</u>
Expenditures							
Capital outlay	-	-	-	124,566	194,320	860,984	1,179,870
Interest	<u>8</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8</u>
Total Expenditures	<u>8</u>	<u>-</u>	<u>-</u>	<u>124,566</u>	<u>194,320</u>	<u>860,984</u>	<u>1,179,878</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(8)</u>	<u>-</u>	<u>52</u>	<u>(124,458)</u>	<u>(193,379)</u>	<u>(859,502)</u>	<u>(1,177,295)</u>
Net Change in Fund Balances (Deficit)	<u>(8)</u>	<u>-</u>	<u>52</u>	<u>(124,458)</u>	<u>(193,379)</u>	<u>(859,502)</u>	<u>(1,177,295)</u>
Fund Balances (Deficit), Beginning of Year	<u>194,546</u>	<u>3,643</u>	<u>(10,206)</u>	<u>297,502</u>	<u>1,093,684</u>	<u>1,695,000</u>	<u>3,274,169</u>
Fund Balances (Deficit), End of Year	<u>\$ 194,538</u>	<u>\$ 3,643</u>	<u>\$ (10,154)</u>	<u>\$ 173,044</u>	<u>\$ 900,305</u>	<u>\$ 835,498</u>	<u>\$ 2,096,874</u>



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Statistical Section (Unaudited)

Statistical Section

This part of the City of Bedford’s Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health. The tables herein, are unaudited.

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Sources: Unless otherwise noted, the information in these schedules are derived from Comprehensive Annual Financial Reports for the relevant year.



Financial Trends

City of Bedford, Texas
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 1

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities										
Net investment in capital assets	\$ 22,052,609	\$ 20,152,043	\$ 18,066,323	\$ 14,984,593	\$ 15,746,263	\$ 15,639,418	\$ 18,342,224	\$ 18,908,115	\$ 14,323,066	\$ 10,378,086
Restricted	10,479,326	10,170,951	10,684,040	9,252,835	8,175,954	7,306,010	3,638,843	5,213,292	8,426,186	6,081,351
Unrestricted	6,289,258	8,718,258	10,515,405	11,143,963	6,437,967	6,795,025	4,537,414	1,035,005	(20,696)	5,653,694
Total governmental activities net position	<u>\$ 38,821,193</u>	<u>\$ 39,041,252</u>	<u>\$ 39,265,768</u>	<u>\$ 35,381,391</u>	<u>\$ 30,360,184</u>	<u>\$ 29,740,453</u>	<u>\$ 26,518,481</u>	<u>\$ 25,156,412</u>	<u>\$ 22,728,556</u>	<u>\$ 22,113,131</u>
Business-type Activities										
Net investment in capital assets	\$ 27,281,585	\$ 27,720,235	\$ 28,252,592	\$ 25,633,370	\$ 27,674,312	\$ 26,993,812	\$ 26,915,595	\$ 25,139,719	\$ 20,170,192	\$ 32,812,435
Restricted	660,668	633,948	775,601	574,491	576,397	576,397	-	-	-	158,872
Unrestricted	4,192,650	4,368,465	2,873,279	3,846,498	985,709	1,547,031	3,806,277	7,136,012	11,845,248	5,256,555
Total business-type activities, net position	<u>\$ 32,134,903</u>	<u>\$ 32,722,648</u>	<u>\$ 31,901,472</u>	<u>\$ 30,054,359</u>	<u>\$ 29,236,418</u>	<u>\$ 29,117,240</u>	<u>\$ 30,721,872</u>	<u>\$ 32,275,731</u>	<u>\$ 32,015,440</u>	<u>\$ 38,227,862</u>
Primary Government										
Net investment in capital assets	\$ 49,334,194	\$ 47,872,278	\$ 46,318,915	\$ 40,617,963	\$ 43,420,575	\$ 42,633,230	\$ 45,257,819	\$ 44,047,834	\$ 34,493,258	\$ 43,190,521
Restricted	11,139,994	10,804,899	11,459,641	9,827,326	8,752,351	7,882,407	3,638,843	5,213,292	8,426,186	6,240,223
Unrestricted	10,481,908	13,086,723	13,388,684	14,990,461	7,423,676	8,342,056	8,343,691	8,171,017	11,824,552	10,910,249
Total primary government net position	<u>\$ 70,956,096</u>	<u>\$ 71,763,900</u>	<u>\$ 71,167,240</u>	<u>\$ 65,435,750</u>	<u>\$ 59,596,602</u>	<u>\$ 58,857,693</u>	<u>\$ 57,240,353</u>	<u>\$ 57,432,143</u>	<u>\$ 54,743,996</u>	<u>\$ 60,340,993</u>

City of Bedford, Texas
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2005	2006	2007	2008
Expenses				
Governmental activities				
General government and administration	\$ 3,508,689	\$ 3,445,079	\$ 3,837,032	\$ 3,824,933
Community services	1,171,199	1,393,991	1,549,822	1,847,222
Public services	7,160,271	7,914,908	7,636,447	10,375,836
Public safety	14,736,575	15,393,011	17,342,223	17,811,789
Leisure services	3,168,021	3,579,489	4,077,063	4,181,914
Interest expense	2,232,690	2,408,480	2,405,086	2,415,600
Total governmental activities expense	<u>31,977,445</u>	<u>34,134,958</u>	<u>36,847,673</u>	<u>40,457,294</u>
Business-type activities				
Water and sewer services	11,512,181	12,217,772	12,025,510	14,178,331
Stormwater collection and disposal	608,602	629,715	596,639	722,489
Total business-type activities expenses	<u>12,120,783</u>	<u>12,847,487</u>	<u>12,622,149</u>	<u>14,900,820</u>
Total primary government program expenses	<u>\$ 44,098,228</u>	<u>\$ 46,982,445</u>	<u>\$ 49,469,822</u>	<u>\$ 55,358,114</u>
Program Revenues				
Governmental activities				
Charges for services				
General government and administration	\$ 72,339	\$ 102,348	\$ 119,222	\$ 123,753
Community services	791,041	613,869	827,940	613,936
Public services	142,295	165,123	150,074	154,155
Public safety	2,358,206	3,094,688	3,045,090	3,868,960
Leisure services	526,822	734,938	749,525	898,200
Operating grants and contributions	579,295	655,952	633,460	666,150
Capital grants and contributions	1,867,438	116,682	340,150	-
Total governmental activities program revenues	<u>6,337,436</u>	<u>5,483,600</u>	<u>5,865,461</u>	<u>6,325,154</u>
Business-type activities				
Charges for services				
Water and sewer services	12,886,431	13,786,141	11,969,357	13,250,970
Stormwater collection and disposal	1,263,409	1,317,313	1,326,610	1,308,828
Operating grants and contributions	26,815	-	-	-
Capital grants and contributions	-	-	-	300,648
Total business-type activities program revenues	<u>14,176,655</u>	<u>15,103,454</u>	<u>13,295,967</u>	<u>14,860,446</u>
Total primary government program revenues	<u>\$ 20,514,091</u>	<u>\$ 20,587,054</u>	<u>\$ 19,161,428</u>	<u>\$ 21,185,600</u>

Table 2

		Fiscal Year									
		2009	2010	2011	2012	2013	2014				
\$	4,184,723	\$	4,117,515	\$	3,906,050	\$	4,796,677	\$	4,688,432	\$	5,688,961
	2,270,248		1,883,752		1,848,795		1,986,123		2,017,011		1,549,075
	8,185,269		9,038,955		8,876,104		8,354,007		3,486,148		3,431,383
	19,499,698		18,500,766		18,358,228		17,292,190		22,828,761		23,669,141
	4,191,990		4,100,548		4,754,190		3,690,814		3,765,867		3,823,403
	2,254,217		2,140,046		2,213,384		2,169,120		1,724,511		1,288,725
	<u>40,586,145</u>		<u>39,781,582</u>		<u>39,956,751</u>		<u>38,288,931</u>		<u>38,510,730</u>		<u>39,450,688</u>
	13,999,365		15,094,351		16,294,807		15,112,250		15,645,261		16,560,909
	716,601		731,109		950,760		1,336,366		1,256,126		926,258
	<u>14,715,966</u>		<u>15,825,460</u>		<u>17,245,567</u>		<u>16,448,616</u>		<u>16,901,387</u>		<u>17,487,167</u>
\$	<u>55,302,111</u>	\$	<u>55,607,042</u>	\$	<u>57,202,318</u>	\$	<u>54,737,547</u>	\$	<u>55,412,117</u>	\$	<u>56,937,855</u>
\$	98,178	\$	90,428	\$	88,135	\$	84,733	\$	76,647	\$	86,874
	266,293		405,255		1,061,313		652,376		358,167		586,449
	180,998		210,354		1,362,564		1,687,163		218,646		261,846
	3,314,907		3,472,196		2,541,942		2,386,756		3,374,638		4,083,939
	1,105,972		1,001,728		1,129,453		1,174,702		1,158,956		1,210,305
	735,473		3,092,958		711,749		599,111		610,603		599,930
	-		-		1,695,184		44,102		-		93,556
	<u>5,701,821</u>		<u>8,272,919</u>		<u>8,590,340</u>		<u>6,628,943</u>		<u>5,797,657</u>		<u>6,922,899</u>
	14,539,710		16,104,703		19,811,255		18,915,135		17,908,621		18,607,795
	1,291,800		1,291,249		1,290,285		1,291,856		1,290,624		1,312,932
	-		-		-		-		-		-
	71,486		267,469		26,446		147,360		-		6,263,044
	<u>15,902,996</u>		<u>17,663,421</u>		<u>21,127,986</u>		<u>20,354,351</u>		<u>19,199,245</u>		<u>26,183,771</u>
\$	<u>21,604,817</u>	\$	<u>25,936,340</u>	\$	<u>29,718,326</u>	\$	<u>26,983,294</u>	\$	<u>24,996,902</u>	\$	<u>33,106,670</u>

City of Bedford, Texas
Changes in Net Position
Last Ten Fiscal Years (Continued)
(Accrual Basis of Accounting)

	Fiscal Year			
	2005	2006	2007	2008
Net (Expense) Revenues				
Governmental activities	\$ (25,640,009)	\$ (28,651,358)	\$ (30,982,212)	\$ (34,132,140)
Business-type activities	2,055,872	2,255,967	673,818	(40,374)
Total primary government net expense	<u>(23,584,137)</u>	<u>(26,395,391)</u>	<u>(30,308,394)</u>	<u>(34,172,514)</u>
General Revenues and Other				
Changes in Net Position				
Governmental activities				
Taxes				
Property	10,981,392	12,482,435	12,716,071	13,227,183
Sales	8,229,218	8,949,089	9,263,121	9,691,349
Franchise	2,894,912	3,229,578	4,481,280	3,195,320
Other	684,834	719,393	1,199,052	866,468
Unrestricted grants and contributions	405,220	58,434	26,818	33,737
Investment earnings	507,131	868,272	1,062,938	793,585
Miscellaneous	311,360	265,286	424,331	407,004
Transfers	2,438,537	1,929,925	2,033,117	2,033,117
Total governmental activities	<u>26,452,604</u>	<u>28,502,412</u>	<u>31,206,728</u>	<u>30,247,763</u>
Business-type activities				
Investment earnings	127,403	254,588	252,283	226,378
Miscellaneous	-	-	-	-
Transfers	(2,438,537)	(1,929,925)	(20,331,117)	(2,033,117)
Total business-type activities	<u>(2,311,134)</u>	<u>(1,675,337)</u>	<u>(20,078,834)</u>	<u>(1,806,739)</u>
Total primary government	<u>24,141,470</u>	<u>26,827,075</u>	<u>11,127,894</u>	<u>28,441,024</u>
Change in Net Position				
Government activities	812,595	(148,946)	224,516	(3,884,377)
Business-type activities	(255,262)	580,630	(19,405,016)	(1,847,113)
Total primary government	<u>\$ 557,333</u>	<u>\$ 431,684</u>	<u>\$ (19,180,500)</u>	<u>\$ (5,731,490)</u>

Table 2 (Continued)

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$ (34,884,324)	\$ (31,508,663)	\$ (31,366,411)	\$ (31,659,988)	\$ (32,713,073)	\$ (32,527,789)
<u>1,187,030</u>	<u>1,837,961</u>	<u>3,882,419</u>	<u>3,905,735</u>	<u>2,297,858</u>	<u>8,696,604</u>
<u>(33,697,294)</u>	<u>(29,670,702)</u>	<u>(27,483,992)</u>	<u>(27,754,253)</u>	<u>(30,415,215)</u>	<u>(23,831,185)</u>
13,486,685	13,714,212	13,968,871	13,735,255	14,488,399	14,297,275
9,360,239	9,531,017	9,060,295	9,363,047	9,629,427	9,985,658
3,407,455	3,278,385	3,405,709	3,325,941	3,338,307	3,584,311
753,160	869,071	919,452	875,838	901,956	1,028,447
35,973	34,631	34,355	-	-	-
344,023	151,108	131,541	26,459	33,521	43,393
423,658	229,001	451,896	594,715	535,474	466,677
<u>2,051,924</u>	<u>2,086,467</u>	<u>2,336,631</u>	<u>2,376,664</u>	<u>2,414,451</u>	<u>2,506,603</u>
<u>29,863,117</u>	<u>29,893,892</u>	<u>30,308,750</u>	<u>30,297,919</u>	<u>31,341,535</u>	<u>31,912,364</u>
46,935	17,046	55,527	21,051	47,321	22,421
-	112,282	3,317	3,734	11,406	-
<u>(2,051,924)</u>	<u>(2,086,467)</u>	<u>(2,336,631)</u>	<u>(2,376,664)</u>	<u>(2,414,451)</u>	<u>(2,506,603)</u>
<u>(2,004,989)</u>	<u>(1,957,139)</u>	<u>(2,277,787)</u>	<u>(2,351,879)</u>	<u>(2,355,724)</u>	<u>(2,484,182)</u>
<u>27,858,128</u>	<u>27,936,753</u>	<u>28,030,963</u>	<u>27,946,040</u>	<u>28,985,811</u>	<u>29,428,182</u>
(5,021,207)	(1,614,771)	(1,057,661)	(1,362,069)	(1,371,538)	(615,425)
<u>(817,959)</u>	<u>(119,178)</u>	<u>1,604,632</u>	<u>1,553,856</u>	<u>(57,866)</u>	<u>6,212,422</u>
<u>\$ (5,839,166)</u>	<u>\$ (1,733,949)</u>	<u>\$ 546,971</u>	<u>\$ 191,787</u>	<u>\$ (1,429,404)</u>	<u>\$ 5,596,997</u>



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City of Bedford, Texas
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 3

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011*	2012	2013	2014
General Fund										
Reserved/nonspendable	\$ 468,200	\$ 627,581	\$ 534,232	\$ 445,045	\$ 431,320	\$ 336,227	\$ 326,807	\$ 360,284	\$ 357,761	\$ 724,210
Restricted	-	-	-	-	-	-	-	-	-	478,872
Unassigned	5,957,453	7,603,569	9,902,948	9,225,455	7,258,376	5,666,237	4,087,163	4,764,530	5,751,658	6,172,841
Total general fund	<u>\$ 6,425,653</u>	<u>\$ 8,231,150</u>	<u>\$ 10,437,180</u>	<u>\$ 9,670,500</u>	<u>\$ 7,689,696</u>	<u>\$ 6,002,464</u>	<u>\$ 4,413,970</u>	<u>\$ 5,124,814</u>	<u>\$ 6,109,419</u>	<u>\$ 7,375,923</u>
All Other Governmental Funds										
Reserved/nonspendable	\$ 1,651,920	\$ 1,709,022	\$ 1,741,424	\$ 1,290,684	\$ 1,247,939	\$ 1,240,869	\$ -	\$ -	\$ -	\$ -
Restricted for										
Debt service	-	-	-	-	-	-	1,219,755	1,108,669	1,060,593	977,409
Road improvements	-	-	-	-	-	-	1,815,920	1,824,024	1,832,971	1,839,601
Capital acquisition and construction	-	-	-	-	-	-	3,254,958	1,830,699	3,274,169	7,015,936
Economic development	-	-	-	-	-	-	1,183,613	1,501,475	1,903,735	2,697,890
Public safety	-	-	-	-	-	-	625,514	308,698	248,091	284,840
Parks and beautification	-	-	-	-	-	-	83,481	505,923	715,438	982,540
Other	-	-	-	-	-	-	52,482	54,960	48,909	75,590
Assigned										
Unreserved, reported in										
Special revenue funds	4,707,096	5,201,608	6,530,516	3,763,105	3,564,887	2,781,166	-	-	-	-
Capital projects	4,120,310	3,260,321	2,412,100	4,199,046	3,363,128	3,057,292	-	-	-	-
Unassigned	-	-	-	-	-	-	(204,412)	-	-	-
Total all other governmental funds	<u>\$ 10,479,326</u>	<u>\$ 10,170,951</u>	<u>\$ 10,684,040</u>	<u>\$ 9,252,835</u>	<u>\$ 8,175,954</u>	<u>\$ 7,079,327</u>	<u>\$ 8,031,311</u>	<u>\$ 7,134,448</u>	<u>\$ 9,083,906</u>	<u>\$ 13,873,806</u>

* GASB Statement No. 54 was implemented in fiscal year 2011

City of Bedford, Texas
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 4

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes, penalties and interest	\$ 22,771,161	\$ 25,322,653	\$ 27,693,033	\$ 26,844,636	\$ 26,881,888	\$ 27,283,735	\$ 27,322,766	\$ 27,950,618	\$ 28,278,856	\$ 29,072,928
Licenses and permits	952,837	802,733	1,014,223	802,498	614,126	710,722	521,463	863,709	456,761	628,484
Charges for services	1,548,615	1,947,486	2,295,407	2,579,188	2,725,039	2,522,870	2,817,269	2,822,239	3,097,437	3,177,429
Fines and forfeitures	929,944	1,038,739	1,142,100	1,353,458	1,515,851	1,920,400	2,109,088	2,078,895	1,502,737	2,220,906
Support from governmental entities	2,637,224	902,951	1,025,420	752,157	923,368	3,034,152	2,329,053	654,732	661,413	689,840
Interest	507,130	868,272	1,062,939	793,585	344,023	151,108	131,541	26,459	33,521	43,393
Miscellaneous	852,034	566,909	972,943	705,769	396,980	300,394	577,387	557,599	622,819	425,913
Total revenues	30,198,945	31,449,743	35,206,065	33,831,291	33,401,275	35,923,381	35,808,567	34,954,251	34,653,544	36,258,893
Expenditures										
General government	1,497,535	1,609,684	1,975,517	1,884,640	1,865,968	1,881,419	1,637,817	1,574,751	1,627,934	1,791,511
Community services	1,068,241	1,295,893	1,469,188	1,741,022	2,113,053	1,814,002	1,780,483	1,912,686	1,953,414	1,488,981
Public services	2,094,947	2,751,676	2,280,339	5,165,407	2,808,318	3,678,797	3,497,327	2,708,419	2,457,948	2,452,901
Administrative services	1,901,101	1,853,739	1,810,950	1,810,273	1,837,426	1,946,935	1,903,157	2,081,900	1,946,533	2,261,952
Public safety	15,386,754	14,380,728	16,120,214	16,444,533	17,179,678	17,144,215	16,986,248	16,126,751	16,797,850	18,051,735
Leisure services	2,553,264	2,977,194	3,525,025	3,538,133	3,605,545	3,666,662	3,782,933	3,661,546	3,751,588	3,804,071
Capital outlay	2,840,037	1,063,196	1,239,719	4,677,674	2,793,519	9,192,117	5,272,761	2,281,440	1,243,851	2,114,252
Debt service										
Interest and fiscal agent fees	2,711,746	2,330,436	2,324,110	2,326,809	2,168,905	2,047,707	2,265,090	1,921,115	1,689,615	1,462,845
Principal retirement	3,340,000	3,620,000	3,775,000	4,110,000	4,245,000	4,405,000	4,610,000	5,186,621	5,066,888	5,268,055
Bond issuance costs	-	-	-	-	-	-	-	-	72,818	96,476
Total expenditures	33,393,625	31,882,546	34,520,062	41,698,491	38,617,412	45,776,854	41,735,816	37,455,229	36,608,439	38,792,779

City of Bedford, Texas
Changes in Fund Balances of Governmental Funds (Continued)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 4 (Continued)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Excess (Deficiency) of Revenues Over Expenditures	\$ (3,194,680)	\$ (432,803)	\$ 686,003	\$ (7,867,200)	\$ (5,216,137)	\$ (9,853,473)	\$ (5,927,249)	\$ (2,500,978)	\$ (1,954,895)	\$ (2,533,886)
Other Financing Sources (Uses)										
Issuance of debt	2,872,222	-	-	4,002,129	-	4,885,000	6,115,000	-	5,375,000	5,500,000
Lease purchase proceeds	-	-	-	-	-	-	-	339,011	228,370	221,936
Proceeds from sale of capital assets	-	-	-	26,972	5,265	43,152	44,797	219,723	77	40,764
Premium on debt	-	-	-	-	-	-	97,085	-	75,085	61,948
Proceeds from refunding	28,600,000	-	-	-	-	-	-	-	-	-
Payments to escrow account	(30,364,682)	-	-	-	-	-	(3,313,090)	-	(3,682,267)	-
Insurance proceeds	-	-	-	-	101,263	55,023	10,288	41,100	45,073	30,669
Transfers in	4,525,479	3,818,155	3,647,499	3,638,901	3,648,823	4,803,148	3,909,807	3,863,681	3,896,716	3,999,750
Transfers out	(2,086,941)	(1,888,230)	(1,614,383)	(1,605,784)	(1,596,899)	(2,616,681)	(1,573,176)	1,487,017	(1,482,265)	(1,493,147)
Total other financing sources (uses)	<u>3,546,078</u>	<u>1,929,925</u>	<u>2,033,116</u>	<u>6,062,218</u>	<u>2,158,452</u>	<u>7,169,642</u>	<u>5,290,711</u>	<u>5,950,532</u>	<u>4,455,789</u>	<u>8,361,920</u>
Net Change in Fund Balances	<u>\$ 351,398</u>	<u>\$ 1,497,122</u>	<u>\$ 2,719,119</u>	<u>\$ (1,804,982)</u>	<u>\$ (3,057,685)</u>	<u>\$ (2,683,831)</u>	<u>\$ (636,538)</u>	<u>\$ 3,449,554</u>	<u>\$ 2,500,894</u>	<u>\$ 5,828,034</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>19.8%</u>	<u>19.3%</u>	<u>18.3%</u>	<u>17.4%</u>	<u>17.9%</u>	<u>17.6%</u>	<u>18.9%</u>	<u>14.7%</u>	<u>14.5%</u>	<u>14.4%</u>



Revenue Capacity

City of Bedford, Texas
Tax Revenues by Source – Governmental Funds
Last Ten Fiscal Years

Table 5

Fiscal Years Ended	Ad Valorem	Hotel/Motel	Franchise	Sales	Total
2005	\$ 10,943,466	\$ 591,240	\$ 3,007,237	\$ 8,229,218	\$ 22,771,161
2006	12,437,659	584,414	3,231,178	9,069,402	25,322,653
2007	12,665,245	1,006,541	4,518,607	9,502,640	27,693,033
2008	13,010,378	665,255	3,195,320	9,691,349	26,562,302
2009	13,459,108	434,495	3,407,455	9,360,239	26,661,297
2010	13,693,999	557,129	3,278,385	9,531,017	27,060,530
2011	13,968,871	663,291	3,405,709	9,060,295	27,098,166
2012	13,735,255	723,745	3,325,941	9,363,047	27,147,988
2013	14,411,722	749,612	3,338,307	9,629,427	28,129,068
2014	14,474,874	840,119	3,584,311	9,985,658	28,884,962

City of Bedford, Texas
Water Revenue
Last Ten Fiscal Years

Table 6

Fiscal Years Ended	Number of Customers	Gallons Billed (000's)	Water Revenue	Revenue Per Customer	Revenue Per 1,000 Gallons
2005	22,775	2,753,677	\$ 8,374,020	\$ 368	\$ 3.04
2006	22,892	3,361,159	8,253,726	361	2.46
2007	22,974	2,499,179	7,559,401	329	3.02
2008	23,113	2,804,199	8,460,437	366	3.02
2009	23,100	2,667,852	9,245,489	400	3.47
2010	23,085	2,486,470	10,038,233	435	4.04
2011	23,090	2,945,337	12,673,013	549	4.30
2012	23,035	2,229,120	12,185,112	529	5.47
2013	23,018	2,511,415	11,739,641	510	4.67
2014	23,041	2,337,171	11,917,187	517	5.10

City of Bedford, Texas
Principal Water Customers
Fiscal Year Ended September 30, 2014

Table 7

Customer Name	Gallons Consumed (000's)	Percent Total	Amount Billed	Total Percent
Texas Health Resources Hospital	41,651	1.78%	\$ 133,770	1.12%
City of Bedford	17,961	0.77%	121,197	1.02%
Walden Residential Property Management	16,401	0.70%	54,377	0.46%
The Courts of Bedford	12,277	0.53%	40,399	0.34%
The Creek on Park Place	11,953	0.51%	41,875	0.35%
Gardens of Bedford Apartments	10,825	0.46%	35,824	0.30%
Waters Park Apartments	9,895	0.42%	32,996	0.28%
Telesis/DBA Parkwood Healthcare	7,381	0.32%	25,686	0.22%
Speedway Car Wash	7,036	0.30%	23,016	0.19%
Linbrook Apartments	6,651	0.28%	21,828	0.18%
Top ten total	<u>142,031</u>	<u>6.07%</u>	<u>530,968</u>	<u>4.46%</u>
City total	<u><u>2,337,171</u></u>	<u><u>100%</u></u>	<u><u>\$ 11,917,187</u></u>	<u><u>100%</u></u>

City of Bedford, Texas
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Table 8

Fiscal Years Ended	Real Property	Personal Property	Total Market Value	Less Tax-exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value
2005	\$ 2,669,430,145	\$ 230,013,805	\$ 2,899,443,950	\$ 286,451,113	\$ 2,612,992,837	0.4007570	\$ 2,612,992,837
2006	2,760,812,235	208,984,999	2,969,797,234	214,560,155	2,755,237,079	0.4468820	2,755,237,079
2007	2,842,614,223	196,258,668	3,038,872,891	241,756,607	2,797,116,284	0.4468820	2,797,116,284
2008	* 3,087,588,896	191,415,397	3,279,004,293	365,023,177	2,913,981,116	0.4468820	2,913,981,116
2009	3,091,012,419	190,186,408	3,281,198,827	346,224,096	2,934,974,731	0.4468820	2,934,974,731
2010	2,986,569,350	179,267,541	3,165,836,891	363,395,164	2,802,441,727	0.4633480	2,802,441,727
2011	3,095,960,546	168,619,714	3,264,580,260	387,551,829	2,877,028,431	0.4916090	2,877,028,431
2012	3,235,990,575	159,315,402	3,395,305,977	429,317,650	2,965,988,327	0.5043290	2,970,991,006
2013	3,202,304,589	161,052,296	3,363,356,885	402,262,501	2,961,094,384	0.4991150	2,961,094,384
2014	3,372,021,008	165,181,254	3,537,202,262	416,018,615	3,121,183,647	0.4948303	3,121,183,647

Source: Tarrant County Appraisal District (Reports)

*Note: Total Taxable Assessed Value and Estimated Actual Taxable Value Columns are based on the July Certified Appraisal roles with the exception of 2011. 2011 Total Taxable Assessed Value and Estimated Actual Taxable Value columns are based on the September Certified Appraisal roles due to the timing of re-evaluation of properties. If the July role would have been used, the taxable value would have been materially understated.

City of Bedford, Texas
Principal Property Taxpayers
Current Year and Nine Years Ago

Table 9

Taxpayer	2014		2005	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Meridian Hill LP	\$ -	0%	\$ 30,640,000	1.17%
Tellabs-Bedford, Inc.	-	0%	26,797,392	1.03%
CWS Barton-Shoal Creek Apartments	-	0%	25,902,144	0.99%
121 Airport Centre II LP	-	0%	25,804,180	0.99%
Wal Mart Stores, Inc	-	0%	23,550,499	0.90%
Point Loma/Bedford LP	-	0%	18,486,879	0.71%
TXU Electric Delivery Co.	-	0%	18,182,122	0.70%
Shops/Dunhill at Central Park	-	0%	16,500,000	0.63%
Wdop Sub I & II, L.P.	-	0%	12,622,096	0.48%
TSCA-227 LP	-	0%	11,322,985	0.43%
CMF 15 Portfolio, L.L.C.	76,100,000	2.44%	-	0%
Wal Mart Stores, Inc	26,425,138	0.85%	-	0%
Oncor Electric Delivery Co., L.L.C.	21,166,300	0.68%	-	0%
Pem 121 Airport S, L.P.	20,344,608	0.65%	-	0%
Parc Plaza Homes, L.P.	17,947,689	0.58%	-	0%
Wdop Sub I & II, L.P.	17,051,147	0.55%	-	0%
Paramount Villages, L.L.P.	16,500,000	0.53%	-	0%
State National Ins Co Inc	16,471,289	0.53%	-	0%
Point Loma Woods Dallas LLC	15,800,000	0.51%	-	0%
Arbors of Central Park ICG LLC	15,300,000	0.49%	-	0%
Total	\$ 243,106,171	7.81%	\$ 209,808,297	8.03%
Total Taxable Assessed Value	\$ 3,121,183,647		\$ 2,612,992,837	

City of Bedford, Texas
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 10

Fiscal Years Ended	Taxes Levied for the Fiscal Year	Collected With the Fiscal Year of the Levy		Collections in Subsequent Years	Collected With the Fiscal Year of the Levy	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 10,943,466	\$ 10,854,501	99.19%	\$ 70,801	\$ 10,925,302	99.83%
2006	12,437,659	12,331,514	99.15%	39,744	12,371,258	99.47%
2007	12,665,246	12,576,174	99.30%	85,749	12,661,923	99.97%
2008	13,032,220	12,951,575	99.38%	71,900	13,023,475	99.93%
2009	13,584,386	13,447,636	98.99%	48,001	13,495,637	99.35%
2010	13,688,110	13,563,573	99.09%	55,547	13,619,120	99.50%
2011	13,897,299	13,799,107	99.29%	93,693	13,892,800	99.97%
2012	14,374,422	14,244,589	99.10%	63,934	14,308,523	99.54%
2013	14,437,257	14,263,591	98.80%	51,369	14,314,960	99.15%
2014	14,524,393	14,423,256	99.30%	15,728	14,438,984	99.41%

Source: Tarrant County Tax Office (YTD Summary - Section A,B,C)



Debt Capacity

City of Bedford, Texas
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Table 11

Fiscal Years Ended	Governmental Activities					Business-type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Contractual Obligations	Certificates of Obligation	Tax Notes	Capital Leases	Water Revenue Bonds	General Obligation Bonds	Certificates of Obligation			
2005	\$ 54,945,000	\$ 900,000	\$ 2,350,000	\$ 1,025,000	\$ -	\$ 4,520,000	\$ 2,100,000	\$ -	\$ 65,840,000	4.66%	1,370
2006	52,340,000	720,000	1,605,000	935,000	-	4,235,000	1,670,000	-	61,505,000	4.12%	1,266
2007	49,620,000	540,000	825,000	840,000	-	4,000,000	1,245,000	-	57,070,000	4.13%	1,164
2008	50,635,000	360,000	-	720,000	-	3,760,000	820,000	4,790,000	61,085,000	3.85%	1,235
2009	46,740,000	180,000	-	550,000	-	2,580,000	390,000	4,625,000	55,065,000	3.44%	1,128
2010	47,575,000	-	-	375,000	-	3,395,000	-	6,490,000	57,835,000	3.68%	1,231
2011	46,020,000	-	-	190,000	-	4,150,000	-	10,810,000	61,170,000	3.77%	1,302
2012	41,023,000	-	-	-	339,000	-	-	14,342,000	55,704,000	3.39%	1,185
2013	37,800,000	-	-	-	478,872	-	-	18,275,000	56,553,872	3.50%	1,164
2014*	36,904,350	2,309,788	-	-	395,817	-	-	17,459,022	57,068,977	3.32%	1,171

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Personal income and population information can be found at Tarrant County Appraisal District.
* Beginning fiscal year 2014, balances are net of bond premiums/discounts.

City of Bedford, Texas
Ratio of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Table 12

Fiscal Years Ended	General Bonded Debt Outstanding			Total	Percentage of Actual Taxable Value of Property	Per Capita
	Gross Bonded Debt	Less Debt Service	Less Debt Payable from Enterprise			
2005	\$ 59,395,000	\$ 1,651,920	\$ 2,100,000	\$ 55,643,080	2.05%	1,158
2006	57,270,000	1,709,022	1,670,000	53,890,978	1.92%	1,109
2007	53,070,000	1,597,012	1,245,000	50,227,988	1.76%	1,024
2008	57,325,000	1,290,684	5,610,000	50,424,316	1.70%	1,020
2009	56,065,000	1,247,939	5,015,000	49,802,061	1.71%	1,002
2010	57,835,000	1,240,869	6,490,000	50,104,131	1.79%	1,067
2011	59,550,000	1,219,755	13,340,000	44,990,245	1.56%	958
2012	58,705,000	1,108,669	12,725,000	44,871,331	1.50%	949
2013	54,575,000	1,070,702	12,075,000	41,429,298	1.41%	853
2014*	54,363,372	978,236	17,459,022	35,926,114	1.15%	737

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Property value data can be found in Table 8

Population data can be found in Table 16

* Beginning fiscal year 2014, balances are net of bond premiums/discounts.

City of Bedford, Texas
Direct and Overlapping
Governmental Activities Debt
September 30, 2014

Table 13

Taxing Jurisdiction	Taxable Assessed Value (000's) 2014/2015	Total G. O. Debt Outstanding 9/30/2014	Estimated Percentage Applicable*	Overlapping G. O. Debt 9/30/2014
Hurst-Eules-Bedford Independent School District	\$ 9,592,153	\$ 290,687,648	31.75%	\$ 92,293,328
Tarrant County	135,529,907	317,820,000	1.90%	6,038,580
Tarrant County College District	136,312,562	7,935,000	1.90%	150,765
Tarrant County Hospital District	135,784,012	<u>24,425,000</u>	1.90%	<u>464,075</u>
Subtotal overlapping debt		640,867,648		98,946,748
City of Bedford	3,120,591	<u>55,450,000</u>	100.00%	<u>55,450,000</u>
Total direct and overlapping debt		<u>\$ 696,317,648</u>		<u>\$ 154,396,748</u>

Sources: Debt outstanding data provided by each governmental unit.

GO Debt Outstanding, %, and Overlapping Debt provided by the Municipal Advisory of Texas (Texas MAC)

*The percentage of overlapping debt applicable is estimated using the estimated population of the City divided by the estimated population of the other governmental entity that is within the district's boundaries.

City of Bedford, Texas
Legal Debt Margin Information
Last Ten Fiscal Years

Table 14

Fiscal Year	Total Taxable Assessed Value (AV)	Debt Limit 2.5% of Assessed Value (AV)	Total Net Debt Applicable to the Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a % of Taxable AV	% of Debt Limit Available
2005	2,612,992,837	65,324,821	59,395,000	5,929,821	2.3%	9.1%
2006	2,755,237,079	68,880,927	57,270,000	11,610,927	2.1%	16.9%
2007	2,797,116,284	69,927,907	53,070,000	16,857,907	1.9%	24.1%
2008	2,913,981,116	72,849,528	57,325,000	15,524,528	2.0%	21.3%
2009	2,934,974,731	73,374,368	56,065,000	17,309,368	1.9%	23.6%
2010	2,802,441,727	70,061,043	57,835,000	12,226,043	2.1%	17.5%
2011	2,877,028,431	71,925,711	59,550,000	12,375,711	2.1%	17.2%
2012	2,965,988,327	74,149,708	58,705,000	15,444,708	2.0%	20.8%
2013	2,961,094,384	74,027,360	54,575,000	19,452,360	1.8%	26.3%
2014	3,121,183,647	78,029,591	55,450,000	22,579,591	1.8%	28.9%

Note: The City of Bedford does not have a legal debt limit prescribed by state law. However, Article XI, Section 5 provide that a maximum tax rate of \$2.50 per \$100 assessed valuation may be imposed for any one year. Additionally, no debt shall be created by any city, unless at the same time provision be made to assess and collect annually a sufficient sum to pay the interest thereon and creating an interest and sinking fund of at least 2% thereon.

Although Section 6.01 of the Bedford City Charter states a maximum tax rate of \$1.50 per \$100 assessed valuation, this particular table will address the City of Bedford’s legal debt limit by using Article XI, Section 5 of the State Constitution because the City does not officially have a legal debt limit for general obligation bonds as well as certificate of obligations.

City of Bedford, Texas
Pledged Revenue Coverage
Last Ten Fiscal Years

Table 15

Fiscal Years Ended	Water Revenue Bonds							Average Annual Debt Service	Average Requirements
	Utility Service Charges	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage			
				Principal	Interest				
2005	\$ 13,146,374	\$ 9,859,396	\$ 3,286,978	\$ 440,000	\$ 227,633	4.92	\$ 309,550	10.62	
2006	14,165,690	10,953,539	3,212,151	285,000	210,814	6.48	300,680	10.68	
2007	12,333,536	10,672,129	1,661,407	235,000	198,400	3.83	309,519	5.37	
2008	13,451,782	12,620,031	831,751	240,000	187,049	1.95	287,053	2.90	
2009	14,539,710	12,539,272	2,000,438	180,000	176,895	5.61	286,163	7.06	
2010	16,104,703	13,518,776	2,585,927	185,000	167,908	7.33	283,163	9.13	
2011	19,811,255	14,552,568	5,258,687	195,000	1,585,533	2.95	316,165	16.63	
2012	18,915,135	13,397,242	5,517,893	- *	-	-	-	-	
2013	17,908,621	14,086,044	3,822,577	-	-	-	-	-	
2014	18,607,795	14,575,557	4,032,238	-	-	-	-	-	

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Operating expenses do not include interest, depreciation or amortization expenses.

* 2012 - Annual Debt Service Variance is due to City refunding of its 1998 and 2002 revenue bonds.



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**Demographic and
Economic Information**

City of Bedford, Texas
Demographic and Economic Statistics
Last Ten Fiscal Years

Table 16

Calendar Years	Population	Personal Income	Per Capita Personal Income	Average Household Income	Median Age	School Enrollment	Unemployment Rate
2005	48,050	\$ 1,412,622	\$ 29,399	\$ 69,000	37.6	19,962	4.3%
2006	48,600	1,558,894	32,076	72,397	37.7	20,248	4.4%
2007	49,050	1,381,493	28,165	66,120	37.9	20,350	3.7%
2008	49,450	1,587,542	32,104	75,508	38.2	21,000	3.6%
2009	49,700	1,628,072	32,758	76,000	38.4	20,653	6.0%
2010	49,979	1,573,186	33,487	81,109	38.9	50,537	6.8%
2011	46,979	1,620,682	34,498	75,462	34.2	20,898	6.8%
2012	47,001	1,677,950	34,926	61,584	39.5	20,762	5.2%
2013	48,566	1,615,499	33,264	78,521	40.4	21,814	5.3%
2014	48,721	1,719,705	35,297	78,372	40.6	22,138	4.7%

Sources: Population: North Central Texas Council of Governments (NCTOG)
Per Capita Personal Income and Average Household Income: Demographics Now
Median Age and Unemployment Rate: Demographics Now
School Enrollment: hebisd.edu/insideheb/facts_figure.asp
Unemployment Rate: Texas Labor Market and Career Information (TWC)

City of Bedford, Texas
Principal Employers
Current Year and Eight Years Ago

Table 17

Employer	2014		2006	
	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment
Texas Health Resources Hospital	1,800	6.16%	1,800	6.20%
Walmart Supercenter	892	3.05%	318	1.10%
Carter Blood Care	860	2.94%	600	2.07%
Warrantech	415	1.42%	550	1.90%
City of Bedford	369	1.26%	359	1.24%
State National Insurance	350	1.20%	-	-
The Beryl Companies	330	1.13%	251	0.87%
Daystar Television Network	279	0.96%	-	-
HEB ISD (Administrative Office)	175	0.60%	-	-
Grubb's Nissan	140	0.48%	155	0.53%
Heartland of Bedford	104	0.36%	110	0.38%
Kroger Foods, Inc.	87	0.30%	105	0.36%
Albertson's	70	0.24%	175	0.60%
Citigroup	-	-	540	1.86%
Nuvell Credit & Finance	-	-	154	0.53%
Park Place Motors	-	-	150	0.52%
	5,871	20.10%	5,267	18.16%
All Other	23,339	79.90%	23,744	81.84%
Total	29,210	100.00%	29,011	100.00%

Sources: Total City Employment information can be found Texas Workforce Commission Website via (<http://www.tracer2.com/cgi/dataanalysis/labForceReport.asp?menuchoice=LABFORCE>)

City of Bedford, Economic Development Department - Demographics data

City of Bedford, Texas Tax Rate History Last Ten Fiscal Years

Table 18

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Maximum State Rate	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5
Maximum City Rate	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5
Less										
General Fund – M & O Rate	0.23777	0.288185	0.288052	0.297623	0.285847	0.299096	0.309075	0.311257	0.306043	0.303214
Debt Service Fund – I & S Rate	0.162987	0.158697	0.15883	0.149259	0.161035	0.164252	0.182534	0.193072	0.193072	0.1916160
Total assessed City Rate	0.400757	0.446882	0.446882	0.446882	0.446882	0.463348	0.491609	0.504329	0.499115	0.49483
Net available City Rate	\$ 1.099243	\$ 1.053118	\$ 1.053118	\$ 1.053118	\$ 1.053118	\$ 1.036652	\$ 1.008391	\$ 0.995671	\$ 1.000885	\$ 1.005170
Percentage of rate assessed as a percentage of tax rate limit	26.72%	29.79%	29.79%	29.79%	29.79%	30.89%	32.77%	33.62%	33.27%	32.99%

Source: Tarrant County Tax Office



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Operating Information

City of Bedford, Texas
Full-time Equivalent City Governmental Employees by Function/Program
Last Ten Fiscal Years

Table 19

Function/Program	Full-time Equivalent Employees as of June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Management and communication	8.0	8.0	8.0	8.0	8.0	6.0	6.0	6.0	6.0	7.5
Finance	15.0	15.0	14.5	14.0	14.0	13.0	12.0	12.0	12.5	11.5
Municipal Court and Teen Court	11.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Development and planning	12.0	12.0	12.0	13.5	15.0	18.0	12.8	12.8	6.0	6.0
Library	21.5	16.4	16.4	16.4	16.4	16.4	16.4	17.2	19.7	19.6
Support services	7.0	7.0	7.0	7.0	7.0	7.0	11.0	10.0	10.0	11.0
Police										
Officers	87.4	84.9	84.9	82.0	82.0	83.0	86.3	84.3	80.0	80.0
Civilians	44.0	45.0	47.0	47.0	47.0	51.7	48.6	49.6	55.0	53.0
Animal control	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Fire										
Firefighters and officers	65.0	64.0	64.0	64.0	64.0	64.0	64.0	63.0	63.0	63.0
Civilians	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	8.0	8.0
Parks and recreation										
Management and comm.	0.0	0.0	0.0	0.0	0.0	1.0	1.0	2.0	2.0	2.0
Parks and recreation	46.2	41.9	41.9	42.8	42.8	41.3	37.8	36.4	37.5	37.6
Senior Citizens Center	4.0	4.0	4.0	4.0	4.0	4.0	3.0	3.5	3.5	3.5
Tourism and special events	0.0	0.0	0.0	0.0	0.0	0.0	3.5	3.5	4.4	4.5
Public works										
Engineering	5.0	4.0	4.0	5.0	5.0	6.1	6.0	6.0	5.5	5.5
Water	12.0	12.6	12.6	12.6	12.6	12.0	15.0	13.0	13.8	12.5
Wastewater	11.0	11.0	11.0	10.0	10.0	10.0	8.0	7.0	7.0	7.5
Stormwater	5.0	5.0	5.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Streets	12.0	11.0	11.0	11.0	11.0	11.0	10.0	11.0	10.0	10.0
Fleet maintenance	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Total	377.1	362.8	364.3	365.3	366.8	372.5	369.4	365.3	369.9	368.7

Source: City Finance - Position Control Report

City of Bedford, Texas
Operating Indicators by Function/Program
Last Ten Fiscal Years

Table 20

Function/Program	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Community services										
Building permits issued	155	89	6,051	4,925	917	762	800	297	761	778
Estimated cost	31,398,670	19,962,590	33,101,399	23,921,329	15,326,556	27,144,564	10,216,130	41,282,146	19,951,220	29,646,601
Police										
Physical arrests	2,624	2,730	2,692	2,986	2,368	2,607	3,490	3,285	2,715	2,534
Parking violations	3,797	3,917	3,874	4,115	91	114	150	207	135	47
Traffic violations	9,547	12,520	12,628	14,664	11,225	14,740	15,945	15,929	11,848	19,807
Fire										
Emergency responses	5,996	6,679	7,203	7,345	7,291	7,312	7,550	8,218	8,114	8,155
Patients transported	2,112	2,208	2,444	2,474	2,478	2,462	2,628	2,989	3,015	3,038
Fires extinguished	250	251	237	206	132	88	145	90	103	106
Inspections	1,531	1,310	1,878	2,480	2,189	2,705	2,438	2,901	2,835	3,096
Culture and recreation										
Parks and recreation										
Athletic league spring team	34	22	8	15	42	39	12	8	-	-
Athletic league fall team	5	19	21	16	13	13	10	-	-	-
Community center registration	1,663	3,166	3,593	3,562	4,154	3,666	3,633	3,945	4,040	4,112
Annual recreation revenue	121,900	152,796	178,490	209,346	268,871	267,648	281,047	306,587	289,285	332,189
Library										
Population service	48,417	48,600	49,050	49,450	49,700	49,700	46,979	47,001	48,566	48,721
Number of library visits	162,423	178,319	226,092	252,319	271,764	256,674	279,991	279,991	252,506	244,388
Volumes in collection	107,807	106,068	105,389	101,935	101,179	99,104	101,395	101,395	112,644	118,095
Total volumes borrowed	292,827	344,529	460,782	496,144	511,186	252,401	552,737	552,737	579,572	584,917
Turnover rate	2.70%	3.30%	4.40%	4.90%	5.10%	5.80%	5.50%	5.45%	5.15%	5.00%
Total operating expenditures	799,751	904,536	985,787	1,015,766	1,037,121	1,141,421	1,089,441	1,089,441	1,249,419	1,309,275
Cost per population served	16.52	18.61	20.1	20.54	20.87	22.96	21.92	22	26	27
Total paid staff (FTE)	21.53	16.38	16.38	16.38	16.38	16.38	16.38	16	20	20
Public works										
Street repair – asphalt sq. yard	1,779	2,020	2,018	1,494	2,150	3,055	40,988	36,004	21,850	26,425
Street repair – concrete sq. yard	195	249	782	73	311	602	22,661	3,693	3,655	311
Sidewalk installation/repairs – sq. yard	6,996	4,252	15,555	22,483	32,913	4,947	1,684	10,503	5,630	5,950
Water and sewer										
Water main breaks	42	57	31	20	21	24	39	67	46	46
Stated in thousands of gallons										
Average daily consumption	7,544	9,209	7,313	8,592	8,194	7,600	8,988	7,329	6,881	6,403
Peak daily consumption	12,107	16,300	14,529	16,476	14,168	12,932	16,232	12,375	10,141	9,588

Source: Various City departments

City of Bedford, Texas
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Table 21

Function/Program	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	9	9	9	9	9	15	15	15	17	17
Other units: CID-SWAT-PSO	47	47	47	47	47	58	58	58	50	59
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Fire equipment units	5	5	5	5	5	5	5	5	5	5
EMS units	4	4	4	4	4	4	4	4	4	4
Other units	11	11	11	11	11	11	11	11	11	11
Regional grant units – Homeland Security	11	11	11	11	11	11	11	11	-	-
Other public works										
Streets (miles)	454	460	460	460	460	460	460	460	455	456
Streetlights	1,700	1,725	1,725	1,735	1,737	1,738	1,738	1,738	1,738	1,738
Traffic signals	24	24	24	24	24	24	24	24	25	25
Parks and recreation										
Park acreage	150	150	150	150	150	150	150	150	150	150
Playgrounds	12	12	17	17	17	17	17	17	17	17
Swimming pools	2	2	3	3	3	3	3	3	4	4
Soccer/football fields	6	6	6	6	6	6	6	6	11	11
Community centers	3	3	3	3	3	3	3	3	3	3
Water										
Water mains (miles)	147	147	147	147	147	147	147	147	148	149
Fire hydrants	1,380	1,400	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,800
Storage capacity										
(one ground well – 250,000 gallons)	6,225	6,225	6,225	6,225	6,225	5,250	5,250	5,250	5,250	5,250
(elevated storage – 5 million gallons)										
Stormwater										
Storm sewers (miles)	91	91	91	91	91	91	91	91	92	92

Source: Various City departments



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**City of Bedford, Texas
2015 SWIFT Application**

FYE	Projected		Net Available for Debt Service	Performa					Total Debt Paid by Utility Sys Revs	Projected Coverage
	Gross Revenues	Expenses ⁽¹⁾		Existing Debt Paid by Utility Sys Revs	\$30,000,000 2015 SWIFT @ 2.75%	\$20,000,000 2017 SWIFT @ 3.25%	\$20,000,000 2019 SWIFT @ 3.25%	\$20,000,000 2021 SWIFT @ 3.25%		
2015	\$ 18,626,457	\$ 14,575,557	\$ 4,050,900	\$ 1,258,213				\$ 1,258,213	3.22x	
2016	18,626,457	14,575,557	4,050,900	1,267,726	\$ 1,187,500			2,455,226	1.65x	
2017	18,626,457	14,575,557	4,050,900	1,274,638	1,491,250			2,765,888	1.46x	
2018	18,626,457	14,575,557	4,050,900	1,284,285	1,492,550	\$ 958,333		3,735,168	1.08x	
2019	18,626,457	14,575,557	4,050,900	1,130,296	1,488,300	986,250		3,604,846	1.12x	
2020	18,626,457	14,575,557	4,050,900	1,131,864	1,488,638	983,875	\$ 958,333	4,562,710	0.89x	
2021	18,626,457	14,575,557	4,050,900	1,141,838	1,488,425	986,225	986,250	4,602,738	0.88x	
2022	18,626,457	14,575,557	4,050,900	1,154,703	1,487,663	983,163	983,875	\$ 958,333	0.73x	
2023	18,626,457	14,575,557	4,050,900	1,144,880	1,491,350	984,825	986,225	986,250	0.72x	
2024	18,626,457	14,575,557	4,050,900	1,157,679	1,489,350	986,075	983,163	983,875	0.72x	
2025	18,626,457	14,575,557	4,050,900	1,158,695	1,491,800	981,913	984,825	986,225	0.72x	
2026	18,626,457	14,575,557	4,050,900	1,158,360	1,488,563	982,475	986,075	983,163	0.72x	
2027	18,626,457	14,575,557	4,050,900	1,171,198	1,489,775	982,625	981,913	984,825	0.72x	
2028	18,626,457	14,575,557	4,050,900	652,984	1,490,300	982,363	982,475	986,075	0.80x	
2029	18,626,457	14,575,557	4,050,900	649,189	1,490,138	986,688	982,625	981,913	0.80x	
2030	18,626,457	14,575,557	4,050,900	658,958	1,489,288	985,463	982,363	982,475	0.79x	
2031	18,626,457	14,575,557	4,050,900	490,759	1,487,750	983,825	986,688	982,625	0.82x	
2032	18,626,457	14,575,557	4,050,900	314,026	1,490,525	986,775	985,463	982,363	0.85x	
2033	18,626,457	14,575,557	4,050,900		1,487,475	984,175	983,825	986,688	0.91x	
2034	18,626,457	14,575,557	4,050,900		1,488,738	986,163	986,775	985,463	0.91x	
2035	18,626,457	14,575,557	4,050,900		1,489,175	982,600	984,175	983,825	0.91x	
2036	18,626,457	14,575,557	4,050,900		1,488,788	983,625	986,163	986,775	0.91x	
2037	18,626,457	14,575,557	4,050,900		1,487,575	984,100	982,600	984,175	0.91x	
2038	18,626,457	14,575,557	4,050,900		1,490,538	984,025	983,625	986,163	0.91x	
2039	18,626,457	14,575,557	4,050,900		1,487,538	983,400	984,100	982,600	0.91x	
2040	18,626,457	14,575,557	4,050,900		1,488,713	982,225	984,025	983,625	0.91x	
2041	18,626,457	14,575,557	4,050,900		1,488,925	985,500	983,400	984,100	0.91x	
2042	18,626,457	14,575,557	4,050,900		1,488,175	983,088	982,225	984,025	0.91x	
2043	18,626,457	14,575,557	4,050,900		1,491,463	985,125	985,500	983,400	0.91x	
2044	18,626,457	14,575,557	4,050,900		1,488,650	986,475	983,088	982,225	0.91x	
2045	18,626,457	14,575,557	4,050,900		1,489,875	987,138	985,125	985,500	0.91x	
2046	18,626,457	14,575,557	4,050,900			987,113	986,475	983,088	1.37x	
2047	18,626,457	14,575,557	4,050,900			986,400	987,138	985,125	1.37x	
2048	18,626,457	14,575,557	4,050,900				987,113	986,475	2.05x	
2049	18,626,457	14,575,557	4,050,900				986,400	987,138	2.05x	
2050	18,626,457	14,575,557	4,050,900					987,113	4.10x	
2051	18,626,457	14,575,557	4,050,900					986,400	4.11x	
Totals	\$ 18,200,289	\$ 44,378,788	\$ 29,512,021	\$ 29,512,021	\$ 29,512,021	\$ 29,512,021	\$ 29,512,021	\$ 151,115,139		

PART C.45

(1) Does not include depreciation or any other 'noncash' items.

CITY OF BEDFORD, TEXAS

DEBT SERVICE REQUIREMENTS

Fiscal Year Ended	Outstanding Debt Service			Economic	Water and	Stormwater	Tourism	Total Tax	% of Principal Retired
	Principal	Interest	Total	Development	Water and	Stormwater	Tourism	Total Tax	
				Self-Supporting	Sewer Self-Supporting	Self-Supporting	Self-Supporting	Supported Debt Service	
9/30				Requirements	Requirements	Requirements	Requirements	Requirements	
2015	\$ 6,645,000	\$ 1,875,169	\$ 8,520,169	\$ 1,382,738	\$ 1,258,213	\$ 243,100	\$ 98,880	\$ 5,537,239	
2016	6,600,000	1,617,313	8,217,313	1,389,475	1,267,726	245,350	100,458	5,214,304	
2017	6,540,000	1,358,894	7,898,894	1,391,600	1,274,638	241,850	101,850	4,888,956	
2018	5,375,000	1,125,169	6,500,169	1,390,475	1,284,285	247,500	-	3,577,909	
2019	3,070,000	978,163	4,048,163	40,800	1,130,296	243,000	-	2,634,067	50.91%
2020	3,125,000	887,073	4,012,073	-	1,131,864	243,425	-	2,636,784	
2021	2,875,000	798,677	3,673,677	-	1,141,838	243,700	-	2,288,138	
2022	2,835,000	712,705	3,547,705	-	1,154,703	248,538	-	2,144,464	
2023	2,400,000	628,076	3,028,076	-	1,144,880	242,375	-	1,640,821	
2024	2,510,000	544,160	3,054,160	-	1,157,679	245,375	-	1,651,106	75.70%
2025	2,070,000	463,101	2,533,101	-	1,158,695	247,975	-	1,126,431	
2026	2,145,000	385,625	2,530,625	-	1,158,360	240,375	-	1,131,890	
2027	2,245,000	303,963	2,548,963	-	1,171,198	242,575	-	1,135,190	
2028	1,500,000	234,781	1,734,781	-	652,984	244,244	-	837,553	
2029	1,555,000	178,277	1,733,277	-	649,189	245,238	-	838,850	92.86%
2030	1,635,000	117,658	1,752,658	-	658,958	245,531	-	848,169	
2031	1,130,000	64,906	1,194,906	-	490,759	245,250	-	458,897	
2032	630,000	33,026	663,026	-	314,026	-	-	348,999	98.98%
2033	335,000	15,900	350,900	-	-	-	-	350,900	
2034	230,000	4,600	234,600	-	-	-	-	234,600	100.00%
	<u>\$ 55,450,000</u>	<u>\$ 12,327,233</u>	<u>\$ 67,777,233</u>	<u>\$ 5,595,088</u>	<u>\$ 18,200,289</u>	<u>\$ 4,155,400</u>	<u>\$ 301,188</u>	<u>\$ 39,525,268</u>	

PART C.49

CITY OF BEDFORD, TEXAS

DEBT SERVICE REQUIREMENTS

Fiscal Year Ended	Outstanding Debt Service			Economic	Water and	Stormwater	Tourism	Total Tax	% of Principal Retired
	Principal	Interest	Total	Development	Sewer Self-	Self-	Self-	Supported	
				Self-Supporting	Supporting	Supporting	Supporting	Debt Service	
9/30				Requirements	Requirements	Requirements	Requirements	Requirements	
2015	\$ 6,645,000	\$ 1,875,169	\$ 8,520,169	\$ 1,382,738	\$ 1,258,213	\$ 243,100	\$ 98,880	\$ 5,537,239	
2016	6,600,000	1,617,313	8,217,313	1,389,475	1,267,726	245,350	100,458	5,214,304	
2017	6,540,000	1,358,894	7,898,894	1,391,600	1,274,638	241,850	101,850	4,888,956	
2018	5,375,000	1,125,169	6,500,169	1,390,475	1,284,285	247,500	-	3,577,909	
2019	3,070,000	978,163	4,048,163	40,800	1,130,296	243,000	-	2,634,067	50.91%
2020	3,125,000	887,073	4,012,073	-	1,131,864	243,425	-	2,636,784	
2021	2,875,000	798,677	3,673,677	-	1,141,838	243,700	-	2,288,138	
2022	2,835,000	712,705	3,547,705	-	1,154,703	248,538	-	2,144,464	
2023	2,400,000	628,076	3,028,076	-	1,144,880	242,375	-	1,640,821	
2024	2,510,000	544,160	3,054,160	-	1,157,679	245,375	-	1,651,106	75.70%
2025	2,070,000	463,101	2,533,101	-	1,158,695	247,975	-	1,126,431	
2026	2,145,000	385,625	2,530,625	-	1,158,360	240,375	-	1,131,890	
2027	2,245,000	303,963	2,548,963	-	1,171,198	242,575	-	1,135,190	
2028	1,500,000	234,781	1,734,781	-	652,984	244,244	-	837,553	
2029	1,555,000	178,277	1,733,277	-	649,189	245,238	-	838,850	92.86%
2030	1,635,000	117,658	1,752,658	-	658,958	245,531	-	848,169	
2031	1,130,000	64,906	1,194,906	-	490,759	245,250	-	458,897	
2032	630,000	33,026	663,026	-	314,026	-	-	348,999	98.98%
2033	335,000	15,900	350,900	-	-	-	-	350,900	
2034	230,000	4,600	234,600	-	-	-	-	234,600	100.00%
	<u>\$ 55,450,000</u>	<u>\$ 12,327,233</u>	<u>\$ 67,777,233</u>	<u>\$ 5,595,088</u>	<u>\$ 18,200,289</u>	<u>\$ 4,155,400</u>	<u>\$ 301,188</u>	<u>\$ 39,525,268</u>	

PART C.49



CITY OF BEDFORD

Discover the Center

Financial Assistance Application to the
Texas Water Development Board
June 5, 2015

Attachment D 54 Please see separate
Engineering Feasibility Report



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NEW MEXICO

OKLAHOMA

ARKANSAS

TENNESSEE

SOUTH CAROLINA

NORTH CAROLINA

D-57

Legend:

Boundaries

- State
- '14 County
- '14 Census Tract

Features

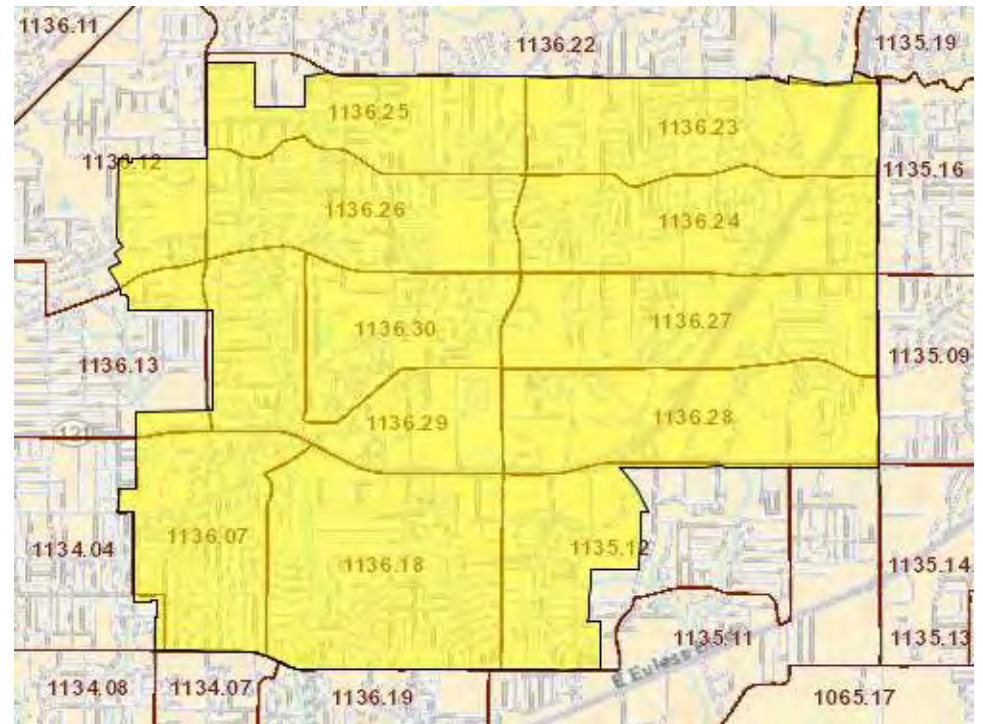
- Major Road
- Street
- Stream/Waterbody

Items in grey text are not visible at this zoom level

Your Selections

- Your Selections

PART D.57



Projected Population and Demand, Current Supplies, and Water Management Strategies for the City of Bedford. (See Table I below.)

Table I

(Values in Ac-Ft/Yr)	Projected Population and Demand					
	2010	2020	2030	2040	2050	2060
Projected Population	50,001	52,395	54,407	56,098	57,519	58,713
Projected Water Demand						
Municipal Demand	10,138	10,447	10,665	10,808	11,017	11,246
Total Projected Demand	10,138	10,447	10,665	10,808	11,017	11,246
Currently Available Water Supplies						
Trinity Aquifer	1,109	1,109	1,109	1,109	1,109	1,109
Trinity River Authority (TRWD)	8,755	8,567	7,450	6,543	5,853	5,222
Total Current Supplies	9,864	9,676	8,559	7,652	6,962	6,331
Need (Demand - Current Supply)	274	771	2,106	3,156	4,055	4,915
Water Management Strategies						
Water Conservation	274	1,318	2,303	2,430	2,570	2,716
Additional Water from TRA (TRWD)*	0	242	1,406	2,349	3,140	3,887
Supplemental Wells	0	0	0	0	0	0
Total Water Management Strategies	274	1,560	3,709	4,779	5,710	6,603
Reserve (Shortage)	0	789	1,603	1,623	1,655	1,688
Note: The WWPs that supply Bedford (Tarrant Regional Water District and Trinity River Authority) received the same volume of addition supply for conservation as the WUG (Bedford) received from the strategy presented in this amendment, however only the WUG (Bedford) incurs the cost of this strategy.						



State Water Implementation Fund for Texas (SWIFT)

Abridged Application

Due February 3, 2015 by 5:00pm

By submitting this abridged application, you understand and confirm that the information provided is true and correct to the best of your knowledge and further understand that the failure to submit a complete abridged application by the stated deadlines, or to respond in a timely manner to additional requests for information, may result in the withdrawal of the abridged application without review.

Section 1. APPLICANT INFORMATION

Name of Applicant		Applicant County	Regional Water Planning Area	
Entity Contact Information		Proposed Project or Strategy from 2011 Regional Water Plan & State Water Plan		
Contact Person		Name of Project (from 2012 State Water Plan)		
Title				
Mailing Address		Where does the project appear in the 2011 Regional Water Plan?	Project on Page:	
			Capital Costs on Page:	
Phone Number		Phase(s) Applied For	<input type="checkbox"/> Planning	<input type="checkbox"/> Design
Fax Number			<input type="checkbox"/> Acquisition	<input type="checkbox"/> Construction
Email Address				

Section 2. PROJECT INFORMATION**Description of Proposed Project**

--	--	--	--	--

Population Served by Project When Fully Operational		Regional Project? <i>(If yes, attach Regional Project Worksheet)</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
--	--	--	------------------------------	-----------------------------

Regional Water Planning Group Priority Ranking	Calculated by TWDB 31 TAC §363.1304 (12)			
---	--	--	--	--

Needs Met by the Project	Calculated by TWDB 31 TAC §363.1304 (5)			
---------------------------------	---	--	--	--

PART D.64

ED-101
Revised 11/1/2011

STATE OF TEXAS

COUNTY OF Tarrant

§
§
§

SITE CERTIFICATE

Before me, the undersigned notary, on this day personally appeared Thomas L. Hoover, P.E., a person whose identify is known to me or who has presented to me a satisfactory proof of identity. After I administered an oath, this person swore to the following:

- (1) My name is Thomas L. Hoover, P.E. I am over 18 years of age and I am of sound mind, and capable of swearing to the facts contained in this Site Certificate. The facts stated in this certificate are within my personal knowledge and are true and correct.
- (2) I am an authorized representative of the City of Bedford, an entity that has filed an application for financial assistance with the Texas Water Development Board for a (water) project.

LEGAL CERTIFICATION - OWNERSHIP INTEREST

This is to certify that the City of Bedford, Texas.

(Legal Name of Applicant, i.e., City, District, etc.)

The Bedford project involves the replacement of old and leaking water mains that exist with the public right of way. Our plan would be to replace with a new, like sized main, adjacent to the old main in the same public right of way. Therefore there would be no need for new land acquisition.

(Location, and Description of Property Interests acquired for Project)

Any deeds or other instruments required to be recorded to protect the title(s) held by

The City of Bedford, Texas

(Legal Name of Applicant)

have been recorded or filed for the record in the County deed records or other required location.

Thomas Hoover

(Signature)

Thomas L. Hoover, P.E.

(Print Name)

City of Bedford Public Works Director

(Title)

Sworn to and subscribed before me PATRICE KAY KLEYPAS on 20th of
MAY, 2015.



[SEAL]

Patrice Kay Kleypas
Notary Public in and for the State of Texas

My Commission expires: 02/22/2016



CITY OF BEDFORD

Discover the Center

Financial Assistance Application to the
Texas Water Development Board
June 5, 2015

Attachment E SWIFT Applicants Only



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PART E.69



City of Bedford, Texas

Combination Tax and Surplus Revenue Certificates of Obligation, Series 2015

Projected Schedule of Events

Sep-15							Oct-15							Nov-15							Dec-15						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5					1	2	3	1	2	3	4	5	6	7			1	2	3	4	5
6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12
13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19
20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26
27	28	29	30				25	26	27	28	29	30	31	29	30						27	28	29	30	31		

Complete By	Day	Event
8-Sep-15	Tuesday	City Council passes resolution authorizing Notice of Intent Publication for Certificates of Obligation
10-Oct-15	Saturday	First Publication of Notice of Intent to Issue Certificates no later than October 11, 2015
17-Oct-15	Saturday	Second Publication of Notice of Intent to Issue Certificates (same day of the week following 1st publication)
October	TBD	Receive Final Rates from TWDB
10-Nov-15	Tuesday	City Council adopts Ordinance and approves Rates
16-Dec-15	Wednesday	Closings and Delivery of Funds to the City

PART E.69



City of Bedford, Texas

Combination Tax and Surplus Revenue Certificates of Obligation, Series 2017

Projected Schedule of Events

Sep-17						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Oct-17						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Nov-17						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

Dec-17						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Complete By	Day	Event
12-Sep-17	Tuesday	City Council passes resolution authorizing Notice of Intent Publication for Certificates of Obligation
14-Oct-17	Saturday	First Publication of Notice of Intent to Issue Certificates no later than October 15, 2017
21-Oct-17	Saturday	Second Publication of Notice of Intent to Issue Certificates (same day of the week following 1st publication)
October	TBD	Receive Final Rates from TWDB
14-Nov-17	Tuesday	City Council adopts Ordinance and approves Rates
20-Dec-17	Wednesday	Closings and Delivery of Funds to the City

PART E.69



City of Bedford, Texas

Combination Tax and Surplus Revenue Certificates of Obligation, Series 2019

Projected Schedule of Events

Sep-19							Oct-19							Nov-19							Dec-19						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7			1	2	3	4	5						1	2	1	2	3	4	5	6	7
8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9	8	9	10	11	12	13	14
15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16	15	16	17	18	19	20	21
22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23	22	23	24	25	26	27	28
29	30						27	28	29	30	31			24	25	26	27	28	29	30	29	30	31				

Complete By	Day	Event
10-Sep-19	Tuesday	City Council passes resolution authorizing Notice of Intent Publication for Certificates of Obligation
12-Oct-19	Saturday	First Publication of Notice of Intent to Issue Certificates no later than October 13, 2019
19-Oct-19	Saturday	Second Publication of Notice of Intent to Issue Certificates (same day of the week following 1st publication)
October	TBD	Receive Final Rates from TWDB
12-Nov-19	Tuesday	City Council adopts Ordinance and approves Rates
18-Dec-19	Wednesday	Closings and Delivery of Funds to the City

PART E.69



City of Bedford, Texas

Combination Tax and Surplus Revenue Certificates of Obligation, Series 2021

Projected Schedule of Events

Sep-21							Oct-21							Nov-21							Dec-21						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4						1	2		1	2	3	4	5	6				1	2	3	4
5	6	7	8	9	10	11	3	4	5	6	7	8	9	7	8	9	10	11	12	13	5	6	7	8	9	10	11
12	13	14	15	16	17	18	10	11	12	13	14	15	16	14	15	16	17	18	19	20	12	13	14	15	16	17	18
19	20	21	22	23	24	25	17	18	19	20	21	22	23	21	22	23	24	25	26	27	19	20	21	22	23	24	25
26	27	28	29	30			24	25	26	27	28	29	30	28	29	30					26	27	28	29	30	31	
							31																				

Complete By	Day	Event
14-Sep-21	Tuesday	City Council passes resolution authorizing Notice of Intent Publication for Certificates of Obligation
9-Oct-21	Saturday	First Publication of Notice of Intent to Issue Certificates no later than October 10, 2021
16-Oct-21	Saturday	Second Publication of Notice of Intent to Issue Certificates (same day of the week following 1st publication)
October	TBD	Receive Final Rates from TWDB
9-Nov-21	Tuesday	City Council adopts Ordinance and approves Rates
15-Dec-21	Wednesday	Closings and Delivery of Funds to the City

PART E.71a

CERTIFICATE ORDINANCE

\$30,000,000
CITY OF BEDFORD, TEXAS
COMBINATION TAX AND SURPLUS REVENUE
CERTIFICATES OF OBLIGATION
SERIES 2015

Adopted: _____, 2015

PART E.71a

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ORDINANCE NO. 15-_____

AN ORDINANCE authorizing the issuance of "CITY OF BEDFORD, TEXAS, COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2015"; providing for the payment of said certificates of obligation by the levy of an ad valorem tax upon all taxable property within the City and a pledge of the net revenues derived from the operation of the City's combined Waterworks and Sewer System; providing the terms and conditions of such certificates and resolving other matters incident and relating to the issuance, payment, security, sale and delivery of said Certificates, including the approval and execution of a Paying Agent/Registrar Agreement and an Escrow Agreement; and providing an effective date.

WHEREAS, pursuant to an application filed with the Texas Water Development Board (the "Board"), the City has received a loan commitment from the Board for financial assistance in the amount of \$30,000,000 to finance the costs of constructing, acquiring, purchasing, renovating, enlarging, equipping, and improving waterworks and sewer system properties and facilities, and such financial assistance is to be evidenced by the Board's purchase of certificates of obligation payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City and a pledge of the surplus Net Revenues (as defined in Section 10 hereof) of the System (as defined in Section 10); and

WHEREAS, notice of the City Council's intention to issue certificates of obligation in the maximum principal amount of \$30,000,000 for the purpose of paying contractual obligations to be incurred for (i) the construction of public works, to wit: improving and extending the City's waterworks and sewer system and (ii) professional services rendered in relation to such projects and the financing thereof; has been duly published in the *Fort Worth Star Telegram*, a newspaper hereby found and determined to be of general circulation in the City of Bedford, Texas, on _____, 2015 and _____, 2015, the date of the first publication of such notice being not less than thirty-one (31) days prior to the tentative date stated therein for the passage of the ordinance authorizing the issuance of such certificates; and

WHEREAS, no petition protesting the issuance of the certificates of obligation and bearing valid petition signatures of at least five percent (5%) of the qualified electors of the City, has been presented to or filed with the Mayor, City Secretary or any other official of the City on or prior to the date of the passage of this Ordinance; and

WHEREAS, pursuant to authority conferred by the Constitution and laws of the State of Texas, particularly Texas Local Government Code, Subchapter C of Chapter 271, as amended, the City Council hereby finds and determines the certificates of obligation described in such notice should be authorized for issuance and delivery to the Board at this time in the amount and manner hereinafter provided; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, TEXAS:

SECTION 1: Authorization, Designation, Principal Amount, Purpose. Certificates of obligation of the City shall be and are hereby authorized to be issued in the aggregate principal amount of \$30,000,000, to be designated and bear the title "CITY OF BEDFORD, TEXAS, COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES

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2015” (hereinafter referred to as the “Certificates”), for the purpose of paying contractual obligations to be incurred for (i) the construction of public works, to wit: improving and extending the City’s waterworks and sewer system and (ii) professional services rendered in relation to such projects and the financing thereof, pursuant to authority conferred by and in conformity with the Constitution and laws of the State of Texas, including Texas Local Government Code, Subchapter C of Chapter 271, as amended.

SECTION 2: Fully Registered Obligations - Authorized Denominations - Stated Maturities - Interest Rates - Date. The Certificates shall be issued as fully registered obligations, shall be dated _____, 2015 (the “Certificate Date”) and shall be in denominations of \$5,000 or any integral multiple thereof (within a Stated Maturity) and the Certificates shall become due and payable on February 1 in each of the years and in principal amounts (the “Stated Maturities”) and bear interest at the per annum rates in accordance with the following schedule:

<u>Year of Stated Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate(s)</u>
------------------------------------	-----------------------------	-----------------------------

The Certificates shall bear interest on the unpaid principal amount from the date of delivery to the initial purchaser (which date shall be the registration date appearing on the “Registration Certificate of Paying Agent/Registrar” typed or printed on the global Certificates deposited with DTC (defined herein) and noted in the records of the Paying/Agent Registrar) at the rates per annum shown above in this Section (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Certificates shall be payable on _____ 1, 20____, and each August 1 and February 1 thereafter until maturity or prior redemption.

SECTION 3: Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Certificates, due and payable by reason of maturity, redemption, or otherwise, shall be payable only to the registered owners or holders of the Certificates (hereinafter called the “Holders”) appearing on the registration and transfer books maintained by

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the Paying Agent/Registrar and the payment thereof shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, to serve as Paying Agent/Registrar for the Certificates is hereby approved and confirmed. Books and records relating to the registration, payment, transfer and exchange of the Certificates (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, as provided herein and in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement", substantially in the form attached hereto as **Exhibit A**, and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Mayor and City Secretary are authorized to execute and deliver such Agreement in connection with the delivery of the Certificates. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Certificates are paid and discharged, and any successor Paying Agent/Registrar shall be a bank, trust company, financial institution or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Certificates, the City agrees to promptly cause a written notice thereof to be sent to each Holder by United States Mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Certificates shall be payable at the Stated Maturities or upon prior redemption thereof, only upon presentation and surrender of the Certificates to the Paying Agent/Registrar at its designated offices, initially in East Syracuse, New York, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"). Interest on the Certificates shall be paid to the Holders whose names appear in the Security Register at the close of business on the Record Date (the fifteenth day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent United States Mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. Provided, however, while the Board is the registered owner of the Certificates, payments on the Certificates shall be made by wire transfer without expense to the Holder. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

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

SECTION 4: Redemption.

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(a) Optional Redemption. The Certificates having Stated Maturities on and after February 1, 20____ shall be subject to redemption prior to maturity, at the option of the City, in whole or in part (in inverse order of Stated Maturities, if less than all) in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on February 1, 20____, or on any date thereafter at the redemption price of par plus accrued interest to the date of redemption.

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

(c) Selection of Certificates for Redemption. If less than all Outstanding Certificates of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall treat such Certificates as representing the number of Certificates Outstanding which is obtained by dividing the principal amount of such Certificates by \$5,000 and shall select the Certificates to be redeemed within such Stated Maturity by lot.

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

All notices of redemption shall (i) specify the date of redemption for the Certificates, (ii) identify the Certificates to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Certificates, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, provided moneys sufficient for the payment of such Certificate (or the principal amount thereof to be redeemed) at the then applicable redemption price are held for the purpose of such payment by the Paying Agent/Registrar and (v) specify that payment of the redemption price for the Certificates, or the principal amount thereof to be redeemed, shall be made at the Designated Payment/Transfer Office of the Paying Agent/Registrar only upon presentation and surrender thereof by the Holder. If a Certificate is subject by its terms to prior redemption and has been called for redemption and notice of redemption thereof has been duly given or waived as herein provided, such Certificate (or the principal amount thereof to be redeemed) shall become due and payable and interest thereon shall cease to accrue from and after the redemption date therefor.

(e) Conditional Notice of Redemption. With respect to any optional redemption of the Certificates, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth

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in such notice of redemption; and, if sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.

SECTION 5: Registration - Transfer - Exchange of Certificates - Predecessor Certificates. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every registered owner of the Certificates issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Certificate may be transferred or exchanged for Certificates of other authorized denominations by the Holder, in person or by his duly authorized agent, upon surrender of such Certificate to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Certificate at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Certificates, executed on behalf of, and furnished by, the City, of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Certificate or Certificates surrendered for transfer.

At the option of the Holders, Certificates may be exchanged for other Certificates of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Certificates surrendered for exchange, upon surrender of the Certificates to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Certificates so surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Certificates, executed on behalf of, and furnished by the City, to the Holder requesting the exchange.

All Certificates issued upon any transfer or exchange of Certificates shall be delivered at the Designated Payment/Transfer Office of the Paying Agent/Registrar, or sent by United States mail, first class postage prepaid, to the Holder and, upon the delivery thereof, the same shall be valid obligations of the City, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Certificates surrendered in such transfer or exchange.

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

Certificates cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Certificates," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Certificate or Certificates registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Certificates" shall include any mutilated, lost, destroyed, or stolen Certificate for which a replacement Certificate has been issued, registered and delivered in lieu thereof pursuant to Section 20 hereof and such new replacement Certificate shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Certificate.

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Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Certificate called for redemption, in whole or in part, within forty-five (45) days of the date fixed for redemption of such Certificate; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of an unredeemed balance of a Certificate called for redemption in part.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in Sections 3, 4 and 5 hereof relating to the payment, and transfer/exchange of the Certificates, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement and transfer system provided by The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York ("DTC"), in accordance with the operational arrangements referenced in the Blanket Issuer Letter of Representations by and between the City and DTC (the "Depository Agreement").

Pursuant to the Depository Agreement and the rules of DTC, the Certificates shall be deposited with DTC who shall hold said Certificates for its participants (the "DTC Participants"). While the Certificates are held by DTC under the Depository Agreement, the Holder of the Certificates on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Certificate (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Certificates or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Certificates, the City covenants and agrees with the Holders of the Certificates to cause Certificates to be printed in definitive form and provide for the Certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Certificates in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Certificates shall be made in accordance with the provisions of Sections 3, 4 and 5 hereof.

The City agrees it will not discontinue its use of the DTC Book-Entry-Only System with respect to the Certificates without prior notice to and consent from the Board while the Board is the Holder of any of the Certificates.

SECTION 7: Execution - Registration. The Certificates shall be executed on behalf of the City by the Mayor under its seal reproduced or impressed thereon and countersigned by the City Secretary. The signature of said officers on the Certificates may be manual or facsimile. Certificates bearing the manual or facsimile signatures of said individuals who are or were the proper officers of the City on the Certificate Date shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or any of them shall cease to hold such offices prior to the delivery of the Certificates to the initial purchaser, and with respect to Certificates delivered in subsequent exchanges and transfers, all as authorized and provided in V.T.C.A., Government Code, Chapter 1201, as amended.

No Certificate shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Certificate either a certificate of registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public Accounts of the State of Texas or his duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by

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an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate upon any Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly certified, registered and delivered.

SECTION 8: Initial Certificate(s). The Certificates herein authorized shall be initially issued either (i) as a single fully registered certificate in the total principal amount stated in Section 1 hereof with principal installments to become due and payable as provided in Section 2 hereof and numbered T-1, or (ii) as multiple fully registered certificates, being one certificate for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (hereinafter called the "Initial Certificate(s)") and, in either case, the Initial Certificate(s) shall be registered in the name of the initial purchaser or the designee thereof. The Initial Certificate(s) shall be the Certificates submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchaser. Any time after the delivery of the Initial Certificate(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser, or the designee thereof, shall cancel the Initial Certificate(s) delivered hereunder and exchange therefor definitive Certificates of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser, or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9: Forms.

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

The Certificates, including the Initial Certificate(s), shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Certificates as evidenced by their execution.

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(b) Form of Definitive Certificates.

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF BEDFORD, TEXAS,
COMBINATION TAX AND SURPLUS REVENUE
CERTIFICATE OF OBLIGATION,
SERIES 2015

Certificate Date:
_____, 2015

Interest Rate:
_____ %

Stated Maturity:
February 1, 20__

CUSIP No.:

Registered Owner:

Principal Amount:

The City of Bedford (hereinafter referred to as the "City"), a body politic and corporate and municipal corporation in the County of Tarrant, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above the Principal Amount stated above (or so much thereof as shall not have been redeemed prior to maturity) and to pay interest on the unpaid principal amount hereof from the date of the delivery of the Certificates to the initial purchaser at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 1 and August 1 in each year, commencing _____ 1, 20__, until maturity or prior redemption. Principal of this Certificate is payable at its Stated Maturity or upon its prior redemption to the registered owner hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor; provided, however, while this Certificate is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Certificate. Interest is payable to the registered owner of this Certificate (or one or more Predecessor Certificates, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the fifteenth day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Certificate shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of

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America which at the time of payment is legal tender for the payment of public and private debts.

This Certificate is one of the series specified in its title issued in the aggregate principal amount of \$30,000,000 (herein referred to as the "Certificates") for the purpose of paying contractual obligations to be incurred for (i) the construction of public works, to wit: improving and extending the City's waterworks and sewer system and (ii) professional services rendered in relation to such projects and the financing thereof, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Texas Local Government Code, Subchapter C of Chapter 271, as amended, and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

The Certificates maturing on and after February 1, 20____, may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part (in inverse order of Stated Maturities, if less than all) in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on February 1, 20____, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty (30) days prior to a redemption date, the City shall cause a written notice of such redemption to be sent by United States Mail, first class postage prepaid, to the registered owners of the Certificates to be redeemed, and subject to the terms and provisions relating thereto contained in the Ordinance. If a Certificate (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon the redemption date such Certificate (or the portion of its principal sum to be redeemed) shall become due and payable, and, if moneys for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable from and after the redemption date on the principal amount redeemed.

With respect to any optional redemption of the Certificates, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.

In the event a portion of the principal amount of a Certificate is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Certificate to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Certificate or Certificates of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Certificate is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Certificate to an assignee of the registered owner within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Certificate redeemed in part.

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The Certificates are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City and from a pledge of the Net Revenues of the City's combined waterworks and sewer system (the "System"), such pledge being junior and subordinate to the lien on and pledge of the Net Revenues securing the payment of Prior Lien Obligations hereafter issued by the City. In the Ordinance, the City reserves and retains the right to issue Prior Lien Obligations while the Certificates are outstanding without limitation as to principal amount but subject to any terms, conditions or restrictions as may be applicable thereto under law or otherwise, as well as the right to issue additional obligations payable from the same sources as the Certificates and, together with the Certificates, equally and ratably secured by a parity lien on and pledge of the Net Revenues of the System.

Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all the provisions of which the Holder by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Certificates; the properties constituting the System; the Net Revenues pledged to the payment of the principal of and interest on the Certificates; the nature and extent and manner of enforcement of the pledge; the terms and conditions relating to the transfer or exchange of this Certificate; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which the tax levy and the liens, pledges, charges and covenants made therein may be discharged at or prior to the maturity of this Certificate, and this Certificate deemed to be no longer Outstanding thereunder; and for the other terms and provisions contained therein. Capitalized terms used herein have the meanings assigned in the Ordinance.

This Certificate, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Certificates of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

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

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Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented and covenanted that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Certificates is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Certificates to render the same lawful and valid obligations of the City have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Certificates do not exceed any Constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Certificates by the levy of a tax and a pledge of and lien on the Net Revenues of the System as aforesated. In case any provision in this Certificate or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Certificate and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Certificate to be duly executed under the official seal of the City as of the Certificate Date.

CITY OF BEDFORD, TEXAS

Mayor

COUNTERSIGNED:

City Secretary

(City Seal)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Certificate(s) only.

REGISTRATION CERTIFICATE OF COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER)
OF PUBLIC ACCOUNTS)
THE STATE OF TEXAS)

REGISTER NO. _____

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

WITNESS my signature and seal of office this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

(d) Form of Certificate of Paying Agent/Registrar to appear on Definitive Certificates only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

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

The designated offices of the Paying Agent/Registrar located in East Syracuse, New York, the "Designated Payment/Transfer Office" for this Certificate.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., Dallas, Texas,
as Paying Agent/Registrar

Registration Date:

By _____
Authorized Signature

(e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee:) _____

(Social Security or other identifying number: _____)
_____) the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____

_____ attorney to transfer the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

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DATED:

Signature guaranteed:

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

(f) The Initial Certificate(s) shall be in the form set forth in paragraph (b) of this Section, except that the form of a single fully registered Initial Certificate shall be modified as follows:

Heading and first paragraph shall be modified to read as follows:

REGISTERED
NO. T-1

REGISTERED
\$30,000,000

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF BEDFORD, TEXAS,
COMBINATION TAX AND SURPLUS REVENUE
CERTIFICATE OF OBLIGATION,
SERIES 2015

Certificate Date: _____, 2015

Registered Owner: TEXAS WATER DEVELOPMENT BOARD

Principal Amount: THIRTY MILLION DOLLARS

The City of Bedford (hereinafter referred to as the "City"), a body politic and corporate and municipal corporation in the County of Tarrant, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated on February 1 in each of the years and in principal installments in accordance with the following schedule:

<u>YEAR</u>	<u>PRINCIPAL INSTALLMENTS</u>	<u>INTEREST RATE</u>
-------------	-----------------------------------	--------------------------

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

(or so much thereof as shall not have been redeemed prior to maturity) and to pay interest on the unpaid principal amount hereof from the date of the delivery to the initial purchaser at the per annum rate(s) of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 1 and August 1 of each year, commencing _____ 1, 20____, until maturity or prior redemption. Principal of this Certificate is payable at its Stated Maturity or on a redemption date to the registered owner hereof by The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the "Paying Agent/Registrar"), upon presentation and surrender, upon its presentation and surrender at its designated offices, initially in East Syracuse, New York, or, with respect to a successor paying agent/registrar, at the designated office of such successor (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Certificate whose name appears on the "Security

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Register” maintained by the Paying Agent/Registrar at the close of business on the “Record Date”, which is the fifteenth day of the month next preceding each interest payment date hereof and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/ Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Certificate shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

SECTION 10: Definitions. For purposes of this Ordinance and for clarity with respect to the issuance of the Certificates herein authorized, and the levy of taxes and appropriation of Net Revenues therefor, the following words or terms, whenever the same appears herein without qualifying language, are defined to mean as follows:

(a) The term “Certificates” shall mean the \$30,000,000 “City of Bedford, Texas, Combination Tax and Surplus Revenue Certificates of Obligation, Series 2015” authorized by this Ordinance.

(b) The term “Certificate Fund” shall mean the special Fund created and established under the provisions of Section 11 of this Ordinance.

(c) The term “Collection Date” shall mean, when reference is being made to the levy and collection of annual ad valorem taxes, the date the annual ad valorem taxes levied each year by the City become delinquent.

(d) The term “Debt Service Requirement” shall mean, as of any particular date of computation, with respect to any obligations and with respect to any period, the aggregate of the amounts to be paid or set aside by the City as of such date or in such period for the payment of the principal of, premium, if any, and interest (to the extent not capitalized) on such obligations; assuming, in the case of obligations without a fixed numerical rate, that such obligations bear interest at the maximum rate permitted by the terms thereof and further assuming in the case of obligations required to be redeemed or prepaid as to principal prior to Stated Maturity, the principal amounts thereof will be redeemed prior to Stated Maturity in accordance with the mandatory redemption provisions applicable thereto.

(e) The term “Fiscal Year” shall mean the twelve month accounting period used by the City in connection with the operation of the System which may be any twelve consecutive month period established by the City.

(f) The term “Government Securities” shall mean (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed

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or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other authorized securities or obligations that may be used to defease obligations such as the Certificates under the applicable laws of the State of Texas.

(g) The term "Gross Revenues" for any period shall mean all income, receipts and revenues of every nature derived or received from the operation and ownership (excluding refundable meter deposits, restricted gifts and grants in aid of construction) of the System, including earnings and income derived from the investment or deposit of moneys in any special funds or accounts created and established for the payment and security of the Prior Lien Obligations and other obligations payable solely from and secured only by a lien on and pledge of the Net Revenues of the System.

(h) The term "Maintenance and Operating Expenses" shall mean all current expenses of operating and maintaining the System as authorized by the provisions of Texas Government Code, Chapter 1502, as amended, including but not limited to, all salaries, labor, materials, repairs and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the judgment of the City Council, reasonably and fairly exercised, are necessary to maintain the operations and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair obligations payable from Net Revenues shall be deducted in determining Net Revenues. Depreciation charges shall not be considered Maintenance and Operating Expenses. Maintenance and Operating Expenses shall include payments under contracts for the purchase of water supply, treatment of sewage or other materials, goods or services for the System to the extent authorized by law and the provisions of such contract.

(i) The term "Net Revenues" for any period shall mean the Gross Revenues of the System, with respect to any period, after deducting the System's Maintenance and Operating Expenses during such period.

(j) The term "Outstanding" when used in this Ordinance with respect to Certificates means, as of the date of determination, all Certificates theretofore issued and delivered under this Ordinance, except:

(1) those Certificates cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Certificates for which payment has been duly provided by the City in accordance with the provisions of Section 21 hereof; and

(3) those Certificates that have been mutilated, destroyed, lost, or stolen and replacement Certificates have been registered and delivered in lieu thereof as provided in Section 20 hereof.

(k) The term "Prior Lien Obligations" shall mean (i) all revenue bonds or other obligations hereafter issued that are payable solely from and secured only by a lien on and

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pledge of the Net Revenues of the System and (ii) all obligations now outstanding and hereafter issued which by the terms of this Ordinance and the ordinances authorizing their issuance have a prior right and claim on the Net Revenues of the System to the claim and right securing the payment of the Certificates.

(l) The term "System" shall mean all properties, facilities and plants currently owned, operated and maintained by the City for the supply, treatment and transmission of treated potable water, and for the collection and treatment of waste water, together with all future extensions, improvements, replacements and additions thereto.

SECTION 11: Certificate Fund. For the purpose of paying the interest on and to provide a sinking fund for the payment, redemption and retirement of the Certificates, there shall be and is hereby created a special account on the books of the City to be designated the "SPECIAL SERIES 2015 TAX AND SURPLUS REVENUE CERTIFICATE OF OBLIGATION FUND", and all moneys deposited to the credit of such account shall be kept and maintained in a banking fund maintained at a depository of the City. The Mayor, Mayor Pro Tem, City Manager, Director of Administrative Services and City Secretary of the City, any two of said individuals, are hereby authorized and directed to make withdrawals from the Certificate Fund sufficient to pay the principal of and interest on the Certificates as the same become due and payable, and, shall cause to be transferred to the Paying Agent/Registrar from moneys on deposit in the Certificate Fund an amount sufficient to pay the amount of principal and/or interest falling due on the Certificates, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the last business day next preceding each interest and principal payment date for the Certificates.

Pending the transfer of funds to the Paying Agent/Registrar, money in the Certificate Fund may, at the option of the City, be invested in obligations identified in, and in accordance with the provisions of the "Public Funds Investment Act" (Texas Government Code, Chapter 2256, as amended) relating to the investment of "bond proceeds"; provided that all such investments shall be made in such a manner that the money required to be expended from said Fund will be available at the proper time or times. All interest and income derived from deposits and investments in said Certificate Fund shall be credited to, and any losses debited to, the said Certificate Fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Certificates.

SECTION 12: Tax Levy.

(a) To provide for the payment of the "Debt Service Requirements" on the Certificates being (i) the interest on said Certificates and (ii) a sinking fund for their redemption at maturity or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied a sufficient tax on each one hundred dollars' valuation of taxable property in said City, adequate to pay such Debt Service Requirements while the Certificates are Outstanding, full allowance being made for delinquencies and costs of collection; and said tax shall be assessed and collected each year and applied to the payment of the Debt Service Requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Certificate Fund. The City Council hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay the said Debt Service Requirements, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness.

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(b) Notwithstanding the provisions of paragraph (a) above of this Section 12:

(1) if Net Revenues of the System hereinafter pledged to the payment of the Certificates are actually on deposit in the Certificate Fund in advance of the time ad valorem taxes are scheduled to be levied for any year, then the amount of taxes otherwise required to be levied for such year pursuant to (a) above may be reduced to the extent and by the amount of the funds then on deposit in the Certificate Fund; or

(2) if the City's annual budget provides for the Net Revenues of the System to pay the Debt Service Requirements of the Certificates to become due and payable during the budget year and thereby reduce the amount of ad valorem taxes to be levied in such year for the Certificates, then:

(i) The City shall transfer and deposit in the Certificate Fund each month an amount of not less than 1/12th of the annual Debt Service Requirements on the Certificates until the amount accumulated and maintained in the Certificate Fund equals the amount required for the full payment of the Debt Service Requirements on the Certificates then Outstanding; and provided further, save and except for required payments to the special funds maintained for the payment of the Prior Lien Obligations, if issued, the City shall not transfer any Net Revenues from the System Fund to any fund of the City other than the Certificate Fund until such time as an amount equal to the annual Debt Service Requirements for the Certificates for the then current fiscal year has been deposited in the Certificate Fund; and

(ii) Each year while the Certificates are Outstanding, and prior to the time of the annual ad valorem tax rate is established and levied by the City, the City shall establish, adopt and maintain an annual budget that provides for either the monthly deposit of sufficient Net Revenues of the System and/or ad valorem tax revenues, the monthly deposit of any other legally available funds on hand at the time of the adoption of the annual budget, or a combination thereof, into the Certificate Fund for the payment of the Certificates.

(c) [The City has sufficient current funds available to pay the principal and interest payment to become due on the Certificates on _____ 1, 20___, and there will be deposited in the Certificate Fund (created for the payment of the Certificates) such amount of current funds which will be sufficient to pay the amounts to become due on the Certificates on _____ 1, 20___.]

SECTION 13: Pledge of Surplus Net Revenues. The City hereby covenants and agrees that, subject to the prior lien on and pledge of the Net Revenues of the System to the payment and security of Prior Lien Obligations, the Net Revenues of the System are hereby irrevocably pledged, equally and ratably, to the payment of the principal of and interest on the Certificates, and the pledge of the Net Revenues of the System herein made for the payment of the Certificates shall constitute a lien on the Net Revenues of the System in accordance with the terms and provisions hereof and be valid and binding and fully perfected from and after the date of adoption of this Ordinance without physical delivery or transfer or transfer of control of the Net

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Revenues, the filing of this Ordinance or any other act; all as provided in Texas Government Code, Chapter 1208, as amended (“Chapter 1208”). The pledge of the Net Revenues of the System to the payment of the principal of and interest on the Certificates is subordinate to the pledge of the Net Revenues of the System to the payment and security of all Prior Lien Obligations issued by the City.

Chapter 1208 applies to the issuance of the Certificates and the pledge of the Net Revenues of the System granted by the City under this Section 13, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Certificates are Outstanding such that the pledge of the Net Revenues of the System granted by the City under this Section 13 is to be subject to the filing requirements of Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business and Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 14: System Fund. The City covenants and agrees that all Gross Revenues (excluding earnings from the investment of money held in any special funds or accounts created for the payment and security of the Prior Lien Obligations) shall be deposited as collected into a fund maintained at an official depository of the City and known on the books of the City as the “City of Bedford Waterworks and Sanitary Sewer System Fund” (hereinafter called the “System Fund”). All moneys deposited to the credit of the System Fund shall be allocated, dedicated and disbursed to the extent required for the following purposes and in the order of priority shown, to wit:

- First:** To the payment of all necessary and reasonable Maintenance and Operating Expenses of the System as defined herein or required by statute to be a first charge on and claim against the Gross Revenues thereof.
- Second:** To the payment of all amounts required to be deposited in the special Funds created and established for the payment, security and benefit of Prior Lien Obligations in accordance with the terms and provisions of the ordinances authorizing the issuance of Prior Lien Obligations.
- Third:** To the payment of the amounts then due on and pledged to the payment of the “City of Bedford, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2012” and the Certificates.

Any Net Revenues remaining in the System Fund after satisfying the foregoing payments, or making adequate and sufficient provision for the payment thereof, may be appropriated and used for any other City purpose now or hereafter permitted by law.

SECTION 15: Deposits to Certificate Fund. Subject to the provisions of Section 13 hereof, the City hereby covenants and agrees to cause to be deposited in the Certificate Fund from the pledged Net Revenues of the System in the System Fund, the amount of Net Revenues of the System pledged to the payment of the Certificates.

The City covenants and agrees that the pledged Net Revenues of the System, together with other lawfully available revenues appropriated by the City for payment of the debt service

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requirements on the Certificates and ad valorem taxes levied, collected and deposited in the Certificate Fund for and on behalf of the Certificates, will be an amount equal to one hundred percent (100%) of the amount required to fully pay the interest and principal due and payable on the Certificates. In addition, any surplus proceeds from the sale of the Certificates not expended for authorized purposes shall be deposited in the Certificate Fund, and such amounts so deposited shall reduce the sums otherwise required to be deposited in said Fund from ad valorem taxes and the Net Revenues of the System.

SECTION 16: Security of Funds. All moneys on deposit in the Funds for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested) shall be secured in the manner and to the fullest extent required by the laws of Texas for the security of public funds, including the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended, and the Public Funds Collateral Act, Texas Government Code, Chapter 2257, as amended, and moneys on deposit in such Funds shall be used only for the purposes permitted by this Ordinance.

SECTION 17: Special Covenants. The City hereby further covenants as follows:

(a) It has the lawful power to pledge the Net Revenues of the System to the payment of the Certificates in the manner herein contemplated and has lawfully exercised such power under the Constitution and laws of the State of Texas, including said power existing under Texas Government Code, Chapter 1502, as amended, and Subchapter C of Chapter 271 of the Texas Local Government Code.

(b) Other than for the payment of the Certificates and the "City of Bedford, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2012," the Net Revenues of the System have not in any manner been pledged to the payment of any debt or obligation of the City or of the System.

SECTION 18: Issuance of Prior Lien Obligations/Additional Obligations. The City hereby expressly reserves the right to hereafter issue Prior Lien Obligations, without limitation as to principal amount but subject to any terms, conditions or restrictions applicable thereto under law or otherwise, payable, in whole or in part, from the Net Revenues (without impairment of the obligation of contract with the Holders of the Certificates) upon such terms and conditions as the City Council may determine. Additionally, the City reserves the right to issue additional obligations payable, in whole or in part, from the Net Revenues of the System and, to the extent provided, secured by a lien on and pledge of the Net Revenues of equal rank and dignity with the lien and pledge securing the payment of the Certificates.

SECTION 19: Application of Prior Lien Obligations Covenants and Agreements. It is the intention of this governing body and accordingly hereby recognized and stipulated that the provisions, agreements and covenants contained herein bearing upon the management and operations of the System, and the administering and application of revenues derived from the operation thereof, shall to the extent possible be harmonized with like provisions, agreements and covenants contained in the ordinances authorizing the issuance of the Prior Lien Obligations, and to the extent of any irreconcilable conflict between the provisions contained herein and in the ordinances authorizing the issuance of the Prior Lien Obligations, the provisions, agreements and covenants contained therein shall prevail to the extent of such conflict and be applicable to this Ordinance but in all respects subject to the priority of rights and benefits, if any, conferred thereby to the holders of the Prior Lien Obligations.

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SECTION 20: Mutilated - Destroyed - Lost and Stolen Certificates. In case any Certificate shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Certificate of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Certificate, or in lieu of and in substitution for such destroyed, lost or stolen Certificate, only upon the approval of the City and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Certificate, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Certificate shall be borne by the Holder of the Certificate mutilated, or destroyed, lost or stolen.

Every replacement Certificate issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Certificates; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Certificates. The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Certificates.

SECTION 21: Satisfaction of Obligation of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Certificates, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied and the lien on and pledge of the Net Revenues of the System under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate and be discharged and satisfied.

Certificates or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Certificates or the principal amount(s) thereof at maturity or the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Certificates, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/ Registrar have been made) the redemption date thereof. The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Certificates to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Certificates, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the City or deposited as directed by

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the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Certificates and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Certificates such moneys were deposited and are held in trust to pay shall upon the request of the City be remitted to the City against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

SECTION 22: Ordinance a Contract - Amendments. This Ordinance shall constitute a contract with the Holders of the Certificates from time to time, be binding on the City, and shall not be amended or repealed by the City while any Certificates remain Outstanding except as permitted in this Section and in Section 38 hereof. The City, may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders of the Certificates, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the written consent of Holders holding a majority in aggregate principal amount of the Certificates then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Certificates, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Certificates, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Certificates, (2) give any preference to any Certificate over any other Certificate, or (3) reduce the aggregate principal amount of Certificates required to be held by Holders for consent to any such amendment, addition, or rescission.

SECTION 23: Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following meanings:

“*Closing Date*” means the date on which the Certificates are first authenticated and delivered to the initial purchaser against payment therefor.

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

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

“*Gross Proceeds*” means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Certificates.

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

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

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

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

“Yield” of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Certificates has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which, if made or omitted, respectively, would cause interest on (1) any Certificate issued hereunder or (2) any series of bonds or obligations issued or incurred by the Board or the Texas Water Resources Finance Authority to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Certificate, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Certificates:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Certificates, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

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

(d) No Private Loan. Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Certificates to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt

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for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Certificates directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Certificates.

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

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

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

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

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

(3) As additional consideration for the purchase of the Certificates by the Purchaser and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States out of the Certificate Account or its general fund, as permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Certificates equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent

PART E.71a

(90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

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

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

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Director of Administrative Services and City Secretary, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Certificates, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

SECTION 24: Confirmation of Sale. The sale of the Certificates to the Texas Water Development Board (the "Purchasers" or the "Board") at the price of par, less an origination fee of _____% calculated pursuant to Board rules, which shall be paid via wire transfer at no expense to the Board, pursuant to a loan commitment received from the Purchasers is hereby confirmed. Delivery of said Certificates shall be made to said Purchasers as soon as may be after the adoption of this Ordinance, upon payment therefor in accordance with the terms of sale, which terms the City has determined and does determine to be in the City's best interests.

SECTION 25: Compliance with State Water Implementation Fund for Texas Rules. In compliance with the State Water Implementation Fund for Texas Permanent Rules of the Board, the City agrees and covenants:

[text to be completed upon receipt of Texas Water Board approving resolution and commitment]

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SECTION 26: Proceeds of Sale. Immediately following the delivery of the Certificates to the Purchasers, the proceeds of sale (less amounts to pay costs of issuance) shall be deposited in an account to be maintained at The Bank of New York Mellon Trust Company, N.A., Dallas Texas (the "Escrow Agent") and held in escrow pending written authorization to release said moneys. An "Escrow Agreement" by and between the City and the Escrow Agent providing for the deposit, safekeeping and administration of such funds pending their release from escrow is attached hereto as **Exhibit B** and incorporated herein by reference as a part of this Ordinance for all purposes, and such Escrow Agreement is hereby approved as to form and content. The Mayor and Mayor Pro Tem and City Secretary of the City are hereby authorized and directed to execute such Agreement for and on behalf of the City and as the act and deed of the City Council.

Upon the release of funds from such escrow account maintained pursuant to the "Escrow Agreement", the released amount shall be deposited to the credit of the Construction Fund. Pending expenditure for authorized projects and purposes, the amounts deposited to the credit of the Construction Fund may be invested in accordance with laws of the State and investment policies and guidelines of the City for such type funds, and any investment earnings realized may be expended for such authorized projects and purposes or deposited in the Certificate Fund as shall be determined by the City Council. All surplus proceeds of sale of the Certificates, including investment earnings, remaining in the Construction Fund after completion of all authorized projects or purposes and after satisfying the requirements of Section 25 hereof shall be deposited to the credit of the Certificate Fund.

SECTION 27: Control and Custody of Certificates. The Mayor of the City shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Certificates, and shall take and have charge and control of the Initial Certificate(s) pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

SECTION 28: Notices to Holders - Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first class postage prepaid, to the address of each Holder as it appears in the Security Register.

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

SECTION 29: Cancellation. All Certificates surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Certificates previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Certificates so delivered shall be promptly

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cancelled by the Paying Agent/Registrar. All cancelled Certificates held by the Paying Agent/Registrar shall be returned to the City.

SECTION 30: Bond Counsel's Opinion. The Purchasers' obligation to accept delivery of the Certificates is subject to being furnished a final opinion of Norton Rose Fulbright US LLP, Dallas, Texas, approving the Certificates as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Certificates. An executed counterpart of said opinion shall accompany the global certificates deposited with DTC.

SECTION 31: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Certificates shall be of no significance or effect as regards the legality thereof and neither the City nor attorneys approving the Certificates as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Certificates.

SECTION 32: Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, and this Ordinance and all its provisions is intended to be and shall be for the sole and exclusive benefit of the City, the Paying Agent/Registrar and the Holders.

SECTION 33: Inconsistent Provisions. Except as provided in Section 19 hereof, all ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

SECTION 34: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 35: Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 36: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 37: Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 38: Continuing Disclosure Undertaking.

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

"MSRB" means the Municipal Securities Rulemaking Board.

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

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“SEC” means the United States Securities and Exchange Commission.

(b) Annual Reports. The City shall provide annually to the MSRB (1) within 12 months after the end of each fiscal year, beginning in or after 2015, audited financial statements of the City, and (2) if audited financial statements are not available by the required time, the City will provide unaudited financial statements by the required time, and audited financial statements when and if such audited statements become available. Any financial statements so provided shall be prepared in accordance with the generally accepted accounting principles as applicable to governmental units as prescribed by the Government Accounting Standards Board, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided.

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

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB’s Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The City shall provide notice of any of the following events with respect to the Certificates to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;
7. Modifications to rights of holders of the Certificates, if material;
8. Certificate calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Certificates, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

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14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For these purposes, any event described in the immediately preceding subsection (c)12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such Section.

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section while, but only while, the City remains an “obligated person” with respect to the Certificates within the meaning of the Rule, except that the City in any event will give the notice required by subsection (c) hereof of any Certificate calls and defeasance that cause the City to be no longer such an “obligated person.”

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

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

No default by the City in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

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

Notwithstanding anything herein to the contrary, the provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Certificates. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent underwriters of the initial public offering of the Certificates from lawfully purchasing or selling Certificates in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided pursuant to subsection (b) hereof an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 39: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Director of Administrative Services and City Secretary are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance, sale and delivery of the Certificates. In addition, prior to the delivery of the Certificates, the Mayor, Mayor Pro Tem, City Manager, Director of Administrative Services and City Secretary or Bond Counsel to the City are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance: (i) in order to cure any ambiguity, formal defect, or omission in this Ordinance or such other document, or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Certificates by the Attorney General. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 40: Incorporation of Findings and Determinations. The findings and determinations of the City Council contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 41: Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time,

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place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 42: Effective Date. This Ordinance shall take effect and be in full force immediately from and after its adoption on the date hereof in accordance with the provisions of Texas Government Code, Section 1201.028, as amended.

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PASSED AND ADOPTED, this _____, 2015.

CITY OF BEDFORD, TEXAS

Mayor

ATTEST:

City Secretary

(City Seal)

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EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

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EXHIBIT B

ESCROW AGREEMENT

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PRIVATE PLACEMENT MEMORANDUM DATED [REDACTED], 2015

NEW ISSUE BOOK-ENTRY-ONLY

On the date of initial delivery of the Obligations (defined below), Bond Counsel (defined on page 2) will render its opinion substantially in the form attached in APPENDIX C - FORM OF OPINION OF BOND COUNSEL.

\$30,000,000
CITY OF BEDFORD, TEXAS
COMBINATION TAX AND SURPLUS REVENUE
CERTIFICATES OF OBLIGATION, SERIES 2015 (the "Obligations")

Dated: [REDACTED], 2015

Due: August 1

Interest Date: Interest on the Obligations will be payable on February 1 and August 1 each year, commencing February 1, 2016 (each an "Interest Payment Date"). The Obligations will bear interest at the rates per annum set forth in "APPENDIX A - MATURITY SCHEDULE."

Record Date: The close of business on the last business day of the calendar month immediately preceding the applicable Interest Payment Date, commencing February 1, 2016.

Date Interest Accrues: Each Obligation shall bear interest from the Delivery Date thereof or the most recent Interest Payment Date to which interest has been paid or provided for at the rate set forth, such interest payable semiannually on August 1 and February 1 of each year until the earliest of maturity or prior redemption, commencing on February 1, 2016.

Redemption: The Obligations are subject to redemption prior to maturity as provided herein. See "THE OBLIGATIONS - Redemption Provisions" herein.

Authorized Denominations: The Obligations are being issued as fully registered obligations in denominations of \$5,000, or any integral multiple thereof.

Paying Agent/Registrar/Registrar: The paying agent ("Paying Agent/Registrar/Registrar") for the Obligations is The Bank of New York Mellon Trust Company, N.A., Dallas, Texas.

Book-Entry-Only System Upon initial issuance, the ownership of the Obligations will be registered in the registration books of the Issuer kept by the Paying Agent/Registrar, in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") to which principal, redemption premium, if any, and interest payments on the Obligations will be made. The purchasers of the Obligations will not receive physical delivery of bond certificates. Principal of, interest, and premium if any, on the Obligations will be payable at the designated office of the Paying Agent/Registrar in Dallas, Texas as the same become due and payable.

Issuer: CITY OF BEDFORD, TEXAS

Official Action: ORDINANCE dated [REDACTED], 2015.

Purpose: See "APPENDIX B - OFFICIAL ACTION."

Security for the Obligations: See "APPENDIX B - OFFICIAL ACTION."

Ratings: See "OTHER INFORMATION - Ratings"

Delivery Date: _____, 2015.

See "APPENDIX A - MATURITY SCHEDULE" for Principal Amounts, Maturities, Interest Rates, Prices or Yields, and CUSIP Numbers

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CITY OF BEDFORD, TEXAS

ELECTED OFFICIALS

<u>City Council</u>	<u>Length of Service</u>	<u>Term Expires</u>	<u>Occupation</u>
Jim Griffin Mayor	11 Years	May, 2018	Senior Consultant
Rusty Sartor Councilmember Place 1	Newly Elected	May, 2018	General Manager, Automotive Industry
Dave Gebhart Councilmember Place 2	Newly Elected	May, 2018	Software Developer
Ray Champney Councilmember Place 3	6 Years	May, 2016	Marketing
Steve Farco Councilmember Place 4	1 Year	May, 2017	President, Building/Dwelling Services
Roy Turner Councilmember Place 5	8 Years	May, 2016	Physician
Roger Fisher Councilmember Place 6	1 Year	May, 2017	President, Service Industry

SELECTED ADMINISTRATIVE STAFF

<u>Name</u>	<u>Position</u>	<u>Length of Service with City</u>	<u>Length of Government Service</u>
Roger Gibson	Interim City Manager	31 Years	35 Years
Clifford Blackwell	Director of Administrative Services	5 Years	19 Years
Michael Wells	City Secretary	8 Years	14 Years
Stan Lowry	City Attorney	20 Years	25 Years

INDEPENDENT AUDITORS, CONSULTANTS AND ADVISORS

Certified Public Accountants	BKD, L.L.P. Dallas, Texas
Bond Counsel	Norton Rose Fulbright US LLP Dallas, Texas
Financial Advisor.....	First Southwest Company, LLC Fort Worth, Texas

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Private Placement Memorandum relating to

\$30,000,000

CITY OF BEDFORD, TEXAS COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2015 (the "Obligations")

INTRODUCTION

This Private Placement Memorandum, including the cover page and appendices, contains brief descriptions of the Issuer, provides certain information with respect to the issuance by the Issuer, and summaries of certain provisions of the "Obligations" pursuant to the Official Action. Except as otherwise set forth herein, capitalized terms used but not defined in this Private Placement Memorandum have the meanings assigned to them in the Official Action. See "APPENDIX B – "FORM OF OFFICIAL ACTION" attached hereto.

APPENDIX A contains the maturity schedule for the Obligations. APPENDIX B contains the Official Action and a description of the purpose for the proceeds of the Obligations. APPENDIX C contains a copy of the proposed opinion of Bond Counsel with respect to the Obligations. The summaries of the documents contained in the forepart of this Private Placement Memorandum are not complete or definitive, and every statement made in this Private Placement Memorandum concerning any provision of any document is qualified by reference to such document in its entirety.

THE OBLIGATIONS

General Description

The Obligations are being issued in the aggregate principal amount set forth in APPENDIX A of this Private Placement Memorandum and will mature and be subject to redemption prior to maturity as described therein. The Obligations are being issued as fully registered bonds in denominations of \$5,000, or any integral multiple thereof. The Obligations will be dated [REDACTED], 2015 and will mature on the dates referenced thereon, and will bear interest at the rates per annum set forth in "APPENDIX A - MATURITY SCHEDULE."

Interest on the Obligations is payable semiannually on each Interest Payment Date, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. Principal of and the redemption price with respect to the Obligations will be payable to the Owners upon presentation and surrender at the principal office of the Paying Agent/Registrar; provided, however, that so long as Cede & Co. (or other DTC nominee) is the registered owner of the Obligations, all payments will be made as described under "THE OBLIGATIONS - Book-Entry-Only System" herein.

Purpose

See "APPENDIX B - FORM OF OFFICIAL ACTION."

Authority for Issuance

The Obligations are issued pursuant to Chapter 271, Subchapter C, Texas Local Government Code, and the Official Action adopted by the Issuer.

Security for the Obligations

See "APPENDIX B - FORM OF OFFICIAL ACTION."

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Redemption Provisions

On August 1, 2026, or on any date thereafter, the Obligations maturing on and after February 1, 2025 may be redeemed prior to their scheduled maturities, upon the written direction of the Issuer, with funds provided by the Issuer, at par plus accrued interest to the date fixed for redemption as a whole, or in part in inverse order of maturity, and if less than all of a maturity is to be redeemed the Paying Agent/Registrar will determine by lot the Obligations, or portions thereof within such maturity to be redeemed (provided that a portion of a Bond may be redeemed only in Authorized Denominations).

Notice of Redemption; Selection of Obligations to Be Redeemed

See "APPENDIX B - FORM OF OFFICIAL ACTION."

The Paying Agent/Registrar, so long as a Book-Entry-Only System is used for the Bonds, will send any notice of redemption of the Bonds, notice of proposed amendment to the Order or other notices with respect to the Bonds only to DTC. Any failure by DTC to advise any DTC participant, or of any DTC participant or indirect participant to notify the beneficial owner, shall not affect the validity of the redemption of the Bonds called for redemption or any other action premised on any such notice. Redemption of portions of the Bonds by the Issuer will reduce the outstanding principal amount of such Bonds held by DTC.

Book-Entry-Only System

The information in this caption concerning The Depository Trust Company, New York, New York ("DTC") and DTC's book entry system has been obtained from DTC and the Issuer makes no representation or warranty nor takes any responsibility for the accuracy or completeness of such information.

DTC will act as securities depository for the Obligations. The Obligations will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Obligations and deposited with DTC. See APPENDIX B - "FORM OF OFFICIAL ACTION."

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument (from over 100 countries) that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions, in deposited securities, through electronic computerized book entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearance Corporation, and Fixed Income Clearance Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's a rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Obligations under the DTC system must be made by or through Direct Participants, which will receive a credit for the Obligations on DTC's records. The ownership interest of each actual purchaser of each Obligation ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction.

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Transfers of ownership interests in the Obligations are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive Obligations representing their ownership interests in Obligations, except in the event that use of the book-entry system for the Obligations is discontinued.

To facilitate subsequent transfers, all Obligations deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Obligations with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Obligations; DTC's records reflect only the identity of the Direct Participants to whose accounts such Obligations are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Obligations within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Obligations unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Obligations are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Obligations will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Obligations held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. All payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) are the responsibility of the Issuer or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Obligations at any time by giving reasonable notice to the Issuer or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Obligations are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Obligations will be printed and delivered to DTC.

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TAX MATTERS

Opinion

Bond Counsel will deliver its opinion on the date of delivery of the Obligations substantially in the form as attached in "APPENDIX C - FORM OF OPINION OF BOND COUNSEL."

OTHER INFORMATION

Forward Looking Statements

The statements contained in this Private Placement Memorandum, including the cover page, appendices, and any other information or documents provided by the Issuer, that are not purely historical, are forward-looking statements, including statements regarding the Issuer's expectations, hopes, intentions, or strategies regarding the future. Holders and beneficial owners of the Obligations have placed reliance on forward-looking statements. All forward looking statements included in this Private Placement Memorandum are based on information available to the Issuer on the date hereof. It is important to note that the Issuer's actual results could differ materially from those in such forward-looking statements.

Ratings

The existing outstanding general obligation debt of the City is rated "AA" by Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business. An explanation of the significance of such rating may be obtained from the company furnishing the rating. The rating reflects only the respective view of such organization and the City makes no representation as to the appropriateness of the rating. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating company, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Obligations. **No application has been made to any ratings agency or municipal bond insurance company for qualification of the Obligations for ratings or municipal bond insurance, respectively.**

LITIGATION

General

On the date of delivery of the Obligations to the initial purchasers thereof, the Issuer will execute and deliver a certificate to the effect that, except as disclosed herein, no litigation of any nature has been filed or is pending, as of that date, to restrain or enjoin the issuance or delivery of the Obligations or which would affect the provisions made for their payment or security or in any manner questioning the validity of the Obligations.

The Issuer

There is no litigation, proceeding, inquiry, or investigation pending by or before any court or other governmental authority or entity (or, to the best knowledge of the Issuer, threatened) that adversely affects the power, authority or obligation of the Issuer to deliver the Obligations, the security for, or the validity of, the Obligations or the financial condition of the Issuer.

CONTINUING DISCLOSURE OF INFORMATION

In the Official Action, the Issuer has made a continuing disclosure agreement for the benefit of the holders and beneficial owners of the Obligations. The Issuer is required to observe the agreement for so long as it remains obligated to advance funds to pay the Obligations. Under the agreement, the Issuer will be obligated to provide certain updated financial information and operating data, and timely notice of certain specified events, to the Municipal Securities Rulemaking Board as further described in the Official Action attached hereto as Appendix B.

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Compliance with Prior Undertakings

During the last five years, the Issuer has complied in all material respects with its continuing disclosure agreements entered into in accordance with the Rule.

MISCELLANEOUS

Any statements made in this Private Placement Memorandum involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Private Placement Memorandum nor any statement that may have been made verbally or in writing is to be construed as a contract with the owners of the Obligations.

The information contained above is neither guaranteed as to accuracy or completeness nor to be construed as a representation by the Issuer. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Private Placement Memorandum nor any sale made hereunder is to create, under any circumstances, any implication that there has been no change in the affairs of the Issuer or the Issuer from the date hereof.

The Private Placement Memorandum is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, as a whole or in part, for any other purpose.

ADDITIONAL INFORMATION

The Private Placement Memorandum speaks only as of its date and the information contained herein is subject to change. Descriptions of the Obligations and the Official Action and any other agreements and documents contained herein constitute summaries of certain provisions thereof and do not purport to be complete.

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APPENDIX A

MATURITY SCHEDULE*

CUSIP Prefix ⁽¹⁾: 076465

<u>Principal Amount</u>	<u>Maturity 1-Aug</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP Suffix ⁽¹⁾</u>	<u>Principal Amount</u>	<u>Maturity 1-Aug</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP Suffix ⁽¹⁾</u>
\$ 500,000	2016				\$ 990,000	2031			
680,000	2017				1,020,000	2032			
700,000	2018				1,045,000	2033			
715,000	2019				1,075,000	2034			
735,000	2020				1,105,000	2035			
755,000	2021				1,135,000	2036			
775,000	2022				1,165,000	2037			
800,000	2023				1,200,000	2038			
820,000	2024				1,230,000	2039			
845,000	2025				1,265,000	2040			
865,000	2026				1,300,000	2041			
890,000	2027				1,335,000	2042			
915,000	2028				1,375,000	2043			
940,000	2029				1,410,000	2044			
965,000	2030				1,450,000	2045			

- (1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data is provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. Neither the Issuer nor the Financial Advisor take any responsibility for the accuracy of CUSIP numbers.

* Preliminary, subject to change.

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APPENDIX B

FORM OF OFFICIAL ACTION

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APPENDIX C

FORM OF OPINION OF BOND COUNSEL



CITY OF BEDFORD

Discover the Center

Financial Assistance Application to the
Texas Water Development Board
June 5, 2015

Attachment I Summary of Attachments



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Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part I: Summary of attachments to application

Following is a list of the documents that may be necessary in order to process this application. While not all of the listed information below may be required for all projects, an applicant should review the application carefully because incomplete applications will not be processed until all of this information has been provided. In addition, please make sure your entity system name appears on every attachment. **Label each attachment with the number of the pertinent application section (i.e. "Part B5").**

Check list for your convenience

Part A

- No. 6
- No. 12

General Information

Draft or executed consulting contracts (engineering, financial advisor, bond counsel)
Existing security document for refinancing – N/A

Part B

- No. 17
- No. 18
- No. 19
- No. 20

Legal

Resolution (TWDB-0201A)
Application Affidavit (TWDB-0201)
Certificate of Secretary (TWDB-201B)
Water Supply Corporations – N/A

- Articles of Incorporation
- Certificate of incorporation from the Texas Secretary of State
- By-laws and any amendments
- Certificate of status from the Texas Secretary of State
- Certificate of account status from Texas Comptroller

- No. 21
- No. 22
- No. 23
- No. 24
- No. 25
- No. 26

Resolution/ordinance authorizing the issuance of parity debt N/A
Certificate of Convenience & Necessity
Enforcement Actions - N/A
Affidavit of No Objection – N/A
Two copies of the Water Conservation Plan (TWDB-1968 and TWDB-1965)
Water use surveys

- No. 27

Water Loss Audit – N/A
<http://www.twdb.texas.gov/waterplanning/waterusesurvey/index.asp>
<http://www.twdb.texas.gov/conservation/resources/waterloss-resources.asp>

Part C

- No. 39
- No. 40
- No. 45
- No. 46
- No. 47
- No. 49
- No. 52

Financial

Assessed Values by Classifications
Direct and Overlapping Tax Table
Proforma for each year of debt outstanding
Five year comparative system operating statement.
Annual audit and management letter
Outstanding debt schedule
Service provider contracts - N/A

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part D

Project Information

- No. 54a Preliminary Engineering Feasibility Data (PEFD)
- No. 54b Engineering Feasibility Report
 - Water (TWDB-0555) (Please see Separate EFR document)
 - Wastewater (TWDB-0556)
- No. 54c Project Draw Schedule (TWDB-1202)
- No. 56 Project Map (Please see maps in EFR)
- No. 57 Census Tract(s)
- No. 59 Current and future populations and projected water use or wastewater flows
- No. 60 Project Cost Estimate Budget (TWDB-1201) (See EFR document)
- No. 61 Wastewater Project Information Form (WRD-253a)
Water Project Information Form (WRD-253d)
- No. 62 Texas Pollution Discharge Elimination System Permit
- No. 63 If applicant has property rights and permits
 - a. WRD-208A (Surface Water)
 - b. WRD-208B (Groundwater)
- No. 63c Additional Permits
- No. 64 Site certificate, evidencing land ownership for the project. (ED-101)
- No. 65 Categorical Exclusion (CE), Finding of No Significant Impact (FONSI), Record of Decision or any other supporting document
- No. 67 Social or environmental issues

Part E

State Water Implementation Fund for Texas

- No. 69 Multi-year/phased commitment schedule
- No. 71a Draft Bond Ordinance
- No. 71b Private Placement Memorandum

Part F

Economically Distressed Areas Program – N/A

- No. 73 Resolution/ordinance establishing a mandatory hookup policy
- No. 74 EDAP applicants
 - Inadequacy documentation
 - Financial resources documentation
 - Existence of residences prior to 06/01/2005
- No. 75 Public health nuisance
- No. 76 Plats
- No. 77 EDAP Planning Phase – Facility Engineering Plan/Scope of Services (WRD-023A)

Part G

CWSRF/DWSRF Applicants Only – N/A

- No. 82 Lobbying Activities (WRD-213)
- No. 83 Certification Regarding Debarment, Suspension and Other Responsibility Requirements. (SRF-404)
- No. 84 Assurances – Construction Programs (EPA-424D)
Disadvantaged Business Requirements Guidance (TWDB-0210)
- No. 86 Affirmative Steps Certification and Goals (TWDB-0215)
- No. 87 Affirmative Steps Solicitation Report (TWDB-216)
- No. 88 Loan/ Grant Participation Summary (TWDB-0373)
- No. 89 Prime Contractor Affirmative Steps Certification and Goals (TWDB-217)
- No. 90 Designated Management Agency (WRD-210)

Part H

Green Projects – N/A

- No. 93 Guidance (TWDB-0161)
CWSRF Green Project Worksheets (TWDB-0162)
DWSRF Green Project Worksheets (TWDB-0163)

Part J: Guidance and Forms

Part A

General Information

CWSRF – 31 TAC 375

DWSRF – 31 TAC 371

EDAP and SWIFT - 31 TAC 363

For more information visit, <http://www.twdb.texas.gov/about/rules/index.asp>.

Part D

Project Information

[State Programs - 31 TAC 363](#)

[Drinking Water State Revolving Fund - 31 TAC 371](#)

[Clean Water State Revolving Fund / Equivalency - 31 TAC 375](#)

[Clean Water State Revolving Fund / Non-Equivalency - 31 TAC 375](#)

Guidelines for Environmental Assessment, Clean Water Non-Equivalency (ED-001A)

Clean Water EID Instructions (SRF-099)

Guidelines for Environmental Assessment, State Participation, DFund, RWAF and WIF,
(ED-001B)

Guidelines for Environmental Assessment, EDAP (ED-001C)

Drinking Water EID Instructions (DW-001)

Part H

Green Projects and Project Components

Green Project Reserve: Guidance for determining project eligibility
(TWDB-0161)



ENGINEERING FEASIBILITY REPORT

**Prepared for the City of Bedford, Texas
Water Distribution System Conservation Program**

Prepared by King Engineering

1250 Capital of Texas Highway South

Building 3, Suite 400

Austin TX 78746

(512) 329-2179

King
ENGINEERING ASSOCIATES, INC.

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- Cost of Project
- Appendix A - Age and Break Map
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Background

The City of Bedford's water distribution system consists of approximately 165 miles of 8"-inch to 12"-inch water distribution piping. Approximately 90% of the distribution system is made up of old cast iron pipe or asbestos cement pipe all of which is more than 60 years old. These older pipes are proving problematic in that the city is experiencing more and more leaks and pipe breakages.

Also, the city is in the process of introducing a second, higher-pressure zone. It is well recognized that with higher pressures, the leakage problem will be further exacerbated. Current water audits show the City of Bedford's unaccounted for water loss is at an acceptable level (+/-10%). Evidence exists that the lost water amount will continue to grow. A snapshot evaluation of January 2015 water loss showed this unaccounted for water loss growing to exceed 11.5%. We estimated that "unaccounted for" water in the City of Bedford water distribution system would reach 20% by the year 2020 and remain at this level through 2060. We felt this was a highly conservative estimate given we are already at 11.5% and pipe breaks in the system, because of general pipe age and poor pipe materials, are increasing at a significant rate.

Mr. Thomas Hoover, the Public Works Director, reported that the water distribution system is in dire need of repair. Mr. Hoover reported that the water distribution is experiencing an increasing number of breaks, which of course are a major cause of lost water. The water distribution system map found in the appendix has been color coded showing the number of breaks by year and pipe age. This break history is very troubling. The break history is tabulated below.

YEAR	NUMBER OF BREAKS
2010	27
2011	34
2012	49
2013	55
2014	51

Bedford feels that if the water distribution is not addressed with a major replacement program, that the 20% level of water loss would be quickly achieved, easily by 2020, and likely exceeded. The city in fact feels that this 20% water loss estimate may be conservative.

The city's intention is to replace, in like size, 150 miles of existing water distribution main over the next 10 years. The City does not expect the need to acquire any easements. The permitting will be very simple, given that almost all of the mains are in public streets or previously dedicated easements.

The city is also interested in upgrading their outdated water meters with new state-of-the-art Automatic Meter Readers (AMR). A large percentage of the city's water meters read inaccurately, based upon a significant sample survey. By improving meter accuracy, this

will send an important price signal to consumers and further curb water usage. Further, in the event of water pipe breakage on the customer side, the AMR system can alert the city and ultimately the customer, to expedite repairs and curtail water loss. We attach an exhibit which shows the results of an in depth study of the City's water meters, demonstrating water metering error from 3% to 13%. Some meters may register higher and some meters may register lower so it is uncertain what total effect accurate meters may have on the amount of "unaccounted for" water. But what is undeniable, with the ability to quickly monitor and respond to unusual water usage on the customer side (pipe break inside the house, leaking toilet, etc.), AMR will have a positive conservation benefit that would be in addition to the benefit of repairing the leaking mains in the distribution system.

Description of the Existing System Along with Problem(s)

Bedford is located in northeastern Tarrant County and has a population of about 50,000. The city's water supply is groundwater (Trinity aquifer) and treated water from the Trinity River Authority (TRA), which gets raw water from Tarrant Regional Water District.

Pump Stations

The City currently operates one pump station. At the time of this analysis, a new pump station was being constructed at the Carousel EST site at the intersection of Berwick Lane and Simpson Terrace. This pump station will act as a booster station and provide pressure to the Northwest Pressure Plane. The firm capacity of this station is 1,900 gpm and the total capacity is 2,900 gpm. The existing pump station is located at the Stonegate well site near the intersection of Martha Drive and Bedford Road. This pump station pumps from a 275,000 gallon GST directly into the distribution system. The firm capacity of this station is 500 gpm and the total capacity is 1,000 gpm.

Elevated Storage Tanks

The City of Bedford currently has a total of five million gallons of elevated storage capacity in three elevated storage tanks (estimated). The tanks are owned by the City of Bedford, but TRA monitors the levels in the tanks since they control the pump stations for the City. Station Tower is a 2 million gallon EST located at the intersection of Somerset Terrace and Bedford Road in the southwest part of the City. Carousel EST has a capacity of 1 million gallons and is located at Berwick Lane and Simpson Terrace in the northwest part of the City. Cummings EST has a capacity of 2 million gallons and is located on Cummings Drive between Ashford Drive and Andover Drive. Cummings serves the northeast part of the City with elevated storage.

Ground Storage Tanks

The City has a 275,000 gallon storage tank located at the Stonegate well site and pump station. This tank serves as a storage for treated water pumped out of the well. An

additional 20 million gallons in four, five-million gallon tanks is available at the TRA's Murphy Pump Station located at the intersection of Murphy Drive and Live Oak Lane.

Existing water source(s)

Water is supplied to the City of Bedford from the Trinity River Authority (TRA). Water is pumped directly into the system from the TRA's Tarrant County Water Supply Project treatment plant located in Euless, TX. A 20-inch pipeline delivers water from the treatment plant to the City water system at the intersection of Pipeline Road and Central Drive. A 60-inch and 42-inch water line from the same TRA water treatment plant deliver water to ground storage tanks and a pump station located at Murphy Drive.

The City also owns and operates two water wells. One well is located at the Carousel Elevated Storage Tank (EST) and the other is located at the Stonegate Pump Station. At the time of this report, the City was in the process of receiving approval from TCEQ to use the water from the Carousel well in support of the City's water system. The Contract between TRA and the City of Bedford governing the supply of water to the City was executed in January of 1972 and continues to be in effect. This contract will be in place until bonds taken out to construct the facility to supply water to the City are paid. When the bonds are paid in full, the City has the option of renewing the contract for a period of 50 years or other mutually agreed time period. The City of Bedford intends to continue receiving its supply of treated water from TRA for the foreseeable future.

Distribution System

The City of Bedford's water distribution system consists of approximately 165 miles of 8"-inch to 12"-inch water distribution piping. Approximately 90% of the distribution system is made up of cast iron pipe or asbestos cement pipe all of which is more than 60 years old. These older pipes are proving problematic in that the city is experiencing more and more leaks and pipe breakages.

Operational Problems

The City of Bedford is interested in improving the operation of the water distribution system through the introduction of Automatic Meter Readers (AMR). A large percentage of the city's water meters read inaccurately, based upon a significant sample survey. By improving meter accuracy, this will send an important price signal to consumers and further curb water usage. Further, in the event of water pipe breakage on the customer side, the AMR system can alert the city and ultimately the customer, to expedite repairs and curtail water loss. We attach an appendix which shows the results of an in depth study of the City's water meters, demonstrating water metering error from 3% to 13%. Some meters may register higher and some meters may register lower so it is uncertain what total effect accurate meters may have on the amount of "unaccounted for" water. But what is undeniable, with the ability to quickly monitor and respond to unusual water

usage on the customer side (pipe break inside the house, leaking toilet, etc.), AMR will have a positive conservation benefit that would be in addition to the benefit of repairing the leaking mains in the distribution system. Please see Appendix A. for the AMR presentation.

a. **A discussion of any applicable EPA or TCEQ enforcement actions.**

None

b. **Discussion of any violations of primary or secondary drinking water standards along with physical deficiencies of the system.**

No violations primary or secondary drinking water standards. Physical deficiencies of the system are: Approximately 90% of the distribution system is made up of cast iron pipe or asbestos cement pipe all of which is more than 60 years old. These older pipes are proving problematic in that the city is experiencing more and more leaks and pipe breakages

c. **Maps** – provide adequate maps to locate existing facilities and service areas.

Please see for the appendices.

Projected Needs

- d. The domestic population of the area to be served (present through 20-year projection) and the design population of the project.
- e. Industrial, commercial and other water needs must be reflected in the projections (describe the method).
- f. Projections should describe existing service area, expanded service area for the future as well as any community to receive service from the system by contract or consolidation. Note: DWSRF projects cannot be primarily to fund growth for a community.
- g. Planning Horizon – The plan should describe and justify the chosen planning horizon. Typically communities plan for the 20-year needs (or match the term of the funding). Major line work can at times require greater planning horizons. High growth areas can at times require phasing of facilities to fit five or ten-year needs.
- h. Describe current per capita water use along with projected water use/needs.
- i. Historical trends in population and water use may be helpful to explain needs.
- j. TWDB projections – projections should agree with TWDB water plan projections. Where local data is different, provide an explanation of procedures, methodologies and underlying assumptions employed in the formulation for those estimates.

Projected Population and Demand, Current Supplies, and Water Management Strategies for the City of Bedford. (See Table I below.)

Table I

(Values in Ac-Ft/Yr)	Projected Population and Demand					
	2010	2020	2030	2040	2050	2060
Projected Population	50,001	52,395	54,407	56,098	57,519	58,713
Projected Water Demand						
Municipal Demand	10,138	10,447	10,665	10,808	11,017	11,246
Total Projected Demand	10,138	10,447	10,665	10,808	11,017	11,246
Currently Available Water Supplies						
Trinity Aquifer	1,109	1,109	1,109	1,109	1,109	1,109
Trinity River Authority (TRWD)	8,755	8,567	7,450	6,543	5,853	5,222
Total Current Supplies	9,864	9,676	8,559	7,652	6,962	6,331
Need (Demand - Current Supply)	274	771	2,106	3,156	4,055	4,915
Water Management Strategies						
Water Conservation	274	1,318	2,303	2,430	2,570	2,716
Additional Water from TRA (TRWD)*	0	242	1,406	2,349	3,140	3,887
Supplemental Wells	0	0	0	0	0	0
Total Water Management Strategies	274	1,560	3,709	4,779	5,710	6,603
Reserve (Shortage)	0	789	1,603	1,623	1,655	1,688
Note: The WWP's that supply Bedford (Tarrant Regional Water District and Trinity River Authority) received the same volume of addition supply for conservation as the WUG (Bedford) received from the strategy presented in this amendment, however only the WUG (Bedford) incurs the cost of this strategy.						

New Sources – Where future needs exceed existing supplies, describe the source (or sources), with quantity and quality of water available. This should include a discussion of the adequacy of the supply in drought. The supply must agree with the State Water Plan.

The main replacement and AMR system described above is anticipated to save up to 15% of the water used in the system when fully implemented (by 2030). Prior to that (2020), the savings are only 7.5% due to partial implementation.

	2010	2020	2030	2040	2050	2060
Bedford Demand	10,138	10,447	10,665	10,808	11,017	11,246
Additional Savings (Acre-feet/year)	0	784	1,600	1,621	1,653	1,687
Savings as % of total Demand	0.00%	7.50%	15.00%	15.00%	15.00%	15.00%

Schedule – Provide a project schedule that includes:

- k. loan closing date; December 2015
- l. date for completion of environmental review and finding; December 2015 (if necessary)
This area is entirely urban and the project will not affect any area that is not currently developed. There are no wetlands or agricultural lands impacted.
- m. date for Start of first construction contract; March 2016
- n. date for completion of final construction contract; Year 2025
- o. # of construction contracts proposed. 50

Permits Approvals, and Contracts – **Discuss the status of any required permits, approvals and/or contract for the project.**

None. No permits required for this project.

Additional Information – The applicant is encouraged to attach any additional information that provides essential information shaping the proposed project. Also, the TWDB may request additional information as procedures require.

Project Budget - Current estimated cost and allocation of costs to each project element including engineering, legal and other fees.

Cost Analysis

Cost is estimated at \$90,000,000 from TWDB and an additional \$17,300,000 in local funds. See detailed cost estimate attached.

Proposed Methodology for Leak Detection

On selected portions of the system the City intends to perform leak detection and non-intrusive, non-destructive condition assessments on metal and asbestos-cement water lines. This condition assessment approach will give a clearer understanding of the condition of the pipes and a projection of the remaining useful life for each pipe in the network. *Specifically, the condition assessment is used to evaluate potential leaks on the line, broadly evaluate the structural integrity of the line, and to evaluate the likely remaining useful life of the line.*

The process begins by evaluating the connectivity and configuration of the distribution network, in conjunction with pipe diameters, material types, valve locations and maintenance histories from the local utility. Using all of this information, a specialist develops a coherent and coordinated plan to perform condition assessment throughout the areas of the system that are of most interest.

We intend to use an Echologics or similar technology to perform the leak detection and condition assessment. (In this section we refer to Echologics software, the purpose of this reference is to identify a class of leak-detection and condition assessment software, and it is not intended that that Echologics software will necessarily be utilized.) The technology utilizes acoustic equipment by accessing designated valves along the waterline. The equipment and process is used to evaluate the waterline without intrusion into the line and without any interruption in water service. Acoustic monitoring sensors are placed on two valves, and the presence of leaks on the waterline between the two valves is evaluated. The above ground distance between the two monitors is measured and used to assume the length of the waterline section to be evaluated. Once the leak detection assessment is performed between the sections of waterline between the two valves, a noise is introduced on the waterline outside of the section being evaluated. This is typically done by opening a fire hydrant that is connected to the waterline being evaluated. This noise simulates a large leak noise, which travels up the waterline to the closest acoustic monitor and then propagates up the waterline to the next acoustic monitor. The speed at which the noise travels is used in combination with the known aspects of the waterline's material characteristics to evaluate the average structural wall thickness in the section being evaluated. In asbestos-cement pipe, the process evaluates the average structural wall stiffness remaining. This based on the failure methodologies of the different pipe materials. The pipe's diameter, material and structural mechanics are all critical in this evaluation.

The Echologics process has been evaluated by the EPA in comparison to other condition assessment techniques and has been found to be consistently much more cost effective. Some of this cost-saving is a result of the speed with which large portions of the system can be quickly evaluated. We can assess large areas very quickly, providing an assessment of large chunks of the system in a short period of time.

This process provides an assessment of the Average Structural Wall Thickness (ASWT) or Average Structural Wall Stiffness (ASWS) remaining on each waterline section that is evaluated. This is not the same as the average thickness of the pipe. The Echologics' process measures the hoop stiffness of each evaluated section and uses this information in combination with the pipe's characteristics to determine the ASWT or ASWS. Tuberculation in the waterline does not provide structural support and therefore does not factor into the assessment. The leak detection assessment and ASWT/ASWS is used to determine the approximate condition of the waterline. The ASWT is compared to the known or assumed design thickness/stiffness of the waterline, and is used in evaluating the remaining useful life of the waterline sections. The internal operating pressure range of the pipe, soil conditions, and traffic loading are also considered when evaluating the remaining useful life of the pipe.

This process requires continuity of pipe material in each individual section that is evaluated. A change in pipe material would critically affect the evaluation variables described above. This would not prevent our ability to identify a leak on the line; however it would stop our ability to perform condition assessment on that section. It should be noted that the ASWT/ASWS assessment provides a limited view of the condition of the waterline sections. Cast iron pipes typically fail by localized "pitting", where corrosion in the waterline can be caused by a number of factors including galvanic corrosion, soil alkalinity, chemical reactivity and stray electrical currents. Pitting results in specific areas along the waterline where corrosion occurs and the wall thickness of the pipe can be degraded substantially in comparison to another point on the waterline that may be immediately adjacent. Asbestos-cement pipe fails by losing stiffness until internal or external pressures overwhelm the pipe wall. Our approach provides a comprehensive assessment of the average pipe thickness/stiffness remaining in each section and remaining useful life while understanding that point-specific pitting or weakness along the waterline could cause a leak or problem sooner than these projections suggest.

AN EXAMPLE of the Results of Condition Assessment

Leak Detection Survey Results

The specialist provides a marking on the pavement or ground of any leaks that are located by calibration during the condition assessment process. The specialist can also provide GPS locations or mapping information with the identified leaks as well.

Assessment Average Structural Wall Thickness/Stiffness

The specialist provides an assessment of the ASWT/ASWS for each water line section that can be evaluated in the field. An example table looks like:

Table 1 - ASWT Condition Assessment Results (EXAMPLE :)

Pipe Section	Street Name	Section Length	Pipe Type	Nominal Thickness	Measured Thickness From Echologics Process	% Change from Nominal
#		(feet)		(inch)	(inch)	%
1	Smith St.	136	Cast Iron	0.83	0.82	-1.20%
2	Smith St...	273	Cast Iron	0.83	0.71	-14.50%
3	Smith St.	690	Cast Iron	0.83	0.84	1.20%
4	Smith St.	313	Cast Iron	0.83	0.67	-19.30%
5	Smith St.	427	Cast Iron	0.83	0.72	-13.30%
6	Smith St.	344	Cast Iron	0.83	0.72	-13.30%
7	Smith St.	457	Cast Iron	0.83	0.83	0.00%
8	Smith St.	379.5	Cast Iron	0.83		

On Section 3, the evaluation indicated an increase in the nominal thickness. This could be a result of manufacturing tolerances, material changes by the contractor during construction or different pipe manufacturers. The assessment on Section 8 did not yield meaningful results. This is a result of the repair in the line noted earlier whereby PVC was utilized, changing the material consistency. As noted earlier, the Echologics equipment and process cannot function where pipe materials are dissimilar in an evaluated section.

We can provide GIS-based maps of the condition assessment results showing the system-wide results in a color-coded or “heat map” format that provides an easy way to quickly see the critical areas and their relationship to one another.

Estimate of Remaining Useful Life of the Pipe Sections (EXAMPLE)

The specialist working with the Echologics process, incorporates other criteria to use the ASWT/ASWS information to develop a projection of the **Remaining Useful Life (RUL)** of each of the evaluated pipe sections. This includes information such as the soil conditions, surface or traffic loading conditions, internal system pressures and pump cycling.

The RUL for each section is estimated using the Schlick Failure Criterion of Combined Loading where the critical variables are:

- Design Pressure
- Critical Pressure in the absence of an external load
- Pipe internal diameter
- Critical failure load in the absence of internal pressure

The critical pressure and critical load are described in terms of the residual wall thickness where the critical variables are:

- Hoop stress
- Rupture stress
- Critical pressure
- Critical load
- Internal diameter
- Critical thickness
- Soil bedding factor

Once the pipe can no longer withstand its loading conditions, it reaches its critical thickness. The critical thickness is estimated based on the evaluation of the hoop and rupture stresses using the variables described above. The rate of degradation in the pipe is estimated based on the installation date of the pipe and ASWT/ASWS that is measured using the Echologics process. Without any additional information, the rate of degradation is assumed to be linear throughout that period. The rate of degradation and ASWT are compared to the calculated critical thickness in order to develop the Remaining Useful Life (RUL) of each pipe section. The estimated RUL is amount of time that is projected for the existing ASWT to reach the critical thickness based on the calculated linear rate of degradation in the wall thickness. The estimated RUL for each section is provided to the utility for consideration.

The estimates of RUL *should be considered an estimate* where the information is best used to compare results to rank sections from best to worst. It should be understood that pipe could likely fail through localized corrosion, pinhole leaks and pitting over time. Therefore leaks and localized breaks could certainly occur on these sections within the estimated time frame shown. Additionally, the rate of degradation could change dramatically for any number of reasons which would significantly change the time required to reach the critical thickness.

Purchases of Facilities – (Not Applicable)

Additional Engineering Feasibility Report information requested involving purchases of facilities:

Water Supply Reservoir Projects – (Not Applicable)

Contour Map:

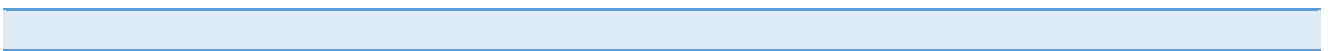
We have also included a contour map of the City of Bedford (Attachment B) to assist TWDB staff in consideration and request for a Categorical Exclusion (CE).

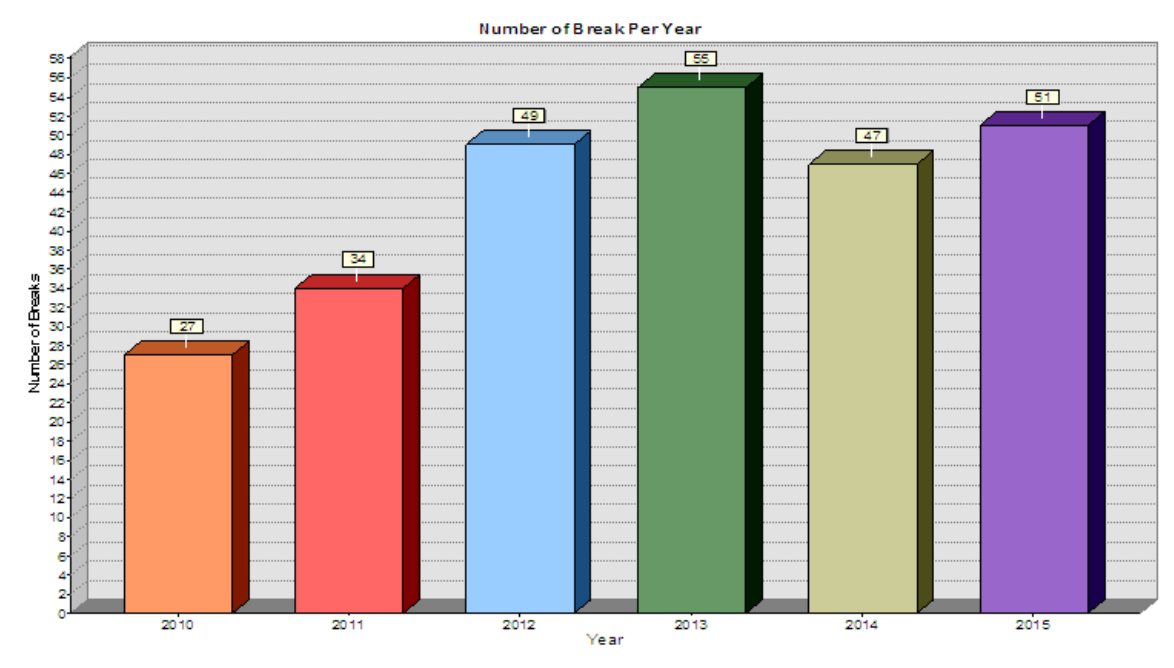
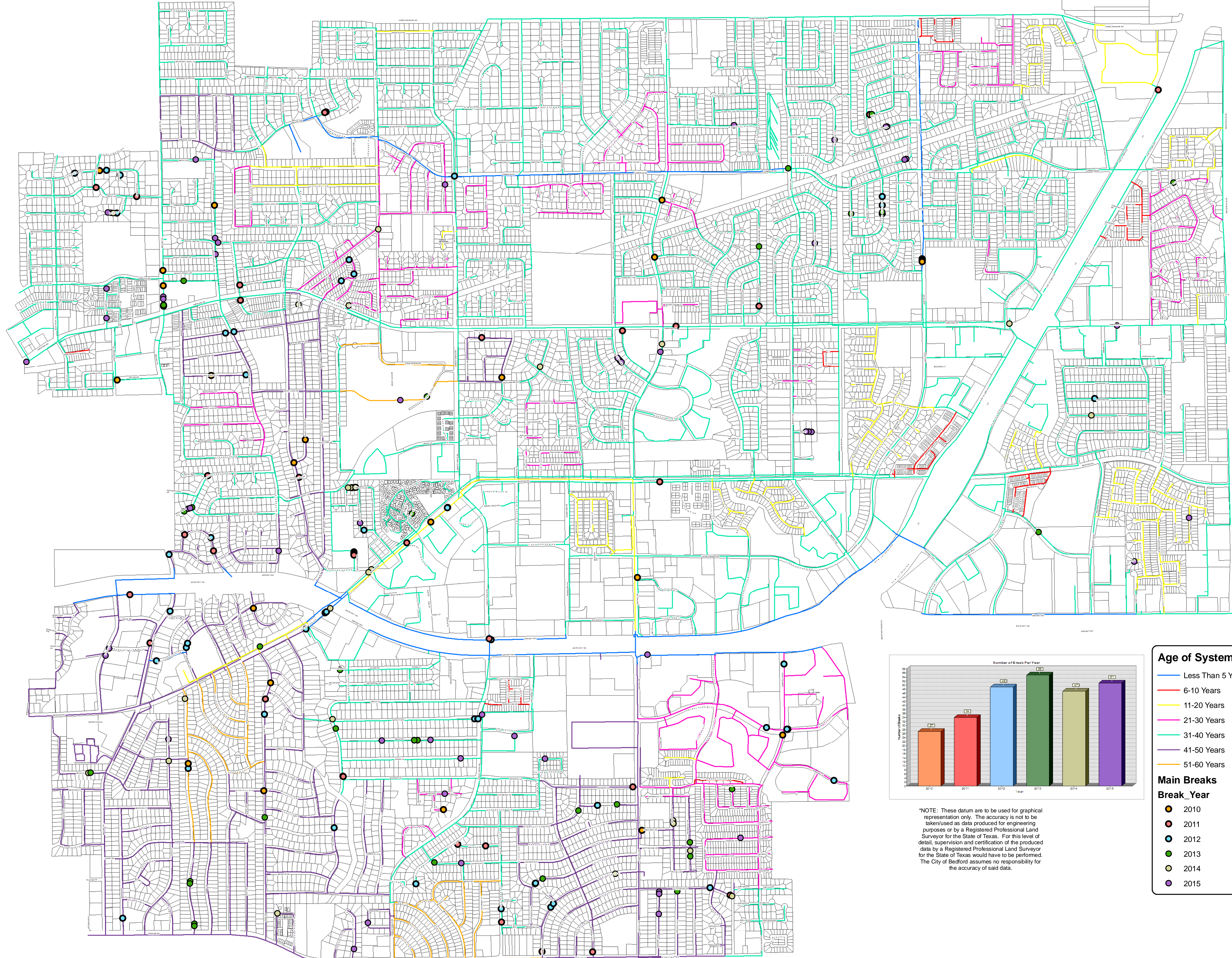
Cost of the Project

PROJECT BUDGET - Entity Name: CITY OF BEDFORD							
Uses	TWDB Funds Series 1	TWDB Funds Series 2	TWDB Funds Series 3	TWDB Funds Series 1	Total TWDB Cost	Other Funds	Total Cost
Construction							
Construction	\$30,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$90,000,000	\$17,300,000	\$107,300,000
Subtotal Construction	\$30,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$90,000,000	\$17,300,000	\$107,300,000
Basic Engineering Fees							
Planning +	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Design	\$0	\$0	\$0	\$0	\$0	\$10,000,000	\$10,000,000
Construction Engineering	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000
Basic Engineering Other **	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Basic Engineering Fees	\$0	\$0	\$0	\$0	\$0	\$12,000,000	\$12,000,000
Special Services							
Application	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Environmental	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Conservation Plan	\$0	\$0	\$0	\$0	\$0	\$50,000	\$50,000
I/I Studies/Sewer Evaluation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Surveying	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000
Geotechnical	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$1,000,000
Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Permits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Inspection	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000
O&M Manual	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Project Management (by engineer)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pilot Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Distribution Modeling	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Special Services Other **	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Special Services	\$0	\$0	\$0	\$0	\$0	\$5,050,000	\$5,050,000
Other							
Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land/Easements Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Rights Purchase (If Applicable)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capacity Buy-In (If Applicable)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Project Legal Expenses	\$0	\$0	\$0	\$0	\$0	\$250,000	\$250,000
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Other Services	\$0	\$0	\$0	\$0	\$0	\$250,000	\$250,000
Fiscal Services							
Financial Advisor	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bond Counsel	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Issuance Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bond Insurance/Surety	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fiscal/Legal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capitalized Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bond Reserve Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loan Origination Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Fiscal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contingency							
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COSTS	\$30,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$90,000,000	\$17,300,000	\$107,300,000

Other ** description must be entered

Appendix A – Age and Break Map





*NOTE: These datum are to be used for graphical representation only. The accuracy is not to be taken/used as data produced for engineering purposes or by a Registered Professional Land Surveyor for the State of Texas. For this level of detail, supervision and certification of the produced data by a Registered Professional Land Surveyor for the State of Texas would have to be performed. The City of Bedford assumes no responsibility for the accuracy of said data.

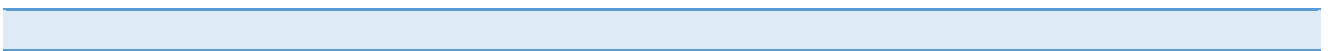
Age of System

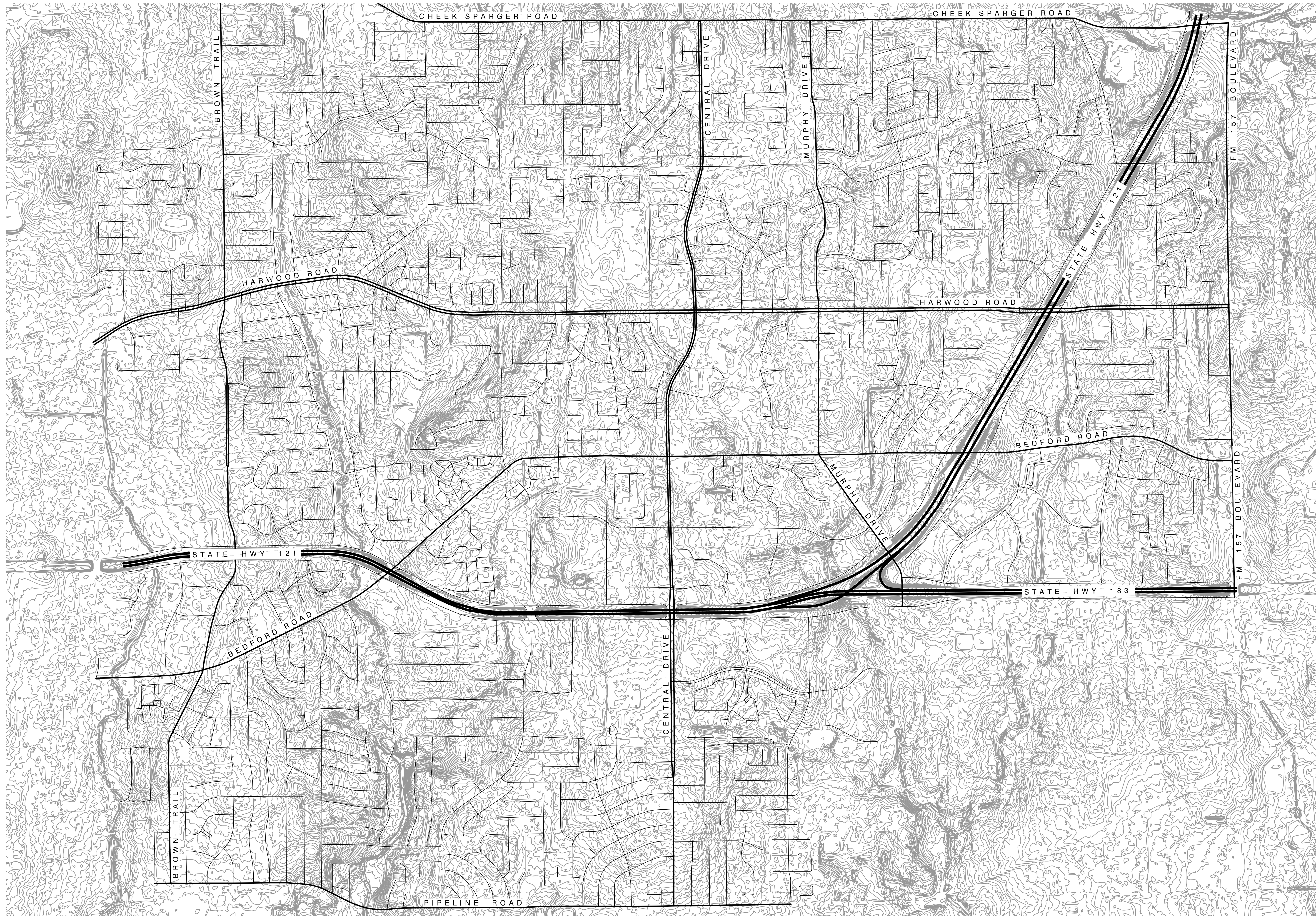
- Less Than 5 Years
- 6-10 Years
- 11-20 Years
- 21-30 Years
- 31-40 Years
- 41-50 Years
- 51-60 Years

Main Breaks Break_Year

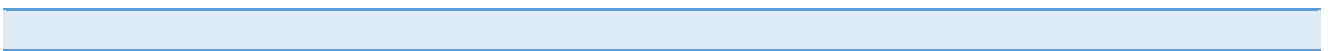
- 2010
- 2011
- 2012
- 2013
- 2014
- 2015

Appendix B – Contour Map





Appendix C – AMR Presentation





AMR

Cost Benefit Analysis





About the AMR Project



In the Summer of 2009, the City of Bedford researched a turnkey solution for the City's water metering system utilizing an AMI product.

The turnkey solution would:

- Replace all the meters in the system with AMR-ready meters (including all auxiliary equipment)
- Fit each meter with a radio transmitter
- Place up to 3 or 4 Tower base stations throughout the City in order to transmit reads via radio signals
- Interface the meter reading software and network with current billing system





What has been done thus far?

Conducted random small meter tests. $\frac{3}{4}$ " meters
Large meter testing. 1" – 6" meters



Tested (96) $\frac{3}{4}$ " meters	WAAO	97.8%
Tested (11) 1" meters	WAAO	96.6%
Tested (15) 2" meters	WAAO	97.2%
Tested (1) 3" meter	WAAO	82.7%
Tested (2) 3"C meters	WAAO	81.6%
Tested (5) 4" meters	WAAO	87.7%
Tested (1) 6" meter	WAAO	13.3%

***NOTE* WAAO – Weighted Average Accuracy Overall**



What has been done thus far?

Replaced some meters that were previously tested

- Namely the 6" Meter that tested **13.3%** accuracy





Project Scope of Work- Water Meters & AMI

Turn-Key Solution

- Install Sensus an AMI system
 - Four (4) METRO 50 Data Collectors
 - Logic Solution Software & Training
- Replace/Retrofit all water meters & install radios as follows:

DESCRIPTION/MATERIAL	NEW	RETROFIT	TOTAL
3/4" iPERL TRPL 8 Wheel USG	13085	831	13916
1" iPERL TRPL 8 Wheel USG	328	34	362
1 1/2" Omni R2 8 Wheel USG	136	24	160
2" Omni R2 8 Wheel USG	649	56	705
2" OMNI C2 Compound 8 Wheel USG	0	0	0
3" OMNI T2 Turbo 8 Wheel USG	37	2	39
3" OMNI C2 Compound 8 Wheel USG	1	0	1
4" OMNI C2 Compound 8 Wheel USG	24	0	24
4" OMNI T2 Turbo 8 Wheel USG	0	0	0
6" OMNI C2 Compound 8 Wheel USG	0	0	0
6" Mag Meter	2	0	2
520 M SP TR HRLD Internal Battery (Radio)			15209



COST BENEFIT ANALYSIS

*“If it don’t make dollars,..
It don’t make ‘sense’...”*

-Author unknown



Methodology to Cost Benefit Analysis

- Updated cost figures from original research & factored a 3.00% APR over 10 years
- Factored current meter reading costs increased by COL over time (with the assumption that service can remain outsourced)
- Factored residential and commercial water sales using most recent rate model
- Factored an annual increase over current declining meter performance, capping after 5 years of growth
- No surcharge was added to the meters to offset cost differential



Project Financials

AMI Project Financial

Year	Annual Consumption Increase \$	Annual Operational Savings \$	Annual Base Increase \$	Total Savings	M&V	P&I	Total Annual Program Costs \$	Annual Net Cash flow \$	Cumulative Net Cashflow \$
1	\$ 343,549	\$ 153,215	\$ -	\$ 496,764	\$ 34,448	\$ 891,517	\$ 925,966	\$ (429,202)	\$ (429,202)
2	\$ 394,137	\$ 153,981	\$ -	\$ 548,118	\$ 35,482	\$ 891,517	\$ 926,999	\$ (378,881)	\$ (808,083)
3	\$ 452,173	\$ 155,525	\$ -	\$ 607,698	\$ 36,546	\$ 891,517	\$ 928,064	\$ (320,366)	\$ (1,128,449)
4	\$ 518,756	\$ 157,870	\$ -	\$ 676,625	\$ 37,643	\$ 891,517	\$ 929,160	\$ (252,535)	\$ (1,380,984)
5	\$ 595,142	\$ 161,051	\$ -	\$ 756,193	\$ 38,772	\$ 891,517	\$ 930,289	\$ (174,096)	\$ (1,555,080)
6	\$ 595,142	\$ 165,118	\$ -	\$ 760,260	\$ 82,218	\$ 891,517	\$ 973,735	\$ (213,475)	\$ (1,768,555)
7	\$ 595,142	\$ 170,133	\$ -	\$ 765,276	\$ 85,174	\$ 891,517	\$ 976,692	\$ (211,416)	\$ (1,979,971)
8	\$ 595,142	\$ 176,178	\$ -	\$ 771,320	\$ 88,234	\$ 891,517	\$ 979,752	\$ (208,431)	\$ (2,188,402)
9	\$ 595,142	\$ 183,350	\$ -	\$ 778,492	\$ 91,401	\$ 891,517	\$ 982,918	\$ (204,426)	\$ (2,392,829)
10	\$ 595,142	\$ 191,767	\$ -	\$ 786,910	\$ 94,678	\$ 891,517	\$ 986,196	\$ (199,286)	\$ (2,592,115)
				\$ 6,947,657	\$ 624,597	\$ 8,915,175	\$ 9,539,772	\$ (2,592,115)	\$ (2,592,115)
11	\$ 595,142	\$ 201,575	\$ -	\$ 796,717	\$ -	\$ -	\$ -	\$ 796,717	\$ (1,795,398)
12	\$ 595,142	\$ 212,942	\$ -	\$ 808,085	\$ -	\$ -	\$ -	\$ 808,085	\$ (987,313)
13	\$ 595,142	\$ 226,076	\$ -	\$ 821,219	\$ -	\$ -	\$ -	\$ 821,219	\$ (166,094)
14	\$ 595,142	\$ 241,220	\$ -	\$ 836,363	\$ -	\$ -	\$ -	\$ 836,363	\$ 670,268
15	\$ 595,142	\$ 258,666	\$ -	\$ 853,808	\$ -	\$ -	\$ -	\$ 853,808	\$ 1,524,076
	\$ 8,255,181	\$ 2,808,668	\$ -	\$ 11,063,848	\$ 624,597	\$ 8,915,175	\$ 9,539,772	\$ 1,524,076	\$ 1,524,076

Discounted Turn-Key Price* \$7,604,825

Assumptions: Term 10 year, 3% Rate



Things to Consider

- Meter Reading Contract set to expire within 2 years
- Last time City went out for bid, only two companies responded with significant cost variances
- Possibly bring meter reading in-house
- Increase budgetary support of meter replacement



QUESTIONS?

