

## AGENDA

Special Called  
Commissioners Meeting  
February 24, 2014  
6:30 p.m.-City Hall  
501 Sheppard Road  
Burkburnett, Texas 76354

**Item 1.** Mayor: Call meeting to order.

**Item 2.** Invocation.

**Item 3.** Pledge of Allegiance.

**Item 4.** Discuss and take any action necessary on design and location of entry signs.

**Item 5.** Discuss and take any action necessary on Facility Master Plan.

**Item 6.** Resolution Number 557. An application for participation in Texas Short Term Asset Reserve Program (TexSTAR) that provides additional investment options emphasizing safety and liquidity.

**Item 7.** Resolution Number 558. An application for participation in Local Government Investment Cooperative (LOGIC) that provides additional investment options emphasizing safety, liquidity, and diversification.

**Item 8.** Pursuant to the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, the Board of Commissioners may convene in Executive Session regarding the following matters:

A. SECTION 551.074(a)-Deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

1) Employment of Public Works Director

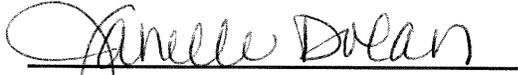
**Item 9.** Reconvene to regular session and take action, if any, on matters discussed in Executive Session.

**Item 10.** City Manager Comments.

**Item 11.** Council comments.

**Item 12.** Adjournment.

I, Janelle Dolan, City Clerk for the City of Burkburnett, Texas do hereby certify that I posted this agenda on the glass front door of the City Hall facing the outside on February 21, 2014 at 10:00 a.m. in compliance with the Open Meeting Act Chapter 551.



Janelle Dolan, City Clerk

Posted 2/21/14 @ 10:00am

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodation or interpretive services must be made 48 hours prior to this meeting. Please contact the City Clerk's office at (940)569-2263 for further information.



## City Commission Agenda Memo

**From:** Chester Nolen, Interim City Manager

**Date:** February 24, 2014

**Item:** Resolution Number 557-application to participate in TexSTAR

### Background

Texas Short Term Asset Reserve Program (TexSTAR) was created by Texas local government officials that understand the specific needs and challenges of investing public funds. TexSTAR is administered by First Southwest Company and JPMorgan Asset Management. Rated AAAM by Standard & Poor's, operates in full compliance with the Texas Public Funds Investment Act. Does not allow for investment in commercial paper or money market funds.

### Staff Recommendation

Approve application for participation in TexSTAR (does not bind the City of Burkburnett to invest any public funds with TexSTAR).

### Attachments

Resolution Number 557  
Application

### Fiscal Impact

None

**RESOLUTION NUMBER 557**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE CITY OF BURKBURNETT, TEXAS APPROVING AN APPLICATION FOR PARTICIPATION IN THE TEXAS SHORT TERM ASSET RESERVE PROGRAM (TEXSTAR) TO PROVIDE AN ADDITIONAL INVESTMENT OPTION EMPHASIZING SAFETY AND LIQUIDITY.**

**WHEREAS**, TexSTAR is an additional investment option emphasizing safety and liquidity for Texas local governments and is administered by First Southwest Company and JPMorgan Asset Management;

**WHEREAS**, TexSTAR is a conservatively managed investment vehicle rated AAAm by Standards & Poor's and operates in full compliance with the Texas Public Funds Investment Act;

**NOW, THEREFORE, BE IT RESOLVED** that:

**Section 1.** The application for participation in TexSTAR is attached to this resolution (Exhibit A).

**Section 2.** The officers designated in the application as the City of Burkburnett's representatives are the City Manager/Assistant City Manager, Director of Administration, and the City Clerk.

**Section 3.** This resolution will continue in full force and effect until amended or revoked by the City of Burkburnett and written notice of the amendment or revocation is delivered to the TexSTAR Board.

**Section 4.** The application for participation does not bind the City of Burkburnett to invest any public funds with TexSTAR.

**Section 5.** This meeting was open to the public as required by law and that the notice of said time and place was posted in accordance with the Open Meetings Act.

**PASSED AND APPROVED** on this 24<sup>th</sup> day of February, 2014.

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Carl Law, Mayor

**ATTEST:**

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Janelle Dolan, City Clerk



**Welcome to TexSTAR, the premier investment service for  
Texas local governments**

TexSTAR was created by Texas local government officials with a distinct understanding of the specific needs and challenges of investing public funds.

TexSTAR is administered by First Southwest Company and JPMorgan Asset Management. Together, these organizations bring to the TexSTAR program the powerful partnership of two leaders in financial services with a proven track record in local government investment pool management.

TexSTAR is a conservatively managed investment vehicle, rated AAAm by Standard & Poor's and operated in full compliance with the Texas Public Funds Investment Act. The TexSTAR Cash Reserve Fund invests in U.S. treasury and agency securities and repurchase agreements fully collateralized with U.S. government and agency securities. The Cash Reserve Fund does not allow for investment in commercial paper or money market funds.

TexSTAR participants have access to a Texas-based personalized customer service staff with extensive experience in servicing state and local government entities. In addition, TexSTAR utilizes a proven operating platform providing internet transaction systems with extended transaction deadlines until 4 p.m. for same and next day settlement.

We look forward demonstrating how TexSTAR will fulfill and enhance your cash management needs.

TexSTAR Participant Services  
First Southwest Company  
325 North St. Paul Street, Suite 800  
Dallas, Texas 75201  
1-800-839-7827  
[www.texstar.org](http://www.texstar.org)  
E-mail: [texstar@firstsw.com](mailto:texstar@firstsw.com)





## APPLICATION FOR PARTICIPATION IN TEXSTAR

The undersigned local government (Applicant) applies and agrees to become a Participant in the Texas Short Term Asset Reserve Program (TEXSTAR).

- 1. Authorization.** The governing body of Applicant has duly authorized this application by adopting the following resolution at a meeting of such governing body duly called, noticed, and held in accordance with the Texas Open Meeting Law, chapter 551, Texas Government Code, on \_\_\_\_\_, 20\_\_:

WHEREAS, it is in the best interests of this governmental unit ("*Applicant*") to invest its funds jointly with other Texas local governments in the Texas Short Term Asset Reserve Program (TEXSTAR) in order better to preserve and safeguard the principal and liquidity of such funds and to earn an acceptable yield; and

WHEREAS, Applicant is authorized to invest its public funds and funds under its control in TEXSTAR and to enter into the participation agreement authorized herein;

NOW, THEREFORE, BE IT RESOLVED THAT:

SECTION 1. The form of application for participation in TEXSTAR attached to this resolution is approved. The officers of Applicant specified in the application are authorized to execute and submit the application, to open accounts, to deposit and withdraw funds, to agree to the terms for use of the website for online transactions, to designate other authorized representatives, and to take all other action required or permitted by Applicant under the Agreement created by the application, all in the name and on behalf of Applicant.

SECTION 2. This resolution will continue in full force and effect until amended or revoked by Applicant and written notice of the amendment or revocation is delivered to the TEXSTAR Board.

SECTION 3. Terms used in this resolution have the meanings given to them by the application."

- 2. Agreement.** Applicant agrees with other TEXSTAR Participants and the TEXSTAR Board to the Terms and Conditions of Participation in TEXSTAR, effective on this date, which are incorporated herein by reference. Applicant makes the representations, designations, delegations, and representations described in the Terms and Conditions of Participation.

- 3. Taxpayer Identification Number.** Applicant's taxpayer identification number is 75-6000474

- 4. Contact Information.**

Applicant primary mailing address: 501 Sheppard Rd., Burkburnett, Texas 76354

Applicant physical address (if different): 501 Sheppard Rd., Burkburnett, Texas 76354

Applicant main phone number: 940-569-2263

Applicants main fax number: 940-569-4192

- 5. Authorized Representatives.** Each of the following Participant officials is designated as Participant's Authorized Representative authorized to give notices and instructions to the Board in accordance with the Agreement, the Bylaws, the Investment Policy, and the Operating Procedures:

1. Name: Trish Holley Title: Director of Administration

Signature: \_\_\_\_\_ Phone: 940-569-2263

Email: tholley@burkburnett.org

2. Name: Mike Whaley Title: Asst. City Manager  
Signature: \_\_\_\_\_ Phone: 940-569-2263  
Email: mwhaley@burkburnett.org

3. Name: Janelle Dolan Title: City Clerk  
Signature: \_\_\_\_\_ Phone: 940-569-2263  
Email: jdolan@burkburnett.org

4. Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Signature: \_\_\_\_\_ Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

**{REQUIRED} PRIMARY CONTACT:** List the name of the Authorized Representative **listed above** that will be designated as the Primary Contact and will receive all TexSTAR correspondence including transaction confirmations and monthly statements

Name: Trish Holley

**{OPTIONAL} INQUIRY ONLY CONTACT:** In addition, the following additional Participant representative (**not listed above**) is designated as an ***Inquiry Only*** Representative authorized to obtain account information:

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

Signature: \_\_\_\_\_ Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Applicant may designate other authorized representatives by written instrument signed by an existing Applicant Authorized Representative or Applicant's chief executive officer.

DATED \_\_\_\_\_

City of Burkburnett  
(NAME OF ENTITY/APPLICANT)

SIGNED BY:

\_\_\_\_\_  
(Signature of official)

\_\_\_\_\_  
(Printed name and title)

ATTESTED BY:

\_\_\_\_\_  
(Signature of official)

\_\_\_\_\_  
(Printed name and title)

**\*REQUIRED\***  
**PLACE OFFICIAL SEAL OF ENTITY HERE**

FOR INTERNAL USE ONLY  
APPROVED AND ACCEPTED: TEXAS SHORT TERM ASSET RESERVE FUND  
.....  
AUTHORIZED SIGNER V082011



## City Commission Agenda Memo

**From:** Chester Nolen, Interim City Manager

**Date:** February 24, 2014

**Item:** Resolution Number 558-application to participate in LOGIC

### Background

Local Government Investment Cooperative (LOGIC) was created by Texas local government officials that understand the specific needs and challenges of investing public funds. LOGIC is administered by First Southwest Company and JPMorgan Asset Management. Rated AAAM by Standard & Poor's, operates in full compliance with the Texas Public Funds Investment Act.

### Staff Recommendation

Approve application for participation in LOGIC (does not bind the City of Burkburnett to invest any public funds with LOGIC).

### Attachments

Resolution Number 558  
Application

### Fiscal Impact

None

**RESOLUTION NUMBER 558**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE CITY OF BURKBURNETT, TEXAS APPROVING AN APPLICATION FOR PARTICIPATION IN THE LOCAL GOVERNMENT INVESTMENT COOPERATIVE (LOGIC) TO PROVIDE AN ADDITIONAL INVESTMENT OPTION EMPHASIZING SAFETY AND LIQUIDITY AND DIVERSIFICATION.**

**WHEREAS**, LOGIC is an additional investment option emphasizing safety, liquidity and diversification for Texas local governments and is administered by First Southwest Company and JPMorgan Asset Management;

**WHEREAS**, LOGIC is a conservatively managed investment vehicle rated AAAM by Standards & Poor's and operates in full compliance with the Texas Public Funds Investment Act;

**NOW, THEREFORE, BE IT RESOLVED** that:

**Section 1.** The application for participation in LOGIC is attached to this resolution (Exhibit A).

**Section 2.** The officers designated in the application as the City of Burkburnett's representatives are the City Manager/Assistant City Manager, Director of Administration, and the City Clerk.

**Section 3.** This agreement may be terminated with or without cause by providing written notice to Cooperative at least 10 days prior to such termination.

**Section 4.** The application for participation does not bind the City of Burkburnett to invest any public funds with LOGIC

**Section 5.** This meeting was open to the public as required by law and that the notice of said time and place was posted in accordance with the Open Meetings Act.

**PASSED AND APPROVED** on this 24<sup>th</sup> day of February, 2014.

\_\_\_\_\_  
Carl Law, Mayor

**ATTEST:**

\_\_\_\_\_  
Janelle Dolan, City Clerk



**Welcome to LOGIC, the premier investment service for  
Texas local governments**

LOGIC was created by Texas local government officials with a distinct understanding of the specific needs and challenges of investing public funds.

LOGIC is administered by First Southwest Company and JPMorgan Asset Management. Together, these organizations bring to the LOGIC program the powerful partnership of two leaders in financial services with a proven track record in local government investment pool management.

LOGIC is a conservatively managed investment vehicle, rated AAAm by Standard & Poor's and operated in full compliance with the Texas Public Funds Investment Act. LOGIC invests in U.S. treasury and agency securities, repurchase agreements fully collateralized with U.S. treasury and agency securities and highly rated commercial paper.

LOGIC participants have access to a Texas-based personalized customer service staff with extensive experience in servicing state and local government entities. In addition, LOGIC utilizes a proven operating platform providing internet transaction systems with extended transaction deadlines until 4 p.m. for same and next day settlement.

We look forward demonstrating how LOGIC will fulfill and enhance your cash management needs.

LOGIC Participant Services  
First Southwest Company  
325 North St. Paul Street, Suite 800  
Dallas, Texas 75201  
1-800-895-6442  
[www.logic.org](http://www.logic.org)  
E-mail: [logic@firstsw.com](mailto:logic@firstsw.com)



## Local Government Investment Cooperative Resolution

RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT FOR PARTICIPATION IN A PUBLIC FUNDS INVESTMENT COOPERATIVE (THE "COOPERATIVE"), DESIGNATING THE BOARD OF DIRECTORS OF THE COOPERATIVE AS AN AGENCY AND INSTRUMENTALITY TO SUPERVISE THE COOPERATIVE, APPROVING INVESTMENT POLICIES OF THE COOPERATIVE, APPOINTING AUTHORIZED REPRESENTATIVES AND DESIGNATING INVESTMENT OFFICERS.

WHEREAS, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, as amended (the "Interlocal Act"), permits any "local government" to contract with one or more other "local governments" to perform "governmental functions and services," including investment of public funds (as such phrases are defined in the Interlocal Act);

WHEREAS, the Interlocal Act authorizes the contracting parties to any interlocal agreement to contract with agencies of the State of Texas, within the meaning of Chapter 771 of the Government Code,

WHEREAS, the Act permits the contracting parties to any interlocal agreement to create an administrative agency to supervise the performance of such interlocal agreement and to employ personnel and engage in other administrative activities and provide other administrative services necessary to execute the terms of such interlocal agreement;

WHEREAS, the Public Funds Investment Act, Chapter 2256 of the Texas Government Code, as amended (the "PFIA"), authorizes the entities described in Subsection (a) of the PFIA to invest their funds in an eligible public funds investment pool, and the Local Government Investment Cooperative intends to become and remain an eligible public funds investment pool, under the terms and conditions set forth in PFIA;

WHEREAS, City of Burk Burnett (the "Government Entity") desires to enter into that certain Interlocal Agreement (the "Agreement"), a copy of which is presented with this Resolution and is incorporated herein by reference, and to become a participant in a public funds investment pool created thereunder and under PFIA, to be known as Local Government Investment Cooperative (the "Cooperative");

WHEREAS, the Government Entity is a Government Entity as defined in the Agreement; and

WHEREAS, the Government Entity desires to cause administration of the Cooperative to be performed by a board of directors (the "Board"), which shall be an administrative agency created under the Interlocal Act; and

WHEREAS, the Government Entity desires to designate the Board as its agency and instrumentality with authority to supervise performance of the agreement, employ personnel and engage in other administrative activities and provide other administrative services necessary to execute the terms of the Agreement;

WHEREAS, each capitalized term used in this Resolution and not otherwise defined has the same meaning assigned to it in the Agreement;

NOW, THEREFORE, BE IT RESOLVED:

1. The Agreement is hereby approved and adopted and, upon execution thereof by an Authorized Representative (defined below) and receipt of the Government Entity's application to join the Cooperative by the Administrator, the Government Entity shall become a Participant in the Cooperative for the purpose of investing its available funds therein from time to time in accordance with its terms.

2. The Board is hereby designated as an agency and instrumentality of the Government Entity, and the Board shall have the authority to supervise performance of the Agreement and the Cooperative, employ personnel and engage in other administrative activities and provide other administrative services necessary to execute the terms of the Agreement.

3. The investment policies of the Cooperative, as set forth in the document entitled Investment Policies, as summarized in the Information Statement, and as may be amended from time to time by the Board, are hereby adopted as investment policies of the Government Entity with respect to money invested in the Cooperative, and any existing investment policies of the Government Entity in conflict therewith shall not apply to investments in the Cooperative.

4. The following officers, officials or employees of the Government Entity are hereby designated as "Authorized Representatives" within the meaning of the Agreement, with full power and authority to: execute the Agreement, an application to join the Cooperative and any other documents required to become a Participant; deposit money to and withdraw money from the Government Entity's Cooperative account from time to time in accordance with the Agreement and the Information Statement; to agree to the terms for use of the website for online transactions and take all other actions deemed necessary or appropriate for the investment of funds of the Government Entity:

1. Name: Trish Holley Title: Director of Administration  
Signature: \_\_\_\_\_ Phone: 940-569-2263  
Email: tholley@burkburnett.org
2. Name: Mike Whaley Title: Asst. City Manager  
Signature: \_\_\_\_\_ Phone: 940-569-2263  
Email: mwhaley@burkburnett.org
3. Name: Janelle Dolan Title: City Clerk  
Signature: \_\_\_\_\_ Phone: 940-569-2263  
Email: jdolan@burkburnett.org
4. Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Signature: \_\_\_\_\_ Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

In accordance with Cooperative procedures, an Authorized Representative shall promptly notify the Cooperative in writing of any changes in who is serving as Authorized Representatives.

5. **{Required}** List the name of the Authorized Representative listed above that will be designated as the Primary Contact and will receive all LOGIC correspondence including transaction confirmations and monthly statements

Name: Trish Holley

6. **{Optional}** In addition, the following additional Participant representative (not listed above) is designated as an Inquiry Only Representative authorized to obtain account information:

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

Signature: \_\_\_\_\_ Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Applicant may designate other authorized representatives by written instrument signed by an existing Applicant Authorized Representative or Applicant's chief executive officer.

7. **{Required}** Taxpayer Identification Number.

Applicant's taxpayer identification number is 75-6000474

8. **{Required}** Contact Information.

Applicant primary mailing address:

501 Sheppard Rd., Burkburnett, Texas 76354

Applicant physical address (if different):

501 Sheppard Rd., Burkburnett, Texas 76354

Applicant main phone number:

940-569-2263

Applicants main fax number:

940-569-4192

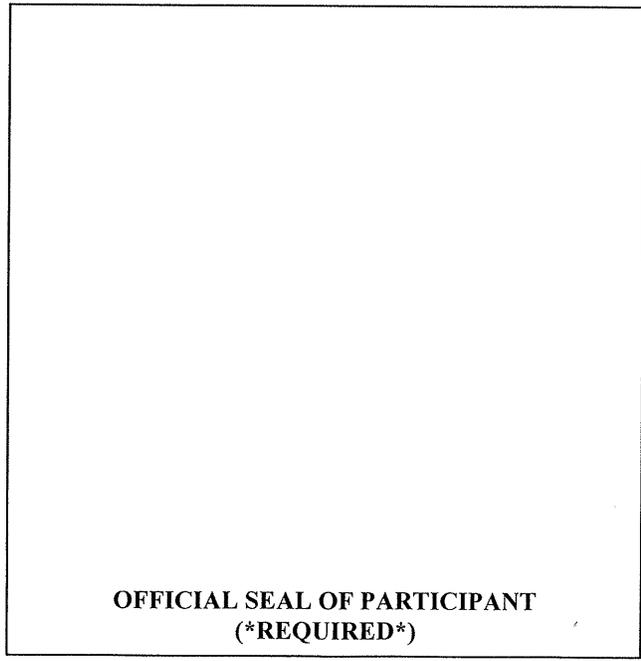
In addition to the foregoing Authorized Representatives, each Investment Officer of the Cooperative appointed by the Board from time to time is hereby designated as an investment officer of the Government Entity and, as such, shall have responsibility for investing the share of Cooperative assets representing funds of the Government Entity. Each depository and custodian appointed by the Board from time to time are hereby designated as a depository and custodian of the Government Entity for purposes of holding the share of Cooperative assets representing funds of the Government Entity.

PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

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

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Printed Name and Title





## **Local Government Investment Cooperative (LOGIC) Participation Agreement**

THIS PARTICIPATION AGREEMENT (together with any amendments and supplements, referred to as this "Agreement") dated as of March 1, 1999 is made and entered into by and among each of those government entities initially executing this Agreement and any other government entity that is eligible and becomes a party hereto (collectively, the "Participants").

WHEREAS, the Public Funds Investment Act, Chapter 2256 of the Texas Government Code, as amended (the "PFIA") authorizes the entities described in the PFIA to invest their funds in an eligible public funds investment pool;

WHEREAS, each of the Participants qualifies as an entity described in the PFIA;

WHEREAS, the Participants desire to establish and maintain a public funds investment pool for the purpose of pooling their local funds for joint investment in accordance with the PFIA and the terms hereof and providing assistance to each other on investment alternatives and on other issues of concern to the Participants;

WHEREAS, the Participants desire that the public funds investment pool be entitled Local Government Investment Cooperative (the "Cooperative") and the Cooperative be managed and operated by a board of directors, which shall be an advisory board under the PFIA;

WHEREAS, each of the Participants has duly taken all official action necessary and appropriate to become a party to this Agreement, including the adoption of a rule, order, ordinance, or resolution, as appropriate;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein, the Participants mutually agree as follows:

### ARTICLE I

#### **Definitions and Rules of Construction**

**Section 1.01. Definitions.** Except as otherwise provided in this Agreement, the capitalized terms used herein shall have the following meanings unless the context otherwise requires:

**Account** - any account established by a Participant.

**Additional Party Agreement** - a document substantially in the form attached hereto as an Appendix which, when attached to a copy of this Agreement and executed by an Authorized Representative of a Government Entity, constitutes a valid and binding counterpart of this Agreement and results in the Government Entity becoming a party to this Agreement.

**Administrator** - Any person, firm or organization approved by the Board and under contract to provide administrative assistance in connection with the management and operation of the Cooperative.

**Advisor** - The registered investment advisor or advisors selected by or at the direction of the Board to provide advice regarding investment of Cooperative assets pursuant to this Agreement and subject to applicable law.

Local Government Investment Cooperative (LOGIC)  
Participation Agreement

**Authorized Investments** - those investments which are authorized from time to time to be purchased, sold and invested in under PFIA or other applicable law and further defined in the Investment Policies.

**Authorized Representative** - an individual authorized to execute documents and take other necessary actions, pursuant to this Agreement, on behalf of a Government Entity or other person, firm or organization, as evidenced by a duly adopted resolution or bylaw of the governing body of such Government Entity or other person, firm or organization, a certified copy of which is on file with the Administrator. In the case of a Government Entity that is a combination of political subdivisions under the Act, the Authorized Representatives of any administrative agency appointed by such combination of political subdivisions shall be deemed to be Authorized Representatives for such Government Entities.

**Board** - the governing body of the Cooperative, known as The Board of Directors of Local Government Investment Cooperative.

**Bylaws** - the bylaws adopted by the Board, as the same may be amended from time to time, subject to the requirements of this Agreement.

**Cooperative** - the public funds investment cooperative created pursuant to this Agreement.

**Custodian** - any person, firm or organization selected by or at the direction of the Board to have custody of all money, investments and other assets of the Cooperative pursuant to this Agreement and subject to applicable law.

**General Manager** - any person, firm or organization which has contracted with the Board to provide general management services to the Board.

**Government Entity** - a local government of the State of Texas, as defined in the PFIA, a state agency, as defined in the PFIA, and a nonprofit corporation acting on behalf of a local government or a state agency, including but not limited to an incorporated city or town, a county, a public school district, a district or authority created under art. III, Section 52(b)(1) or (2) of the Texas Constitution, or art. XVI, Section 59 of the Texas Constitution, an institution of higher education as defined by Section 61.003 of the Education Code, a hospital district, or a fresh water supply district.

**Information Statement** - the information statement or any other document distributed to Participants and potential Participants to provide them with a description of the management and operation of the Cooperative, as the same may be amended from time to time, subject to the requirements of this Agreement.

**Interlocal Act** - the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, as the same may be amended from time to time.

**Investment Officer** - one or more officers or employees of the Board designated as investment officers by the Board.

**Investment Policies** - the written Investment Policies adopted and approved by the Board governing investment and management of Cooperative assets of different Portfolios, as the same may be amended from time to time, subject to the requirements of this Agreement.

**Marketing Representative** - any person, firm or organization authorized by the Board to promote the Cooperative.

Local Government Investment Cooperative (LOGIC)  
Participation Agreement

**Participants** - the Government Entities that are the initial parties to this Agreement and the Government Entities which subsequently become parties to this Agreement.

**PFIA** - the Public Funds Investment Act, Chapter 2256, Texas Government Code, as the same may be amended from time to time.

**Portfolio** - a portfolio of assets in the Cooperative which are held separate from other assets of the Cooperative and which are invested with a defined investment objective which may be different from other Portfolios in the Cooperative, and in which a Participant may elect to invest its funds.

**State** - the State of Texas.

**Units** - equal proportionate units of undivided beneficial interest in the assets of the Cooperative or of any Portfolio of the Cooperative from time to time, including fractions of units as well as whole units.

**Section 1.02. General Rules of Construction.**

- (a) Whenever in this Agreement the context requires: (1) a reference to the singular number shall include the plural and vice versa; and (2) a word denoting gender shall be construed to include the masculine, feminine, and neuter.
- (b) The titles given to any article or section of this Agreement are for convenience only and are not intended to modify the article or section.

ARTICLE II

**Creation of the Cooperative; Purpose and Objective**

**Section 2.01. Creation of the Board.**

- (a) The initial Participants hereby agree to jointly invest their funds in a public funds investment pool, to be known as Local Government Investment Cooperative (the "Cooperative") and to create and establish a board of directors of the Cooperative (the "Board"), as an advisory board pursuant to the PFIA and an administrative agency pursuant to the Interlocal Act, to supervise the Cooperative.
- (b) The Participants delegate to the Cooperative through its Board, the authority to hold legal title to and manage all money, investments and other assets transferred to or acquired by the Cooperative pursuant to this Agreement.
- (c) The Board shall have the authority to employ personnel, engage in other administrative activities and provide other administrative services necessary to accomplish the purpose of this Agreement.

**Section 2.02. Purpose and Objective.**

- (a) The first purpose of the Cooperative is to provide Government Entities with a variety of investment vehicles to best suit their investment needs, with each Portfolio tailored to meet a specific investment need.

Local Government Investment Cooperative (LOGIC)  
Participation Agreement

- (b) The second purpose of the Cooperative is to provide Government Entities with a forum for discussion of, and to provide education concerning, investments and other issues of concern in public finance. In all cases, however, the Cooperative will have the following investment objectives in order of priority: safety of principal; liquidity in accordance with the operating requirements of the Participants; and the highest rate of return.
- (c) In order to accomplish the Cooperative's objective, each Participant agrees that the money transferred to a Portfolio within the Cooperative will be commingled with other money transferred to the Portfolio by other Participants for the purpose of making Authorized Investments, subject to the terms of this Agreement, the Investment Policies and applicable law, thereby taking advantage of investment opportunities and cost benefits available to larger investors.

ARTICLE III

**Cooperative Administration**

**Section 3.01. The Board and the Bylaws**

- (a) The business and affairs of the Cooperative shall be managed by the Board as governing body of the Cooperative.
- (b) The Board is authorized to adopt Bylaws which shall set forth, among other things, the initial Board members, the procedures governing the selection of the members of the Board, the procedure for holding meetings, the election of officers, and other matters necessary or desirable for governance by the Board, and the right of the Board, the General Manager, and other consultants to be indemnified for damages arising from their actions in connection with the Cooperative. By executing this Agreement, the Participant consents to the Bylaws. By maintaining funds in the Cooperative after any amendment to the Bylaws becomes effective, the Participant consents to the Bylaws, as amended. The Board has the right to amend any term or provision of the Bylaws, provided that notice is sent to each Participant at least 30 days prior to the effective date of any change which, in the opinion of the Board, is a material change to the Bylaws.

**Section 3.02. Powers and Duties of the Board.**

- (a) Subject to applicable law and the terms of this Agreement, the Board shall have full and complete power to take all actions, do all things and execute all instruments as it deems necessary or desirable in order to carry out, promote or advance the investment objective, interests and purposes of the Cooperative to the same extent as if the Board was the sole and absolute owner of the Cooperative.
- (b) The Board shall adopt and maintain Investment Policies, consistent with the general objective of the Cooperative, which shall provide more detailed guidelines for investment and management of Cooperative assets. By executing this Agreement, the initial Participants consent to the proposed Investment Policies, and the subsequent Participants consent to the Investment Policies then in effect. By maintaining funds in the Cooperative after any amendment to the

Local Government Investment Cooperative (LOGIC)  
Participation Agreement

Investment Policies becomes effective, the Participant has consented to the Investment Policies, as amended. The Board shall, subject to the terms of this Agreement, have the authority to amend any term or provision of the Investment Policies, provided that notice is sent to each Participant at least 30 days prior to the effective date of any change which, in the opinion of the Board, will have a material effect on such Participant's investment in the Cooperative.

- (c) The Board shall adopt and maintain Operating Procedures, which shall provide more detailed information on the procedures for depositing and withdrawing funds from the Cooperative. By executing this Agreement, the initial Participants consent to the proposed Operating Procedures, and the subsequent Participants consent to the Operating Procedures then in effect. By maintaining funds in the Cooperative after any amendment to the Operating Procedures becomes effective, the Participant has consented to the Operating Procedures, as amended. The Board shall, subject to the terms of this Agreement, have the authority to amend any term or provision of the Operating Procedures provided that notice is sent to each Participant at least 30 days prior to the effective date of any change which, in the opinion of the Board, will have a material effect on such Participant's investment in the Cooperative.
- (d) The Board shall designate one or more Investment Officers for the Cooperative who shall be responsible for the investment of Cooperative assets.
- (e) The Board shall prepare, or direct the preparation of an Information Statement that describes how the Cooperative will operate in accordance with the terms of this Agreement and the Investment Policies. Subject to the terms of this Agreement and the Investment Policies, the Information Statement may be amended or supplemented, notice of which will be provided to Participants in accordance with the disclosure requirements of the PFIA.
- (f) The Board shall, subject to the limitations established in the Investment Policies, have full and complete power and authority to appoint a general manager and any other service providers deemed necessary or helpful in the operation of the Cooperative.
- (g) The Board shall provide, through peer review, seminars, computer mail systems, or other means, information and educational opportunities to Participants on investing and on other issues in the area of public finance.
- (h) The Board shall have full and complete power to use, or direct the use of, Cooperative assets for the following purposes: (1) incur and pay any expenses which, in its opinion, are necessary or incidental to or proper for carrying out any of the purposes of this Agreement; (2) reimburse others for the payment thereof; (3) pay appropriate compensation or fees to persons with whom the Cooperative has contracted or transacted business; and (4) charge a Participant's Account for any special fees or expenses related specifically to transactions in such Account.
- (i) The Board shall have full power to compromise, arbitrate, or otherwise adjust claims in favor of or against the Cooperative.

- (j) The Board shall cause financial statements to be prepared and maintained for the Cooperative and for such statements to be audited annually by an independent certified public accounting firm.
- (k) The Board may appoint a General Manager to perform managerial services for the Cooperative, provided that the Board shall continue to oversee the operation and management of the Cooperative and shall have the authority to direct the General Manager to take or not take specific action on behalf of the Cooperative.
- (l) The enumeration of any specific power or authority herein shall not be construed as limiting the general power and authority of the Board over the Cooperative.

**Section 3.03. Liability.**

- (a) Neither the Board, the Investment Officers, nor any officers, employees or board members of any of the forgoing shall be held liable for any action or omission to act on behalf of the Cooperative or the Participants unless caused by such person's willful misconduct. The Cooperative shall indemnify and hold harmless (either directly or through insurance) any person referred to in this Section, to the extent permitted by law, for any and all litigation, claims or other proceedings, including but not limited to reasonable attorney fees, costs, judgments, settlement payments and penalties arising out of the management and operation of the Cooperative, unless the litigation, claim or other proceeding resulted from the willful misconduct of such person.
- (b) Neither the General Manager, the Marketing Representative, the Administrator, the Advisor, the Subadvisor, the Custodian, nor their affiliates, officers, employees or board members shall be held liable for any action or omission to act on behalf of the Cooperative or the Participants unless such person failed to meet the standard of care required under its agreement relating to the Cooperative or acted with willful misconduct. The Cooperative shall indemnify and hold harmless (either directly or through insurance) any person referred to in this Section, to the extent permitted by law, for any and all litigation, claims or other proceedings, including but not limited to reasonable attorney fees, costs, judgments, settlement payments and penalties arising out of the management and operation of the Cooperative, unless the litigation, claim, or other proceeding is adjudicated to have resulted from such person's failure to meet the standard of care required under its agreement relating to the Cooperative or its willful misconduct.
- (c) The indemnification provisions are described in more detail in the Bylaws.

ARTICLE IV

**Participation in the Cooperative**

**Section 4.01. Eligibility.** In order for a Government Entity to become a Participant and transfer money into the Cooperative, each of the following conditions must be satisfied:

- (a) The Government Entity must adopt a resolution (1) authorizing it to become a Participant and approving this Agreement, (2) acknowledging the Board's power

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to supervise the Cooperative, (3) approving the investment policies of the Cooperative (as amended from time to time by the Board) and directing that any conflicting local investment policies shall not apply to Cooperative investments of the Participant, (4) designating Authorized Representatives of the Participant, (5) designating the Investment Officers appointed from time to time by the Board as the Participant's investment officers who shall be responsible for investing the share of Cooperative assets representing local funds of the Participant, (6) designating the depository and custodian appointed from time to time by the Board as the Government Entity's depository and custodian for purposes of holding the share of Cooperative assets representing funds of the Government Entity, and consenting to the terms and conditions specified on the website in order to use the online transaction system; and

- (b) The Government Entity must become a party to this Agreement by executing an Additional Party Agreement and delivering the same to the Cooperative, together with a certified copy of the resolution referred to in subsection (a) of this Section, an application in form and substance satisfactory to the Board, and such other information as may be required by the Board.
- (c) No entity except a Government Entity may be a Participant. The Board shall have sole discretion to determine whether a Government Entity is eligible under Texas law to be a Participant and to designate categories of Government Entities eligible to be Participants in any Portfolio of the Cooperative.

**Section 4.02. Participant Accounts.**

- (a) While available local funds of Participants may be commingled for purposes of common investment and operational efficiency, one or more separate Accounts for each Participant in each Portfolio in the Cooperative designated by the Participant will be established in accordance with the Participant's application to join the Cooperative and maintained by the Cooperative.
- (b) Each Participant shall own an undivided beneficial interest in the assets in the Portfolios in which it invests, calculated as described in the Investment Policies.
- (c) The Participant agrees that all Cooperative fees shall be directly and automatically assessed and charged against the Participant's Account. The basic services fee shall be calculated as a reduction in the daily income earned and only the net income shall be credited to the Participant's Account. Fees for special services shall be charged to each Participant's Account as they are incurred or performed. Use of Cooperative assets for fees shall be made from current revenues available to the Participant.

**Section 4.03. Reports.** The Cooperative shall submit a written report a least once per month to each Participant. Such report will indicate: (1) the balance in each Account of a Participant as of the date of such report, (2) yield information, (3) all account activity since the previous report, and (4) other information required by the PFIA.

**Section 4.04. Termination.**

- (a) A Participant may withdraw all funds from an Account in accordance with the Investment Policies and Operating Procedures. A Participant may cease to be a

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Participant under this Agreement, with or without cause, by providing written notice to the Cooperative at least 10 days prior to such termination.

- (b) The Board may terminate a Participant's participation in this Agreement upon at least 30 days notice if Texas law changes so that such Participant is no longer entitled to join in an eligible public funds investment pool under PFIA, the Interlocal Act, or other applicable law.
- (c) Upon the vote of a majority of its full membership, the Board may order the termination of this Agreement by directing that all outstanding operating expenses of the Cooperative be paid and remaining assets of the Cooperative be distributed to Participants in accordance with their respective pro rata interests.

ARTICLE V

**Cooperative Assets**

**Section 5.01. Cooperative Investments.** Cooperative assets shall be invested and reinvested by the Cooperative only in Authorized Investments in accordance with the Investment Policies.

**Section 5.02. Custody.** All money, investments and assets of the Cooperative shall be held in the possession of the Custodian.

ARTICLE VI

**Miscellaneous**

**Section 6.01. Severability.**

- (a) If any provision of this Agreement shall be held or deemed to be illegal, inoperative or unenforceable, the same shall not affect any other provisions contained herein or render the same invalid, inoperative or unenforceable to any extent whatsoever.
- (b) Any participation in this Agreement or transfer of assets to the Cooperative that is not qualified for any reason shall not terminate this Agreement or the participation of other Participants or otherwise adversely affect the Cooperative.

**Section 6.02. Limitation of Rights.** This Agreement does not create any right, title or interest for any person other than the Participants and any person who has a contract to provide services to the Cooperative, and nothing in or to be implied from this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under this Agreement.

**Section 6.03. Execution of Counterparts.** This Agreement may be executed in several separate counterparts, including by Additional Party Agreement, each of which shall be an original and all of which shall constitute one and the same instrument.

**Section 6.04. Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State.

**Section 6.05. Term.** This Agreement shall have an initial term beginning with the effective date set forth below and ending March 31, 1995 and shall be automatically renewed for one year

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on such date and each anniversary of such date, except with respect to any Government Entity that may have terminated itself as a Participant or as otherwise provided in Section 4.05.

**Section 6.06. Notices.** Any notices or other information required or permitted to be given hereunder shall be sent: (a) to the Cooperative as set forth in the Information Statement, and (b) to a Participant as set forth in its application to become a Participant or as otherwise provided by written notice to the Administrator.

**Section 6.07. Entire Agreement; Amendments.** This Agreement represents the entire agreement and understanding of the Participants and supersedes the Interlocal Agreement dated as of April 4, 1994. This Agreement may be amended with the approval of the Board, provided that notice of any such amendment is sent to all Participants at least 60 days prior to the effective date thereof.

\* \* \* \* \*

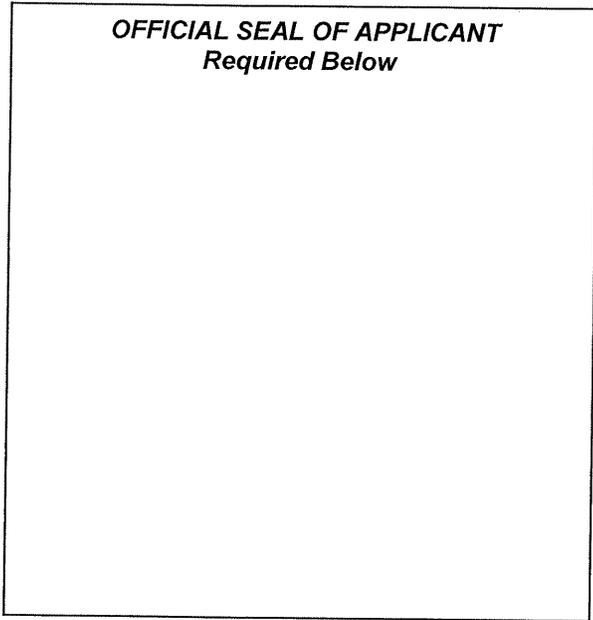
\* \* \* \* \*

**Additional Party Agreement**

The Government Entity of the State of Texas named below, acting by and through the undersigned Authorized Representative, hereby agrees to become a party to that certain Participation Agreement to which this page is attached, and thereby become a Participant in the Local Government Investment Cooperative, subject to all of the terms and provisions of such Agreement. The undersigned hereby represents that it is a Government Entity as defined in such Agreement.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Name of Government Entity City of Burkburnett



By: \_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Printed Name and Title

Attest: \_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Printed Name and Title

Approved and accepted:

**LOCAL GOVERNMENT INVESTMENT COOPERATIVE {LOGIC}**

By: FIRST SOUTHWEST ASSET MANAGEMENT, INC.,  
Participant Services Administrator

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

Authorized Signer