LAKEWAY CITY CHARTER

Original Charter Approved at an Election held May 5, 1990
Amendments Approved at Elections held:
May 2, 1992
May 7, 1994
August 10, 1996
May 4, 2002
May 13, 2006
May 8, 2010

City of Lakeway ✍ 1102 Lohmans Crossing ✍ Lakeway, Texas 78734-5159 ✍
512.314.7500 Fax 512.314.7501
www.lakeway-tx.gov

LAKEWAY CITY CHARTER
TABLE OF CONTENTS

Preamble

(i)

ARTICLE I	**Form of Government and Boundaries**	7
Section 1.01	Form of Government	7
Section 1.02	The Boundaries	7
Section 1.03	Extension of Boundaries	7
Section 1.04	Contraction of Boundaries	7
ARTICLE II	**Powers of the City**	9
Section 2.01	General	9
Section 2.02	General Powers Adopted	10
Section 2.03	Eminent Domain	10
Section 2.04	Zoning in General	10
ARTICLE III	**The City Council**	11
Section 3.01	Number, Selection and Term	11
Section 3.02	Qualifications	11
Section 3.03	Judge of Election Qualifications	12
Section 3.04	Application for City Office	12
Section 3.05	Compensation	12
Section 3.06	Mayor and Mayor Pro Tem	12
Section 3.07	Vacancies	12
Section 3.08	Forfeiture of Office	13
Section 3.09	Filling of Vacancies	13
Section 3.10	Dual Office Holding	13
Section 3.11	Council Meetings	13
Section 3.12	Quorums	14
Section 3.13	Rules of Procedure	14
Section 3.14	Voting	14
Section 3.15	Ordinances in General	14
Section 3.16	Procedure to Enact Legislation	14
Section 3.17	Publication of Ordinances	15
Section 3.18	Emergency Ordinances	15
Section 3.19	Adoption of Code	15
Section 3.20	Investigative Body	16

ARTICLE IV	**Administrative Service**	17
Section 4.01	City Manager	17
Section 4.02	City Secretary	18
Section 4.03	Finance Director	19
Section 4.04	Municipal Court	19
Section 4.05	City Attorney	20
Section 4.06	Treasurer and Tax Collector	20
Section 4.07	Police Department	21
ARTICLE V	**Nominations and Elections**	22
Section 5.01	City Elections	22
Section 5.02	Official Ballots	22
Section 5.03	Canvassing	23
Section 5.04	Run-Off Election	23
ARTICLE VI	**Initiative, Referendum and Recall**	24
Section 6.01	Power of Initiative	24
Section 6.02	Power of Referendum	24
Section 6.03	Form of Petitions	24
Section 6.04	Filing, Examination and Certificate of Petitions	25
Section 6.05	Council Consideration & Submission to Voters of Initiated Ordinances	26
Section 6.06	Council Consideration & Submission to Voters of Referred Ordinances	26
Section 6.07	Results of Election	27
Section 6.08	Inconsistent Ordinances	27
Section 6.09	Power of Recall	27
Section 6.10	Recall Election	27
Section 6.11	Results of Recall Election	28
Section 6.12	Limitations on Recall	28
Section 6.13	Failure of City Council to Call an Election	28
ARTICLE VII	**Boards, Commissions and Committees**	29
Section 7.01	Boards and Commissions	29
Section 7.02	Qualifications & Term of Office	29
Section 7.03	Zoning and Planning Commission	29
Section 7.04	Board of Adjustment	30
Section 7.05	Building Commission	30
Section 7.06	Committees	30

ARTICLE VIII	**Finance Administration**	32
Section 8.01	Fiscal Year	32
Section 8.02	Preparation and Submission of Annual Budget	32
Section 8.03	Public Hearing	32
Section 8.04	Adoption of Annual Budget	32
Section 8.05	Failure to Adopt	32
Section 8.06	Budget is a Public Record	32
Section 8.07	Transfer of Funds	33
Section 8.08	Borrowing for Emergency Appropriations	33
Section 8.09a	Issuance of Bonds and Other Obligations of City	33
Section 8.09b	Election to Authorize Bonds	33
Section 8.10	Lapse of Appropriations	34
Section 8.11	Payment and Obligation	34
Section 8.12	Independent Audit	34
Section 8.13	Purchases and Contracts	34
Section 8.14	Contingent Appropriations	34
Section 8.15	Depository	34
ARTICLE IX	**Tax Administration**	35
Section 9.01	Power to Tax	35
Section 9.02	Tax Levy	35
Section 9.03	Payment of Taxes	36
Section 9.04	Tax Liens and Liabilities	36
Section 9.05	Counterclaim of Tax Arrears and Debt of City	36
Section 9.06	Conflicts	36
ARTICLE X	**Franchises and Public Utilities**	37
Section 10.01	Powers of the City	37
Section 10.02	Limits on Transfer of Use of Public Property	37
Section 10.03	Power to Grant Franchises	37
Section 10.04	Procedure to Enact Franchise Ordinances	37
Section 10.05	Limit on Transfer of Franchise	37
Section 10.06	Regulation of Franchises	38
Section 10.07	Grant not to be Exclusive	39
Section 10.08	Regulation of Rates	39

ARTICLE XI	**General Provisions**	40
Section 11.01	Oath of Office	40
Section 11.02	Bonds for City Employees	40
Section 11.03	Public Records	40
Section 11.04	Official Newspaper	40
Section 11.05	Conflicts of Interest & Standards of Conduct	40
Section 11.06	Special Provisions For Damage Suits	41
Section 11.07	Assignment, Execution and Garnishment	41
Section 11.08	Power to Settle Claims	41
Section 11.09	Personnel Policies	41
Section 11.10	Prohibition Against Discrimination	41
Section 11.11	Bribery Prohibited	42
Section 11.12	Political Activities of City Officers& Employees	42
Section 11.13	Separability	42
Section 11.14	Charter Amendment	42
Section 11.15	Charter Review	42
Section 11.16	Pending Matters and Preservation Rights	43
Section 11.17	Construction of Charter	43
Section 11.18	Applicability of General Laws	43

Certification of Authenticity

LAKEWAY CITY CHARTER

PREAMBLE

We, the people of Lakeway, Texas, in order to establish a home rule municipal government that will provide for the future progress of our City, establish and maintain a system of self-government based on sound fiscal and operational methods, insure equal protection and treatment for all persons and secure fully the benefits of our location and environment, do hereby adopt this Home Rule Charter in accordance with the Constitution and statutes of the State of Texas; and we do hereby declare the citizens of the City of Lakeway, Travis County, Texas, residing within the legally established boundaries of said City, to be a political subdivision of the State of Texas incorporated forever under the name of the "City of Lakeway" with such powers, rights and duties as herein provided.

ARTICLE I
FORM OF GOVERNMENT AND BOUNDARIES

Section 1.01 Form of Government

This Charter provides a City Council-Manager form of government. All powers of the City will be vested in an elected City Council, hereafter known as the Council, subject to the limitations of state and federal law.

The Council shall enact legislation, adopt budgets, determine City policies and appoint a City Manager. The City Manager will be responsible to the Council for the administration of the City government.

All powers of the City shall be exercised through the Council in accordance with this charter, city ordinances, and state laws.

Section 1.02 The Boundaries

The boundaries of the City are those established by the original incorporation of the City of Lakeway, Texas, as well as those modifications recorded by subsequent annexation or disannexation proceedings.

Section 1.03 Extension of Boundaries

The Council has the power to modify the boundaries of the City by ordinance in either of the following methods:

a) In accordance with the Texas Local Government Code as enacted or thereafter amended, without an election.

b) In accordance with the Texas Local Government Code as enacted or thereafter amended, through voter approval in separate elections for the City and the potential annexation district.

Section 1.04 Contraction of Boundaries

Whenever there exists within the corporate limits of the City of Lakeway any territory lying adjacent to the corporate limits which is not suitable or necessary for City purposes, the City Council may, upon a nonbinding petition signed by a majority of the qualified voters residing in such territory or without any such petition by ordinance duly passed, discontinue said territory as a part of said City. Said petition and ordinance shall specify accurately the metes and bounds of the territory sought to be eliminated from the City and shall contain a plat designating such territory so that the same can be definitely ascertained; and when said ordinance has been duly passed the same shall be entered

upon the minutes and records of said City; and after the entry of such ordinance said territory and the inhabitants therefore shall cease to be a part of said City. At least thirty days prior to the City Council's consideration of any ordinance which would discontinue a territory as a part of said City, the Mayor shall have published an announcement that said territory has been determined to be not suitable or necessary for City purposes and shall include in such announcement the basis and reasons for such determination.

ARTICLE II
POWERS OF CITY

Section 2.01 General

The City of Lakeway is a home-rule city. Accordingly, the City shall have all the powers, defined and implied, that are now, or may hereafter be granted to home-rule cities by the State and this Charter.

Among others, the City may:

(a) Use a corporate seal;

(b) Contract and be contracted with;

(c) Sue and be sued in all courts in all matters;

(d) Cooperate with other government entities;

(e) Own, acquire or manage property for any municipal purpose within the City or elsewhere;

(f) Provide public facilities and services for any municipal purpose;

(g) Establish rates and otherwise regulate public utilities in accordance with state and federal law;

(h) Assess, levy and collect taxes;

(i) Borrow money on the faith and credit of the City, subject to limitations elsewhere in this Charter;

(j) Appropriate money;

(k) Pass and enforce ordinances;

(l) Provide penalties for ordinance violations;

(m) Exercise all municipal powers, functions, rights, privileges and immunities of every name and nature except those prohibited by state or federal law.

Section 2.02 General Powers Adopted

Enumeration of powers in this Charter is not exclusive. The City shall have all powers, not cited in this Charter incident to local self-government allowed by state and federal law as now enacted or hereafter amended.

Section 2.03 Eminent Domain

The City shall have the full power and right to exercise the power of eminent domain when necessary or desirable to carry out any of the powers conferred upon it by this Charter or by the Constitution or laws of the State of Texas. The power of eminent domain hereby conferred shall include the right of the City to take the fee or some lesser interest in the land so condemned and such power and authority shall include the right to condemn public or private property for such purposes as provided by the statutes of the State of Texas. The City shall have and possess the power of condemnation within or without the corporate limits of the City for any approved public purposes even though not specifically enumerated in this Charter.

Section 2.04 Zoning in General

For the purpose of promoting the public health, safety, morals, and general welfare and protecting and preserving places and areas of historical, cultural or architectural importance, the Council shall have full power and authority to zone the City and to pass all necessary ordinances, rules and regulations governing the same pursuant to and in accordance with the laws of the State of Texas as now or hereafter amended.

ARTICLE III
THE CITY COUNCIL

Section 3.01 Number, Selection and Term

The City Council, referred to herein as the Council consists of the Mayor and six Councilmembers.

(a) The Mayor and the Councilmembers will be elected from the City at large. The Mayor and three Councilmembers will be elected in odd numbered years, and three Councilmembers will be elected in even number years. Elections will be held in a manner provided in Article V of this Charter.

(b) Term of office for all members will be two years. Office term will commence at the first regular Council meeting after a member of the Council has been declared elected.

(c) No person shall serve as Mayor for more than three (3) successive terms and no person shall serve as Councilmember for more than three (3) successive terms.

Section 3.02 Qualifications

All office holders for city elective office shall possess the following qualifications:

(a) Meet all the requirements for public office prescribed by State and Federal laws.

(b) Be a registered voter residing in the City, or annexed territory, for at least one year prior to the election.

(c) Be at least twenty one years of age by the date of the election.

(d) Shall not hold any other compensated public office if elected.

(e) Shall not be a city employee, contractor or supplier.

(f) Shall not be in financial arrears, which shall mean nonpayment of a tax, liability, or other obligation owed the City, other than a citation properly contested through municipal court, that has not been received by the City within ninety days from due date.

If a member of the Council shall cease to possess any of the qualifications prescribed, the person shall forfeit the office.

Section 3.03 Judge of Election Qualifications

The Council shall be the judge of all elections and the qualifications of all elected and appointed officials of the City.

Section 3.04 Application for City Office

Each candidate for an elective City office shall make application to have his name listed on the ballot in accordance with the laws of the State of Texas.

Section 3.05 Compensation

Members of the Council shall serve without pay or compensation; provided, however, that they shall be entitled to reimbursement for all expenses incurred in the performance of their official duties as approved by the Council.

Section 3.06 Mayor and Mayor Pro Tem

The Mayor's duties include recommending issues for the agenda and presiding over City Council meetings.

The Mayor shall vote on all issues brought before the Council and sign all written actions authorized by the City Council.

The Mayor may not veto or modify any action approved by the City Council.

The Mayor is recognized as the head of City government. The Mayor will also perform all other duties required by order of the Council.

The Council shall appoint one of its members for a period of one year as Mayor Pro Tem. The Mayor Pro Tem shall act, and have the rights and duties, as the Mayor whenever the Mayor is absent or incapacitated or the office of Mayor becomes vacant.

Section 3.07 Vacancies

Any elective office shall become vacant upon death, resignation, or forfeiture as authorized by law or this Charter. The Council, at the first regular Council meeting after the vacancy, shall declare the office vacant and initiate action to fill the vacancy in accordance with this charter.

Section 3.08 Forfeiture of Office

Any elected official will forfeit office for any of the following reasons:

(a) Failing to maintain any qualification of this Charter.

(b) Violating any provision of this Charter.

(c) Conviction of a crime involving moral turpitude.

(d) Fails to attend one-half of the regularly scheduled Council meetings during any consecutive six-month period.

Section 3.09 Filling of Vacancies

The City Council shall fill any vacancy that occurs on the City Council unless an election to fill the vacancy is required by Article XI, Section 11, of the Texas Constitution, or unless a majority of the City Council votes to call a special election for the next uniform election date to fill the vacancy for the unexpired term only.

A person serving as a member of the City Council is not, because of that service, ineligible to be appointed to fill a vacancy in the office of mayor, but the person may not vote on the person's own appointment.

If a number of vacancies exist on the Council causing the remaining members to number less than four, those remaining members shall constitute a quorum for the limited purpose of meeting to fill enough of the vacancies so that a quorum of four exists.

Section 3.10 Dual Office Holding

Neither the Mayor nor any Councilmember shall hold another City office or City employment. Former Mayors and Councilmembers shall not receive any compensation from the City or hold any compensated appointive City office within one year after their elective office terminates.

Section 3.11 Council Meetings

The Council shall define by ordinance how and when the Council shall meet, and the manner in which meetings are conducted. The Council shall meet at a regular time at least once a month. All notification prior to meetings shall be in accordance with state law as enacted or hereafter amended.

Section 3.12 Quorums

Four members of the City Council shall constitute a quorum for the purpose of transaction of business, and no action of the City Council, except as provided in Section 3.09 shall be valid or binding unless adopted by the affirmative vote of the majority of the Members of the Council present.

Section 3.13 Rules of Procedure

The Council shall establish by ordinances its procedures for conducting City Council meetings, however, such ordinances shall provide the City's citizens, or their representatives, an opportunity to comment on any matter on the agenda of any regular or special meeting of the Council prior to the Council voting on the matter. The City Secretary will maintain all minutes of all proceedings of the Council and make these available to citizens of the City.

Section 3.14 Voting

Members of the Council present will vote, and have their votes recorded in the minutes, upon every action requiring a vote. Only in the event the vote involves the member's conduct, or a conflict of interest, will the member recuse and the reasons for the recusal shall be noted in the minutes. The rules set forth elsewhere in this Charter will control conflict of interest issues.

Section 3.15 Ordinances in General

The Council may adopt or amend any ordinance that is for the good of the City, as well as provide for the enforcement and punishment of ordinance violations in accordance with state law. All expenditure of City funds and contracting of City indebtedness shall be by Council ordinance. All actions will state; "BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LAKEWAY".

Section 3.16 Procedure to Enact Legislation

Every ordinance or resolution shall be introduced in written or printed form, and shall have a clearly summarized and fully descriptive title or caption. The reading aloud of the title or caption of the ordinance shall suffice as a reading of the ordinance or resolution in its entirety provided that a written or printed copy thereof has been furnished to each member of the Council prior to such meeting, and that a reasonable number of additional copies are available to interested citizens present at the Council meeting.

A majority of the Council present may require an ordinance to be read in its entirety. The affirmative vote of the majority of the Members of the Council present, except as otherwise required by statute, shall be necessary to adopt any ordinance or resolution.

The vote upon the passage of all ordinances and resolutions shall be recorded in a book kept for that purpose by the City Secretary. Every ordinance enacted shall be authenticated by the signature of the Mayor, or in the Mayor's absence by the Mayor Pro Tem, and the City Secretary, and shall be systematically recorded and indexed in an ordinance book in a manner approved by the Council. It shall only be necessary to record the caption or title of ordinances in the minutes of the Council meetings.

Section 3.17 Publication of Ordinances

Except as otherwise provided by the laws of the State of Texas or this Charter, the City secretary shall give notice of the enactment of every ordinance imposing any penalty, fine or forfeiture for any violation of its provisions, and of every ordinance relating to the budget, franchises, taxes or public utilities or the setting of the amounts or rates thereof, by causing the ordinance in full or its caption, including the penalty, to be published at least one time in the official newspaper of the City of Lakeway. The provisions of this section shall not apply to the correction, amendment, revision and codification of the ordinances of the City in book or pamphlet form.

Section 3.18 Emergency Ordinances

The Council may adopt emergency ordinances to protect life, property or the public peace in accordance with the applicable provisions of state and federal law. The ordinance shall plainly designate it as an emergency ordinance and shall contain a declaration stating that an emergency exists and describing it in clear and specific terms. The emergency will be effective for a maximum period of sixty days from enactment, except as noted below. It may be renewed if necessary by the procedures necessary for the enactment of a new ordinance.

Emergency ordinances may not levy taxes; grant, renew or extend a franchise, or regulate rates charged by any public utility.

Emergency ordinances may not authorize the borrowing of money except as otherwise provided for in this charter. Emergency ordinances authorizing the borrowing of money can stay in effect longer than sixty days.

Section 3.19 Adoption of Code

The City may, by ordinance, adopt a codification of its ordinances, together with appropriate penalties for their violation, in accordance with and as authorized by the laws of the State of Texas.

Section 3.20 Investigative Body

The Council shall have the power to inquire into the conduct of any City office, department or agency and into the conduct or qualifications of any officer or employee of the City and to make investigations as to municipal affairs, and for these purposes may subpoena witnesses, administer oaths and compel the production of books, papers and other evidence material to a specific inquiry. The Council shall establish by ordinance the procedures applicable to the investigations authorized herein, and shall set penalties for failure to comply therewith.

ARTICLE IV
ADMINISTRATIVE SERVICE

Section 4.01 City Manager

(a) Appointment and Qualifications:

The City Council, by a majority vote of all the members of the City Council, shall appoint a City Manager. The method of selection shall be left to the discretion of the City Council as long as the other provisions of this Charter with respect to city employment are satisfied.

The City Manager, when chosen, need not be a resident of the City, but is expected to reside within the City within a reasonable period of time after accepting appointment.

(b) Compensation:

The City Manager shall receive compensation as may be fixed by the City Council according to his experience, education and training. The compensation shall be agreed upon before appointment with the understanding that the City Council may change it at its discretion.

(c) Term and Removal:

The City Manager shall not be appointed for a definite term but may be removed at the discretion of the City Council, by vote of the majority of all the members of the City Council. The action of the City Council in suspending or removing the City Manager shall be final. It is the intention of this Charter to vest all authority and fix all responsibilities for such suspension or removal in the City Council.

(d) Powers and Duties:

The City Manager shall be the Chief Administrative Officer of the City, and shall be responsible to the City Council for the proper administration of all the affairs of the City and to that end shall have the power to:

(1) See that all State laws and City ordinances are enforced.

(2) Hire, suspend or remove any employee of the City, except Department Heads which requires the consent of the Council. A Department Head is any city employee who is the chief director and/or manager of any department of the City.

(3) Prepare all agendas to include items submitted by members of the Council. Attend all meetings of the City Council except when excused by the City Council.

(4) Prepare and administer the City budget in accordance with provisions set forth elsewhere in this Charter.

(5) With the City Treasurer, prepare and submit to the City Council at the end of the fiscal year a complete report on the finances and administrative activities of the City for the preceding year.

(6) With the Finance Director and City Treasurer submit to the City Council a monthly budget summary and keep the City Council advised of the financial condition and future needs of the City and make recommendations as may seem advisable.

(7) Make such interim personnel policies and procedures, excluding ones that create or alter any compensation or other remuneration or benefit of employment, that are not substantially inconsistent with any policy or procedure adopted by the City Council then in effect, provided that a report or notice thereof is provided to the City Council within 30 days.

Section 4.02 City Secretary

The City Manager, subject to the approval of the Council, shall appoint the City Secretary and such assistant City Secretaries as the Council shall deem advisable.

(a) The Secretary of the City shall attend each meeting of the Council of the City and shall keep, in a record provided for that purpose, accurate minutes of the proceedings.

(b) The Secretary shall:

(1) Keep an accurate register of all laws, resolutions, and ordinances of the Council;

(2) Keep the corporate seal;

(3) Take charge of, preserve, and keep in order the books, papers, documents, files and other records of the Council;

(4) Countersign all commissions issued to municipal officers and all licenses issued by the Mayor, and keep a record of those commissions and licenses;

(5) Prepare notices required under any regulation or ordinance of the City.

(c) The Secretary shall notify the Texas Judicial Council of the name of each person who is elected or appointed as Mayor, municipal court judge, or clerk of a municipal court of the City. The Secretary shall notify the judicial council within thirty days after the date of the person's election or appointment.

(d) The Secretary shall keep all contracts made by the Council.

(e) The Secretary shall perform all other duties required by law, ordinance, resolution, or order of the City Manager or Council.

Section 4.03 Finance Director

The City Manager, subject to the approval of the Council, shall appoint the Finance Director and such Assistant Finance Directors as the Council shall deem advisable.

(a) The Finance Director serves as the general accountant of the City and shall keep financial records in accordance with standards established by the Governmental Accounting Standards Board (GASB). The Finance Director shall keep each cause of receipt and disbursement separately and under proper headings. The Finance Director shall also keep separate accounts with each person, including each officer, who has monetary transactions with the city.

The Finance Director shall credit accounts allowed by proper authority and shall specify the particular transaction to which each entry applies. The Finance Director shall keep records of the accounts and other information covered by this subsection.

(b) The Finance Director shall keep a register of bonds and bills issued by the City and all evidence of debt due and payable to the City, noting the relevant particulars and facts as they occur.

Section 4.04 Municipal Court

(a) There shall be established and maintained a court, designated as a "Municipal Court" of the City of Lakeway, for the trial of misdemeanor offenses, with all such powers and duties as are now or may hereafter be prescribed by laws of the State of Texas relative to municipal courts.

(b) The Municipal Judge shall be appointed by the Mayor, subject to the approval of the Council, and shall be an attorney licensed to practice law in the State of Texas.

(c) A Court Clerk and such deputies as deemed necessary shall be appointed by the City Manager, subject to the approval of the Council. The Court Clerk and his deputies shall have the power to administer oaths and affidavits, make certificates, affix the seal of said court thereto, and perform any and all acts authorized by the laws of the State of Texas to be performed by the Clerks of Courts. The Clerk and deputies shall be required to execute a surety bond in accordance with the provisions of this Charter.

(d) The Mayor, subject to the approval of the Council, may appoint additional associate Municipal Judges who possess the qualifications specified in 4.03 (b).

(e) All costs, fees, special expenses and fines imposed by the Municipal Court shall be paid into the City Treasury for the use and benefit of the City except as otherwise required by the laws of the State of Texas.

Section 4.05 City Attorney

The Mayor shall appoint, subject to the approval of the Council, a duly licensed attorney practicing law in the State of Texas, who shall be the City Attorney. He shall be the legal advisor for the City and all officers and departments thereof in matters relating to the conduct of City business. The City Attorney, or such other attorneys as designated and approved by the Mayor and Council, may represent the City in litigation and legal proceedings.

Section 4.06 Treasurer and Tax Collector

The Mayor, subject to the approval of the Council, shall appoint a Treasurer and such Assistant Treasurers as the Council may deem advisable. The Treasurer may also serve as Tax Collector.

(a) Bond shall be required as set forth in Section 11.02 of this Charter.

(b) The Treasurer shall receive and securely keep all money belonging to the City. The Treasurer shall make all payments on the order of the City Manager, attested by the Finance Director under the seal of the City. The Treasurer shall oversee all financial transactions conducted by the Finance Director and City Manager.

(c) The Treasurer shall provide a report of the City's financial condition at each regular Council meeting.

(d) The Treasurer shall perform other acts and duties as the City Manager and/or Council requires.

Section 4.07 Police Department

A Police Department headed by the Chief of Police shall be established to maintain order within the City and to protect citizens from violence or threats of violence and their property from damage or loss. The Chief of Police shall be appointed by the City Manager, subject to the approval of the Council. The Chief of Police must be of good reputation and must, as required under state law, maintain sufficient certification and continuing education training to be authorized to serve as Chief. The Chief of Police shall enforce the laws of the State and the ordinances of the City and perform other such duties as may be required of him. The Chief of Police shall establish and maintain written rules, approved by the Council, relating to police policies and procedures.

ARTICLE V
NOMINATIONS AND ELECTIONS

Section 5.01 City Elections

(a) Schedule

The regular City Election shall be held annually on the uniform election date provided by state law occurring in or nearest the month of May. The Council shall fix the places for holding such election, and the City Secretary shall give notice of the election in the manner required by the laws of the State of Texas.

(b) Special Elections

The Council may, by ordinance call special elections as required or authorized by the laws of the State of Texas or the provisions of this Charter. The Council shall fix the time and places for such special elections, shall direct the City Secretary to give notice thereof and shall provide all means for holding same.

(c) Voter Eligibility List

A certified list of registered voters residing within the City, as prepared by the County Tax Assessor-Collector, shall be currently maintained by the City Secretary.

(d) Conduct and Regulation of Elections

All City elections shall be held in accordance with the Constitution and laws of the State of Texas, and with this Charter, and the ordinances, resolutions and orders adopted by the Council for the conduct of elections. The Council shall appoint election judges and other officials, and shall determine and provide for their compensation and for all other expenses of holding municipal elections.

Section 5.02 Official Ballots

(a) The name of each candidate for office, except such as may have withdrawn, died or become ineligible, shall be printed on the official ballots without party designation or symbol. If two or more candidates have the same surname or surnames that are similar as to be likely to cause confusion, their residence addresses shall be printed with their names on the ballot.

(b) In elections to fill one or more vacant places on the Council, the order on the ballot of the names of the candidates shall be in accordance with the general election laws of the State of Texas and shall be determined by lot in a drawing to be held under the supervision of the City Secretary.

(c) Absentee voting shall be governed by the general election laws of the State of Texas.

(d) Ordinances, Bond Issues, and Charter Amendments shall be presented for voting by ballot title which may differ from the measure's legal title, but which shall be a clear, concise statement, approved by the affirmative vote of the majority of the Members of the Council present, objectively describing the substance of the measure.

The content and form of the ballot shall be determined by ordinance in accordance with the general election laws of the State of Texas.

(e) Procedures for write-in votes shall be governed by the general election law of the State of Texas.

Section 5.03 Canvassing

The election judges and officials appointed by the Council shall determine, record and report the results of any general or special City election in accordance with the general election laws of the State of Texas. In accordance with said laws, the Council shall, after an election, meet, canvass and officially declare the results of the election as to candidates and questions. The returns of every municipal election shall be recorded in the minutes of the Council. The candidate who receives the largest number of votes cast for an office shall be declared elected.

Section 5.04 Run-Off Election

In the event no candidate for an office receives a plurality of the votes cast for that office in the regular or special election, the Council shall, upon completion of the official canvass, call a run-off election among the candidates who receive an equal number of votes. The election shall be held in accordance with the election laws of the State of Texas, the provisions of this Charter and the ordinance ordering same.

ARTICLE VI
INITIATIVE, REFERENDUM, AND RECALL

Section 6.01 Power of Initiative

The people of the City reserve the power of direct legislation by initiative, and in the exercise of such power may propose any ordinance, not in conflict with this Charter, the state constitution, or the state laws except an ordinance appropriating money or authorizing the levy of taxes. Any initiated ordinance may be submitted to the council by a petition signed by qualified voters of the city equal in number to at least ten (10) percent of the qualified voters of the city.

Section 6.02 Power of Referendum

The people of the City reserve the power to approve or reject at the polls any Council legislation which is subject to the initiative process under this Charter, except that ordinances authorizing the issuance of either tax or revenue bonds, whether original or refunding bonds, shall not be subject to referendum. The people may by petition require voter approval of an ad valorem tax increase as provided by the laws of the State of Texas. The people may request that an existing ordinance be repealed by filing a petition with the City Secretary, which petition shall be signed by at least ten percent of the qualified voters of the City and shall otherwise satisfy the requirements set forth in this Charter. When such a petition has been certified as sufficient by the City Secretary, all action authorized by the specified ordinance shall be suspended until said ordinance has been approved by the voters as herein provided.

Section 6.03 Form of Petitions

Initiative petition papers shall contain the full text of the proposed ordinance, including a descriptive caption. Referendum petition papers shall contain a sufficient description of the referred ordinance to identify it, or if the ordinance has been passed by the Council, the full text of said ordinance. The signatures to the initiative or referendum petitions need not all be appended to one paper, but each set of petition papers must set forth the initiated or referred ordinance as detailed above, and to each separate set of petition papers there shall be attached the affidavit of the circulator thereof as provided for in this Section. Each signer's name shall be printed and signed in ink and shall be accompanied by such information as may be required by the election laws of the State of Texas. The City Secretary shall, upon request, provide a petition form identifying the information to be included with respect to each petition signer and the manner in which it is to be set out. A petition which includes all the information identified in the form provided by the City Secretary shall not be rejected or deemed insufficient as to form with respect to the signatures.

No signature shall be counted if it is a duplication of either a name or the handwriting used in any other signature on the petition, or if the signer is not a qualified voter of the City, or if the signature fails to comply with the requirements of the Texas Election Code for the validity of petition signatures, or if the City Secretary is in possession of a document that credibly and reasonably establishes that the signature is not that of the person purported to have signed the petition. Before the signatures on any petition paper may be counted, the circulator of that petition paper, or set of petition papers, shall make an affidavit before the City Secretary or other office authorized to administer oaths, that the statements made in the affidavit are true, that each signature to the page or pages appended thereto is the genuine signature of the person whose name it purports to be, and that such signatures were made in his presence. The City Secretary shall, upon request, provide a form specifying the language of the affidavit. A petition paper, or set of petition papers, which has attached to it an affidavit in the form prescribed by the City shall not be rejected as to form.

Section 6.04 Filing, Examination and Certificate of Petitions

All petition papers comprising an initiative or referendum petition shall be assembled and filed with the City Secretary as one instrument. One person shall be designated as the one who has filed the petition, and his name, address and phone number shall be recorded by the City Secretary at the time of filing.
Within thirty days after a petition is filed, the City Secretary shall determine whether each paper or set of papers of the petition have been properly verified and whether the petition has been properly signed by the requisite number of qualified voters. The City Secretary shall declare void any petition paper or set of papers which does not have an affidavit attached thereto as required in Section 6.03 of this Article.

In examining the petition, the City Secretary shall indicate the names of any signers found not qualified or for whom insufficient information was provided. The City Secretary shall certify the results of the petition examination to the Council at its next regular meeting. If the certificate of the City Secretary shows an initiative or referendum petition to be insufficient, the City Secretary shall notify the person filing the petition, and it may be amended within fifteen days from the date of such notice by the filing of a supplemental petition upon additional papers signed and filed as prescribed for an original petition. Within fifteen days after the amendment is filed, the City Secretary shall examine the amended petition and certify as to its sufficiency. If the amended petition is then found to be insufficient, no further proceedings shall be required. The finding of the insufficiency shall not, however, prejudice the filing of a new petition for the same purpose.

Section 6.05 **Council Consideration and Submission to Voters of Initiated Ordinances**

When the Council receives an authorized initiative petition certified by the City Secretary to be sufficient, the Council shall:

(a) Pass the initiated ordinance without amendment within thirty days after date of the certification to the Council; or

(b) Submit the initiated ordinance without amendment to a vote of the qualified voters of the City at a regular or special election to be held within ninety days after the date of the certification to the Council or as soon thereafter as permitted by the laws of the State of Texas; or

(c) At such election, submit the initiated ordinance without amendment and an alternative ordinance proposed by the Council to a vote of the qualified voters of the City. The ballot shall state the captions of the initiated ordinance and the alternative ordinance, clearly designating them "Ordinance No. 1" and "Ordinance No. 2", respectively, and shall set forth below the captions on separate lines the words "For Ordinance No. 1", "For Ordinance No. 2" and "Against Both Ordinances". Each voter shall vote "For" only one ordinance, or "Against Both Ordinances", and a vote for one ordinance shall be counted as a vote against the other ordinance.

Section 6.06 **Council Consideration and Submission to Voters of Referred Ordinances**

When the Council receives an authorized referendum petition certified by the City Secretary to be sufficient, the City Council shall:

(a) Repeal the referred ordinance within thirty days after the date of certification to the Council; or

(b) Submit the referred ordinance to a vote of the qualified voters of the City at a regular or special election to be held within ninety days after the date of the certification to the Council or as soon thereafter as permitted by the laws of the State of Texas.

Section 6.07 Results of Election

Any number of ordinances may be voted on at the same election in accordance with the provisions of this Article. If a majority of the legal votes cast are in favor of an initiated ordinance, it shall thereupon be an ordinance of the City. An ordinance thus adopted may not be repealed or amended until after the expiration of two years and then only by the affirmative vote of the majority of the Members of the Council present.

A referred ordinance which is rejected by a majority of the legal votes cast in a referendum election shall be thereby repealed.

An ordinance thus rejected may not be re-enacted until after the expiration of two years and then only by the affirmative vote of the majority of the Members of the Council present. No ordinance on the same subject as an initiated ordinance which has been defeated at an election or which as a referred ordinance has been approved at an election may be initiated by the voters within one year from the date of such election.

Section 6.08 Inconsistent Ordinances

If the provisions of two or more proposed ordinances approved at the same election are inconsistent, the ordinance receiving the greatest number of votes shall prevail.

Section 6.09 Power of Recall

The people of the City reserve the power to recall any elected City official, whether elected to office by popular vote or appointed by the Council to fill a vacancy, by filing a petition with the City Secretary demanding the removal from office of said official. A separate petition shall be required for each official whose recall is sought, and each such petition shall state the name of the official and a clear and concise statement of the grounds for his removal. The petition shall be signed by at least ten percent of the qualified voters of the City, and shall otherwise meet the signature and verification requirements set forth in Section 6.03 for Initiative and Referendum petitions.

Section 6.10 Recall Election

The provisions of Section 6.04 regulating the filing, examination, and amendment of initiative and referendum petitions shall apply to recall petitions, except that within thirty days after a recall petition is filed, the City Secretary shall determine whether the petition papers have been properly verified and signed by the requisite number of qualified voters.

The City Secretary shall certify the results of the petition examination to the Council at its next regular meeting, and shall, immediately after such certification notify, in writing, the officer sought to be removed. If such officer does not resign within five days after receipt of the notice, the Council shall hold a special recall election within not less than thirty nor

more than sixty days from the certification to determine whether or not the officer shall be removed.

Section 6.11 Results of Recall Election

If a majority of the votes cast at a recall election are against removal of the officer named on the ballot, he shall continue in office. If a majority of the votes cast at a recall election approve the recall of the officer named on the ballot, the Council shall immediately declare the office vacant, which vacancy shall be filled in accordance with the provisions of this Charter.

Section 6.12 Limitations on Recall

No recall petition shall be filed against an elected City officer within six months after he takes office, and no officer shall be subjected to more than one recall election during his term of office.

Section 6.13 Failure of City Council to Call an Election

Should the Council fail or refuse to order any of the elections as provided for in this Article, when all the requirements for such elections have been complied with by the petitioning electors, then the Mayor or the petitioners may request the District Judge of Travis County, Texas to discharge any such duties herein provided to be discharged by the person performing the duties of City Secretary or by the Council.

ARTICLE VII
BOARDS, COMMISSIONS AND COMMITTEES

Section 7.01 Boards and Commissions

The Council shall have authority to establish, by ordinance, such boards and commissions as may be required by the laws of the State of Texas and as it may deem necessary for the conduct of City business and management of municipal affairs. The composition, authority, functions and responsibilities of each such board and commission and the qualifications and procedures for the appointment and removal of their members shall be set forth in the establishing ordinance. All existing boards and commissions heretofore established shall be continued in accordance with the ordinance or resolution pursuant to which each has been created until the Council shall by ordinance repeal or amend the ordinance or resolution pursuant to which each exists. Appointments to boards and commissions will be made by the Mayor subject to the approval of the Council unless otherwise provided by this Charter or by ordinance. The term of each appointee shall be for the duration of the Mayor's term of office and shall continue until a successor is appointed unless the appointee is removed for any reason from the board or commission by the recommendation of the Mayor confirmed by majority vote of the City Council to remove the appointee.

Section 7.02 Qualifications and Term of Office

In addition to any qualifications prescribed by law, each appointee to City boards and commissions shall:

(a) Be a registered voter of the City;

(b) Be a resident of the City and shall have resided for at least twelve consecutive months preceding his appointment within the incorporated limits of the City, including territory annexed prior to his appointment.

(c) Not be in arrears in the payment of any taxes or other liabilities due the City. "In arrears" shall mean nonpayment of a tax, liability, or other obligation owed the City, other than a citation properly contested through municipal court, that has not been received by the City within ninety days from due date.

Section 7.03 Zoning and Planning Commission

There shall be established a Zoning and Planning Commission, in accordance with and pursuant to the laws of the State of Texas, to perform such duties and functions as are required or authorized by said laws and by this Charter and the ordinances adopted pursuant thereto; and, as may be directed by the Council.

Among its responsibilities shall be the requirement to:

(a) Act as advisory body to the Council;

(b) Study proposed subdivision plats and plans to insure conformance with subdivision and development ordinances;

(c) Recommend to the Council changes in the current comprehensive plan for the City and its Extraterritorial Jurisdiction;

(d) Recommend to the Council any changes deemed necessary in ordinances regulating the zoning and physical development of the City and/or in the Extraterritorial Jurisdiction of the City; and

(e) Perform any other functions as specified by state statutes.

Section 7.04 Board of Adjustment

There shall be established a Board of Adjustment, in accordance with and pursuant to the laws of the State of Texas, to perform such duties and functions as required or authorized by the laws and by this Charter and the ordinances adopted pursuant thereto and as may be directed by the Council. The Board shall report to the Council the matters pending before it and all decisions made in connection therewith.

Section 7.05 Building Commission

There shall be established a Building Commission to perform such functions and duties as required by City ordinances and as may be directed by the Council.

Section 7.06 Committees

The Council shall have authority to establish, by ordinance or resolution, such committees as it may deem necessary for the conduct of City business and management of municipal affairs. The composition, authority, functions and responsibilities of each committee and the qualifications and procedures for the appointment and removal of their members shall be set forth in the establishing ordinance or resolution. All existing committees heretofore established shall be continued in accordance with the ordinance or resolution pursuant to which each has been created until the Council, as modified from time to time by amendments to the ordinance or resolution that created the committee. Appointments to committees will be made by the Mayor subject to the approval of the City Council unless otherwise provided by this Charter or by ordinance. The term of each appointee shall be for the duration of the Mayor's term of office and shall continue until a successor is appointed, unless the appointee is removed for any reason from the

committee by the recommendation of the Mayor confirmed by a majority vote of the City Council to remove the appointee.

ARTICLE VIII
FINANCIAL ADMINISTRATION

Section 8.01 Fiscal Year

The fiscal year of the City shall be determined in accordance with State law by ordinance and such shall also constitute the budget and accounting year.

Section 8.02 Preparation and Submission of Annual Budget

City department heads and officers shall submit budget requests for the next fiscal year to the City Manager for review and consolidation. The City Manager shall review his proposed budget with the City Treasurer prior to its submission to the Council. The City Manager shall submit to the Council a proposed annual budget, which shall provide a complete financial plan for the fiscal year and shall conform to the requirements of state law. The proposed budget shall be filed with the City Secretary.

Section 8.03 Public Hearing

The Council shall hold at least one public hearing on the proposed budget, in accordance with the state law, prior to the time the Council adopts the budget and sets the tax levy.

Section 8.04 Adoption of Annual Budget

Before taxes are levied, but after public hearing, the Council shall adopt the annual budget. The Council may amend the proposed budget, but shall not delete or decrease appropriations required by debt service, or by law, and shall not authorize any expenditures in excess of the total estimated income plus such funds as are available from earlier years. Copies of the adopted budget and any amendments thereto shall be filed with such municipal, county and state officials as required by State law.

Section 8.05 Failure to Adopt

If the Council fails to adopt the annual budget before the start of the fiscal year to which it applies, appropriations of the last budget adopted shall be considered as adopted for the current fiscal year on a month-to-month, prorata basis until the next budget is adopted.

Section 8.06 Budget is a Public Record

All proposed and adopted budgets are public records.

Section 8.07 Transfer of Funds

During the fiscal year the Council shall have the power to transfer, by resolution, funds within the budget in accordance with state law, except that interest earned on unspent budgeted funds, shall be applied solely to debt reduction.

Section 8.08 Borrowing for Emergency Appropriations

The Council shall have the power to borrow money on the credit of the City and to issue bonds, certificates of obligation, warrants, notes or other evidences of debt to a maximum of ten percent of the total ad valorem tax revenues received the preceding fiscal year in order to cover any single emergency or unanticipated appropriation. Otherwise, additional debt must be secured in accordance with Section 8.09.

Section 8.09(a) Issuance of Bonds and Other Obligations of City

The City shall have the power to borrow money on the credit of the City and to issue bonds, certificates of obligation, warrants, notes or other evidences of indebtedness for permanent public improvements or for any other public purposes not prohibited by the Constitution, the laws of the State of Texas and this Charter. All such bonds shall be issued in conformity with the laws of the State. The total general obligation debt of the City shall never exceed ten percent (10%) of the net taxable value of property on the tax rolls of the City, and any issue of bonds in excess of said sum shall be void to the extent of such excess.

Notwithstanding any other provision of this Charter to the contrary, ordinances authorizing the issuance of bonds, certificates of obligation, warrants, notes or other evidences of indebtedness, or ordinances authorizing the levy of taxes or the pledge of revenues to secure payment of indebtedness, shall require only one reading, shall become effective immediately, and shall not be subject to referendum. Provided, however, that nothing in this Section excuses compliance with Section 8.09(b) of this Charter.

Section 8.09(b) Election to Authorize Bonds

All Bonds, warrants, certificates of obligation and revenue bonds shall not be issued unless authorized by a majority of the qualified voters at a City election held for that purpose. The ordinance calling the election and the manner of conducting such shall conform in all respects to the laws of the State of Texas and the provisions of this Charter. [Refunding bonds are exempt from the provision of Sec. 8.09(b.)]

Section 8.10 Lapse of Appropriations

Funds appropriated or budgeted shall lapse at the close of the fiscal year if not spent or encumbered and shall become resources to be applied to the budget for the next succeeding fiscal year.

Section 8.11 Payment and Obligation

No obligation shall be incurred unless the City Manager or his designee certifies that there are sufficient unencumbered funds in the appropriations. No payment shall be made unless the Treasurer certifies that funds have been properly obligated and that there is sufficient cash available to cover the payment.

Section 8.12 Independent Audit

At the close of each fiscal year, and at such other times as may be deemed necessary, the Council shall have a certified public accountant licensed in the State of Texas conduct an independent audit of all accounts and prepare an annual financial statement based thereon. The certified public accountant retained shall have no personal interest, directly or indirectly, in the financial affairs of the City or with any of its officers. The audited financial statements shall be filed with the Finance Director.

Section 8.13 Purchases and Contracts

All purchases made and contracts executed by the City shall be made in accordance with the requirements of the Constitution and the laws of the State of Texas.

Section 8.14 Contingent Appropriations

Provision shall be made in the annual budget and in the appropriations ordinance for a contingency fund or appropriation in the amount not to exceed three percent (3%) of the revenue budget, to be used for unforeseen items of expenditure.

Such fund shall be under the control of the City Manager, and any expenditures therefrom can be made only upon the approval of the Council and only in cases of established emergencies. A detailed account of each expenditure shall be recorded.

Section 8.15 Depository

Annually the Finance Director and Treasurer will review the City's compliance with its investment policy pursuant to provisions of State law.

ARTICLE IX
TAX ADMINISTRATION

Section 9.01 Power to Tax

The Council shall have the power to levy, assess and collect annual taxes, of whatever nature and on all kinds of property to the maximum now or hereafter authorized by the Constitution, and the laws of the State of Texas, and as provided by this Charter, such rate being limited to a maximum of seventy-five cents per hundred dollars of appraised property value.

In accordance with and as authorized by said Constitution and laws, the Council shall, by ordinance, determine the rates of taxation and the methods and procedures pursuant to which City taxes shall be levied, assessed and collected. The City may contract with another governmental entity authorized by the laws of the State to assess or collect City taxes on its behalf, and to perform such other functions as the Council deems necessary.

Section 9.02 Tax Levy

The Council, as soon as practicable after certification of assessment rolls but not later than October 1 of each year, shall enact the annual tax levy ordinance. The Tax Collector shall then have tax statements mailed to each person, partnership, association, corporation, or other legal entity as named on the tax rolls in accordance with the laws of the State of Texas. If the Council fails to enact the annual tax levy ordinance for a particular year, within such year the tax levy shall be the amount authorized by State law until the next tax levy ordinance is enacted. Failure of the Council to enact a tax levy ordinance for a particular year shall not invalidate the collection of taxes for that year.

Section 9.03 Payment of Taxes

All taxes due the City shall be payable at the Office of the City Tax Collector or elsewhere as directed by the Council, and may be paid at any time after the tax rolls for the year have been completed and approved.

Except as otherwise provided by the laws of the State of Texas, taxes not paid by the close of business on January 31 of each year succeeding the year for which the taxes are levied shall be deemed delinquent, and shall be subject to such penalty, interest and collection fees as authorized by state law. Except as provided by law, failure to assess or levy taxes by error or omission in preparation of the approved tax roll shall not relieve the omitted property owner of the obligation to pay current or past due taxes.

Neither the Council nor any other officer of the City shall extend the time for payment of taxes, or remit, discount or compromise any tax legally due the City, or waive the penalty and interest that may be due thereon. Provided, however, that this provision shall not prevent the correction of any errors in assessment or the preparation of tax rolls, or preparation of a tax statement.

Section 9.04 Tax Liens and Liabilities

All property, real, personal and mixed having a situs within the corporate limits of the City on January 1 of each year, shall be charged with a tax lien in favor of the City from said date for all taxes, penalties and interest ultimately imposed for the year on that property.

City tax liens shall be superior to all other property interests and liens except other tax liens, regardless of when such other non-tax liens were created. All purchasers of said property on or after the first day of January in any year shall take said property subject to the liens provided herein. Additionally, the owner on or after the first day of January in any year of any property subject to taxation by the City shall be personally liable for the taxes due thereon for such year. The City shall have the power to sue for and recover personal judgments for taxes without foreclosure, to foreclose, or to pursue any other remedy authorized by the laws of the State of Texas. In any such suit where it appears that the description of any property in the City assessment rolls is insufficient to identify such property, the City shall have the right to plead a good description of the property to be assessed, to prove the same, and to have its judgment foreclosing the tax lien or for personal judgment or both, against the owners for such taxes.

Section 9.05 Counterclaim of Tax Arrears and Debt of City

If a property owner to whom the City owes a debt is in arrears, which shall mean nonpayment of a tax, liability, or other obligation owed the City, other than a citation properly contested through municipal court, that has not been received by the City within ninety days from due date, in payment of City taxes, the City may reduce the debt by an amount equal to the unpaid taxes. This right of setoff and counterclaim for taxes and arrears shall apply to any debt, claim, demand, or account owed by the City. No assignment or transfer, after taxes are due, of a debt or any other claim shall affect the right of the City to setoff taxes against the debt or other claim.

Section 9.06 Conflicts

In the event procedures regarding tax administration established by the Constitution or laws of the State of Texas conflict with any one or more of the preceding sections, the City will comply with such State-prescribed procedures.

ARTICLE X
FRANCHISES AND PUBLIC UTILITIES

Section 10.01 Powers of the City

In addition to the power of the City to buy, construct, own, maintain, lease, operate and regulate public utilities, regulate franchises, and to manufacture, distribute and sell the output of such utility operations, the City shall have such further powers as may be now or hereafter granted under the Constitution and laws of the State of Texas.

Section 10.02 Limits on Transfer or Use of Public Property

The right to control and use all public property of the City is declared to be inalienable to the City, except by ordinance consistent with the provisions of this Charter. No act or omission of the Council or officer or agent of the City shall be construed to grant, renew, extend or amend, in any way, any right, franchise or easement affecting said public property of the City except as provided by this Charter.

Section 10.03 Power to Grant Franchises

The Council shall have the power by ordinance to grant, renew and extend all franchises operating within the City, and to, with the consent of the franchise holder, amend such franchises; provided, however, that no franchise may be granted for an indefinite term or for a term of more than twenty years.

Section 10.04 Procedure to Enact Franchise Ordinances

Every ordinance granting, renewing, extending, or amending any franchise shall be read at two regular Council meetings and shall not be finally passed until thirty days after the first reading. Within ten days after the first reading of the ordinance, the caption of the ordinance shall be published in the official newspaper of the City, and the expense of such publication shall be paid by the prospective franchise holder.

Section 10.05 Limit on Transfer of Franchise

No franchise may be transferred or assigned by the holder thereof except with the approval of the Council expressed by ordinance.

Section 10.06 Regulation of Franchises

All grants, renewals, extensions, and amendments of franchises, whether or not it be provided in the ordinance granting said franchise, shall be subject to the right of the Council:

(a) To forfeit the franchise by ordinance for failure of the holder to comply with the provisions of the franchise ordinance and other ordinances of the City, the franchise, this Charter or the laws of the State of Texas or applicable rules and regulations of any agency thereof. The power of forfeiture shall be exercised only after notice and hearing, and after the franchise holder has been allowed a reasonable time within which to correct the deficiency.

(b) To impose reasonable regulations to insure safe, efficient, and continuous service to the public.

(c) To require such expansion, extension, enlargement and improvement of plant and facilities as necessary to provide service to the public of the highest reasonable quality including efficiency, technology and customer service.

(d) To require franchise holders to furnish the City, without cost to the City, full information regarding the location and precise description of all facilities of the franchise holder, including but not limited to poles, wires and other equipment, in, over, or under the City, and to regulate and control the location, relocation and removal of all such facilities.

(e) To collect from every franchise holder or public utility operating in the City its proportionate share of the increased cost of City operations and services attributable to the occupancy by or use of public property by the franchise holder or public utility; to collect a proportionate part of the cost of City operations and services required as a result of damage to or disturbance of public property caused by the franchise holder or public utility; and to compel the franchise holder or public utility to perform at its own expense repairs or other operations made necessary by the occupancy or use of, or damage to or disturbance of, public or private property by the franchise holder or public utility.

(f) To require every franchise holder to allow other franchise holders to use its facilities, if the Council considers such joint use to be in the public interest. In the event of joint use, reasonable terms of use may be imposed by, and a reasonable rental shall be paid to the owner for use of the facility. If the franchise holders are unable to agree on terms and rentals for the joint use of facilities, the Council shall, after notice and hearing, set reasonable terms and fix a reasonable rental applicable to such joint use.

(g) To require franchise holders to keep records which accurately reflect the value of the franchise holder's property used and other property useful in rendering its service to the public and which reflect the franchise holder's expenses, receipts, and profits of all kinds.

(h) To examine and audit at any time during business hours the applicable accounts and records of the franchise holder.

(i) To require annual and other reports on the operations of the franchise holder or public utility, which shall contain such information as the Council shall prescribe.

(j) To require and collect any compensation and rental as not now or hereafter prohibited by the laws of the State of Texas.

(k) To require any franchise holder or public utility who requests an increase in rates, charges or fares, to reimburse the City for reasonable expenses incurred in employing rate consultants to conduct investigations, present evidence and advise the Council on such requested increase.

(l) To establish highest reasonable standards of service and quality of products, and prevent unjust discrimination in service and rates.

Section 10.07 Grant not to be Exclusive

No grant or agreement to construct, maintain, or operate a franchise and no renewal or extension of such grant or agreement shall be exclusive.

Section 10.08 Regulation of Rates

Subject to the Constitution and the laws of the State of Texas, the Council shall have the power, after reasonable notice and hearing, to determine, fix and regulate by ordinance the rates, charges and fares of every franchise holder or public utility operating in the City.

ARTICLE XI
GENERAL PROVISIONS

Section 11.01 Oath of Office

Every person elected or appointed to any office of the City shall, before entering upon the duties of his office, take and subscribe to the oath prescribed in Article XVI, Section 1 of the Constitution of the State of Texas. The oath shall be administered by a person authorized by law to administer oaths.

Section 11.02 Bonds for City Employees

All City officers and employees whose duties include the handling of moneys shall, before starting employment or entering the duties of office, make a surety bond. The bond shall be executed by a surety authorized to do business in Texas and shall be payable to the City upon such terms and in an amount acceptable to the Council. The City shall pay the premiums for such bonds.

Section 11.03 Public Records

All public records of the City shall be open to inspection and copying by the public in accordance with such reasonable rules and regulations as may be prescribed by the Council; provided, however, that records closed to the public by the laws of the State of Texas shall not be considered public records for purposes of this section. The Council may, by ordinance, provide for the accurate and permanent copying or reproduction of public records in accordance with the laws of the State of Texas.

Section 11.04 Official Newspaper

The Council may by resolution designate a public newspaper of general circulation in the City as the official newspaper. Published therein shall be all ordinances, notices and other matters required to be published by this Charter, the ordinances of the City, the Constitution and the laws of the State of Texas.

Section 11.05 Conflicts of Interest and Standards of Conduct

No City official, either elected, appointed or employed, shall have any personal financial interest, direct or indirect, in any city contract or transaction. City officials must avoid even the appearance of impropriety in any situation, and accordingly must disclose any relationship with transactions that could reflect negatively on the ability of the City to conduct its business in a fair and impartial manner.

The Council shall by ordinance establish rules and regulations for enforcement and penalties relevant to conflict of interest and equal treatment.

Section 11.06 Special Provision for Damage Suits

The City of Lakeway shall not be liable for the death of or injury to any person, or for damage to property, unless the claimant or his representative files a written notice regarding the alleged death, injury or damage with the City in accordance with the laws of the State of Texas and ordinances adopted by the Council. Nothing herein shall be construed to mean that the City waives any rights, privileges, defenses or immunities which are provided under common law or the Constitution and laws of the State of Texas.

Section 11.07 Assignment, Execution and Garnishment

Property, real and personal, of the City shall not be liable for sale or appropriation by writ or execution. All funds of the City, possessed by any person, firm, or corporation of other entity, shall not be liable to garnishment, attachment or sequestration; on account of any debt the City may owe or funds or property it may have on hand owing to any person. The City and its officers and agents shall not be required to answer a writ of garnishment of City property on any account whatever.

The City shall be obligated to recognize any withholding or assignment of wages or funds by its employees, agents or contractors to the extent authorized or required by the laws of the State of Texas.

Section 11.08 Power to Settle Claims

The Council shall have the authority to compromise and settle any and all claims and all suits of every kind and character in favor of or against the City, except suits by the City to recover delinquent taxes.

Section 11.09 Personnel Policies

The Council shall direct that a Personnel Manual, setting forth policies and procedures addressing such matters as the qualifications, hiring, discharge, discipline, duties, responsibilities and compensation of all City employees, be prepared for adoption by the Council.

Section 11.10 Prohibition Against Discrimination

In hiring or appointment decisions to city positions, the most recent Federal and State standards as to prohibition of discrimination shall apply.

Section 11.11 Bribery Prohibited

No person who seeks appointment, employment or promotion with respect to any City office or employment shall, directly or indirectly, give or pay any money or other thing of value, or render any service, or offer to so give, pay or render, to any person for or in connection with his proposed or actual appointment, hiring or promotion.

Section 11.12 Political Activities of City Officers and Employees

(a) No City officer or employee, elected or appointed, may spend or authorize the spending of public funds for political advertising in a manner that is prohibited by Section 255.003, Texas Election Code, as hereafter amended.

(b) Penalties:
Any person who by himself or with others is convicted of a violation of Section 255.003 of the Election Code may be required, in addition to such conviction, to forfeit his or her office or employment with the City.

Section 11.13 Separability

If any section or part of a section of this Charter is held to be invalid or unconstitutional by a court of competent jurisdiction, such holding shall not invalidate or impair the validity, force or effect of any other section or part of a section of this Charter.

Section 11.14 Charter Amendment

Amendments to this Charter must be formulated and submitted to the voters of the City in the manner prescribed by the laws of the State of Texas.

Section 11.15 Charter Review

Six months after the adoption of the Charter and not later than every four years thereafter, the Council shall appoint a Charter Review Committee comprised of seven residents of the City. The Mayor and each Councilmember shall each appoint one member. The Committee shall be appointed for a twelve-month term and such term may be extended by the Council. The Committee shall inquire into the operations of the City government as related to the Charter and review said Charter to determine if revisions are necessary.

Public hearings may be held and the Committee shall have the power to compel the attendance of City officers or employees and may require the submission of the City records necessary to review.

The Charter Review Committee shall make a written report of its findings and recommendations to the Council of any proposed amendments.

Section 11.16 Pending Matters and Preservation of Rights

The adoption of this Charter does not affect any previously existing property, action, right of action, claim or demand involving the City and all ordinances, rules, resolutions and regulations now in force shall continue in force except as superseded by this Charter.

Section 11.17 Construction of Charter

This Charter shall be liberally construed as a general grant of power and as a limitation of power on the government of the City of Lakeway in the same manner as the Constitution of Texas is construed as a limitation on the powers of the Legislature. Except where expressly prohibited by this Charter, each and every power under the Constitution of Texas, which would be competent for the people of the City of Lakeway to expressly grant to the City, shall be construed to have been granted to the City by this Charter.

Section 11.18 Applicability of General Laws

In addition to the powers conferred by the Constitution of the State of Texas and statutes applicable to home-rule cities, as now or hereafter enacted, and by this Charter and the ordinances enacted pursuant hereto, the City shall also have the power to exercise any and all powers conferred by the laws of the State of Texas upon any other kind of city, town or village, not contrary to the provisions of said home-rule statutes and this Charter, but the exercise of any such powers by the City shall be optional with it.

CERTIFICATION OF CHARTER AMENDMENT

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

I, MAYOR DAVID P. DEOME, ON BEHALF OF THE CITY OF LAKEWAY, TEXAS, DO HEREBY CERTIFY AND SUBMIT TO THE SECRETARY OF STATE OF THE STATE OF TEXAS THE ATTACHED AUTHENTICATED COPY OF THE AMENDED HOME RULE CHARTER FOR THE CITY OF LAKEWAY AND HEREBY CERTIFY THAT THE ATTACHED AMENDED HOME RULE CHARTER WAS APPROVED BY THE REGISTERED VOTERS OF THE CITY OF LAKEWAY AT A SPECIAL ELECTION HELD ON MAY 8, 2010 AND WAS ACCEPTED ON THEIR BEHALF BY THE CITY COUNCIL OF THE CITY OF LAKEWAY BY RESOLUTION NO. 2010-05-17-02 ON MAY 17, 2010.

WITNESS MY HAND THIS 17TH DAY OF MAY, 2010.

(SEAL)

CITY OF LAKEWAY
SEAL
STATE OF TEXAS

CITY OF LAKEWAY, TEXAS

BY: David P. DeOme
DAVID P. DEOME, MAYOR