

# Agenda of Special Meeting

## The Board of Trustees Canutillo ISD

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A Special meeting of the Board of Trustees of Canutillo ISD will be held September 10, 2024, beginning at 6:00 PM in the Canutillo ISD Administration Office, 7965 Artcraft, El Paso, TX 79932.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice.

1. **GENERAL FUNCTIONS-OTHER**

- A. Call to Order
- B. Roll Call

2. **OPEN FORUM-OTHER**

Any person wishing to address the Board during the period reserved for public comment at a Board meeting must sign up to be heard, in accordance with District policy BED(LOCAL):

Each participant will be limited to **THREE MINUTES** to make comments to the Board. The Board is **NOT** permitted to discuss or act upon any issues that are not posted on the agenda for tonight's meeting.

For further information on those policies, contact the Superintendent's Administrative Assistant.

3. **BOARD OF TRUSTEE BUSINESS**

- A. Discussion and Possible Action to Approve Administration's Recommendation for the Award of RFQ 2025-01B Architectural Design Services for the Canutillo ISD 2024 Referendum Projects and authorize administration to proceed with contract negotiations with DLR Group Inc. of Texas a Texas Corporation, Pfluger Architects Inc., MNK Architects Inc., Mijares-Mora Architects Inc., VLK Architects LLC, and GA Architecture Inc. as outlined in Exhibit A with a contract to be contingent upon review by the District's Legal Counsel and approval by the Board of Trustees at a future Board meeting. 3  
**Presenter:** Ernesto Ortiz
- B. Discussion and Possible Action to Approve Selected General Contractors for the Negotiation of RFQ 2025-02B Construction Manager at Risk (CMAR) Services for Canutillo ISD 2024 Bond Referendum Projects to Banes General Contractors Inc., Buford Thompson Company LTD, Dantex General Contractors Inc., Jordan Foster Construction LLC, LDCM Solutions LLC, AO General Contractors Inc., Efficio Construction Services Inc., Harrington Construction LLC dba/HB Construction, Performance Services Inc., and Tigua Construction Services Inc. 8

- Presenter:** Ernesto Ortiz
- C. Consideration and Appropriate Action on an Order Authorizing the Defeasance and Calling for Redemption of Certain Currently Outstanding Debt Obligations of the District; Directing that Authorized District Officials Effectuate The Redemption of Such Obligations; Authorizing the Execution of an Escrow Agreement; and Resolving Other Matters in Connection Therewith. 12  
**Presenter:** Cantu Harden Montoya/ C Pulley
4. **PUBLIC HEARING**
- A. A Public Hearing Will be Held Regarding the 2024-2025 Property Tax Rate. The Public is Invited to Attend and Provide Public Comment. 40  
**Presenter:** C. Pulley
- B. Approval of Resolution Which Officially Levies the Tax Rate for the FY2025 School Year 50  
**Presenter:** C. Pulley
5. **CLOSED SESSION - Under Section 551.074**
- A. Hear the DGBA Level III Grievance of M. C.
6. **EXECUTIVE SESSION**  
**To Consult with Attorney Under Sections 551.074 of the Texas Government Code:**
- A. Consideration and Deliberation of DGBA Level III Grievance of M. C.
7. **NEW BUSINESS (continued); OTHER**
- A. Discussion and possible action regarding the DGBA Level III Grievance for M. C.
8. **ADJOURNMENT**

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If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting.



ATTACHMENT(S): ✓

Exhibit A: 2024 CISD Bond Program - Project Ranking/Grouping

Exhibit B: 2025-01B Executive Summary Back Up Information

Exhibit C: 2025-01B Architect Bid Tabulation Form



**2024 CISD Bond Program - Project Ranking/Grouping**

Project	Project Value	Ranking
Canutillo MS STEM Academy / Jose J. Alderete MS	\$ 214,000,000.00	<b>1 - DLR Group</b>
		2 - Pfluger Architects
		3 - MNK Architects Inc.
		4 - Mijares-Mora Architects Inc.
		5 - VLK Architects
		6 - GA Architecture Inc.

Project	Project Value	Ranking
Deanna Davenport ES	\$ 74,000,000.00	<b>1 - Pfluger Architects</b>
		2 - MNK Architects Inc.
		3 - Mijares-Mora Architects Inc.
		4 - VLK Architects
		5 - GA Architecture Inc.
		6 - DLR Group

Project	Project Value	Ranking
Northwest Early College HS	\$ 40,548,567.00	<b>1 - MNK Architects Inc.</b>
		2 - Mijares-Mora Architects Inc.
		3 - VLK Architects
		4 - GA Architecture Inc.
		5 - DLR Group
		6 - Pfluger Architects

Project	Project Value	Ranking
Bill Childress ES / Jose H. Damian ES / Gonzalo & Sofia Garcia ES	\$ 21,949,117.00	<b>1 - Mijares-Mora Architects Inc.</b>
		2 - VLK Architects
		3 - GA Architecture Inc.
		4 - DLR Group
		5 - Pfluger Architects
		6 - MNK Architects Inc.

Project	Project Value	Ranking
Canutillo HS	\$ 16,539,978.00	<b>1 - VLK Architects</b>
		2 - GA Architecture Inc.
		3 - DLR Group
		4 - Pfluger Architects
		5 - MNK Architects Inc.
		6 - Mijares-Mora Architects Inc.

Project	Project Value	Ranking
Canutillo ES / Congressman Silvestre & Carolina Reyes ES	\$ 11,917,338.00	<b>1 - GA Architecture Inc.</b>
		2 - DLR Group
		3 - Pfluger Architects
		4 - MNK Architects Inc.
		5 - Mijares-Mora Architects Inc.
		6 - VLK Architects



**EXECUTIVE SUMMARY BACK UP INFORMATION**

**Architectural Design Services for the Canutillo ISD 2024 Bond Referendum Projects  
RFQ 2025-01B**

<b>DESCRIPTION OF ITEMS / SERVICES:</b>	The Canutillo Independent School District (“District”) is requesting a Statement of Qualification (“SOQ”) from qualified sources relative to the provision of the Request for Qualifications (“RFQ”). This Procurement will be managed under the Canutillo ISD 2024 Bond Referendum, but the services provided may be used by the District, if required, for non-bond relates services, at discretion of the District and approval by the board of trustees.
<b>FIRST ADVERTISEMENT DATE:</b>	August 5, 2024
<b>SECOND ADVERTISEMENT DATE:</b>	August 12, 2024
<b>EMAIL NOTIFICATIONS SENT:</b>	530
<b>IONWAVE POSTING DATE:</b>	August 5, 2024
<b>PRE-BID CONFERENCE:</b>	NONE
<b>BID DUE DATE:</b>	August 19, 2024
<b>DAYS THAT BID WAS AVAILABLE:</b>	14
<b>VENDOR WEBSITE VIEWS:</b>	76
<b>NUMBER OF BIDS RECEIVED:</b>	23
<b>NUMBER OF LATE BIDS REJECTED:</b>	0
<b>CONTRACT TERM:</b>	The initial term of this proposal shall be for the duration of the 2024 Bond Referendum. Contract Term will be effective per date specified in the Notice of Award.
<b>TOTAL AWARD AMOUNT:</b>	0.00

**RFQ 2025-01B - Architectural Design Services for the Canutillo ISD 2024 Bond Referendum Projects**

Supplier	Rank	Score					
			Introduction and Firm Profile	Educational Experience	Personnel	Workload	References
			20.00	25.00	25.00	20.00	10.00
DLR Group	1	93.67	19.00	20.67	24.33	19.67	10.00
Pfluger Architects	2	92.67	18.67	20.67	24.33	19.00	10.00
MNK Architects, Inc.	3	82.33	16.67	19.00	18.33	18.33	10.00
Mijares-Mora Architects, Inc.	4	81.00	17.33	18.33	18.33	17.00	10.00
VLK Architects	5	81.00	17.67	17.67	20.00	15.67	10.00
GA Architecture, Inc	6	80.00	19.33	20.33	16.67	13.67	10.00
Exigo Architecture	7	73.67	13.00	15.00	20.00	15.67	10.00
IN_SITU ARCHITECTURE	8	73.00	15.67	14.33	19.33	13.67	10.00
Parkhill, Smith & Cooper Inc.	9	69.67	15.00	14.33	17.00	13.33	10.00
ADM Group, Inc.	10	69.00	14.33	16.00	20.00	18.67	0.00
Wright & Dalbin Architects	11	66.33	14.00	13.33	17.00	12.00	10.00
ASA Architects	12	65.33	14.67	16.00	15.00	9.67	10.00
Dekker Perich Sabatini	13	65.00	10.00	12.33	18.33	14.33	10.00
Huitt-Zollars, Inc.	14	63.33	10.67	11.67	16.00	15.00	10.00
PSRBB Architects	15	58.67	15.00	10.00	13.67	10.00	10.00
Alvidrez Architecture Inc.	16	56.00	14.00	9.33	13.67	9.00	10.00
Gannett Fleming, Inc.	17	49.00	8.33	11.00	17.00	12.67	0.00
loyawilke Architects, LLP	18	44.33	11.67	5.00	10.00	7.67	10.00
New Republic Architects	19	43.33	10.67	4.00	12.33	6.33	10.00
archiPELI	20	42.00	10.00	6.67	10.33	5.00	10.00
GRX Architects LLC	21	42.00	10.00	5.33	9.00	7.67	10.00
Amtech Solutions, Inc.	22	37.67	11.00	6.33	7.67	2.67	10.00
Countryman & Co.	23	34.33	10.00	4.67	12.33	7.33	0.00

## Executive Summary of Board Agenda Item

Subject/Title for Agenda Posting: Recommendation to Approve Selected General Contractors for the Negotiation of RFQ 2025-02B Construction Manager at Risk (CMAR) Services for Canutillo ISD 2024 Bond Referendum Projects to AO General Contractors Inc., Banes General Contractors Inc., Buford Thompson Company LTD, Dantex General Contractors Inc., Efficio Construction Services Inc., Harrington Construction LLC dba/HB Construction, Jordan Foster Construction LLC, LDCM Solutions LLC, Performance Services Inc., and Tigua Construction Services Inc.

Justification Statement: To authorize administration to proceed with contract negotiations for selected General Contractors, as per Administration Review Committee evaluation and scoring. Approval is required for District Program Manager to proceed with contract negotiations for Construction Manager at Risk services.

Purpose of Agenda Item:  Information  Discussion  Action  
Item Type:  Curriculum & Instruction  Human Resources  Business Services

Staff Responsible: \_\_\_\_\_  
*Signature of Requester(s)*  
\_\_\_\_\_  
*Signature of Presenter(s)*  
\_\_\_\_\_  
*Business Services Approval (Initials)* *Date*

### Agenda Summary:

The Request for Qualifications (RFQ) is a method allowed as defined in the Professional Services Procurement Act, (PSPA), Section 2254.002 and Section 2254.004, as applicable, of the Texas Government Code. The District issued a Request for Qualifications, RFQ #2025-02B, for Construction Manager at Risk (CMAR) Services for the Canutillo ISD 2024 Referendum Projects. Qualification statements were received from ten (10) consulting firms on August 19, 2024

An evaluation committee met to review all qualification statements received. The evaluation committee consisted of Dr. Pedro Galaviz, Superintendent; Dr. Oscar Rico, Executive Director of Operations; Ms. Cristina Pulley, Executive Director of Financial Services; Ms. Corina Heredia, Purchasing Manager, acted as facilitator and moderator during the evaluation process on behalf of the Program Manager.

RECOMMENDATION: Administration Recommends that the Board approve the award of RFQ 2025-02B Construction Manager at Risk (CMAR) Services for the Canutillo ISD 2024 Referendum Projects and authorize administration to proceed with contract negotiations with AO General Contractors Inc., Banes General Contractors Inc., Buford Thompson Company LTD, Dantex General Contractors Inc., Efficio Construction Services Inc., Harrington Construction LLC dba/HB Construction, Jordan Foster Construction LLC, LDCM Solutions LLC, Performance Services Inc., and Tigua Construction Services Inc., with a contract to be contingent upon review by the District's Legal Counsel and approval by the Board of Trustees at a future Board meeting.

PRIOR BOARD ACTION: No      AWARDED: N/A      AWARDED AMOUNT: N/A

AMOUNT(S): N/A

ACCOUNT NO(S): N/A

PROCUREMENT METHOD TYPE: (3 Quotes, Cooperative Contract Quotes, Sole Source, Formal Bid)  
Request for Qualifications

REQUESTING DEPARTMENT:  
Operations

CONSEQUENCES OF NON-APPROVAL: 8  
Cannot enter contract negotiation and award for Canutillo ISD 2024 Bond Projects.



IMPLEMENTATION TIMELINE:  
Upon Board Approval

ATTACHMENT(S): ✓  
Exhibit A: 2025-02B Executive Summary Back Up Information





**EXECUTIVE SUMMARY BACK UP INFORMATION**

**Construction Manager at Risk (CMAR) Services for the Canutillo ISD 2024 Bond Referendum Projects  
RFQ 2025-02B**

<b>DESCRIPTION OF ITEMS / SERVICES:</b>	The Canutillo Independent School District (“District”) is requesting a Statement of Qualification (“SOQ”) from qualified sources relative to the provision of the Request for Qualifications (“RFQ”). This Procurement will be managed under the Canutillo ISD 2024 Bond Referendum, but the services provided may be used by the District, if required, for non-bond relates services, at discretion of the District and approval by the board of trustees.
<b>FIRST ADVERTISEMENT DATE:</b>	AUGUST 5, 2024
<b>SECOND ADVERTISEMENT DATE:</b>	AUGUST 12, 2024
<b>EMAIL NOTIFICATIONS SENT:</b>	225
<b>IONWAVE POSTING DATE:</b>	AUGUST 5, 2024
<b>PRE - BID CONFERENCE:</b>	NONE
<b>BID DUE DATE:</b>	AUGUST 19, 2024
<b>DAYS THAT BID WAS AVAILABLE:</b>	14
<b>VENDOR WEBSITE VIEWS:</b>	41
<b>NUMBER OF BIDS RECEIVED:</b>	10
<b>NUMBER OF LATE BIDS REJECTED:</b>	0
<b>CONTRACT TERM:</b>	The initial term of this proposal shall be for the duration of the 2024 Bond Referendum. Contract Term will be effective per date specified in the Notice of Award.
<b>TOTAL AWARD AMOUNT:</b>	0.00



**AN ORDER AUTHORIZING THE DEFEASANCE AND CALLING FOR REDEMPTION OF CERTAIN CURRENTLY OUTSTANDING DEBT OBLIGATIONS OF THE DISTRICT; DIRECTING THAT AUTHORIZED DISTRICT OFFICIALS EFFECTUATE THE REDEMPTION OF SUCH OBLIGATIONS; AUTHORIZING THE EXECUTION OF AN ESCROW AGREEMENT; AND RESOLVING OTHER MATTERS IN CONNECTION THEREWITH**

WHEREAS, the Board of Trustees (the “Board”) of the Canutillo Independent School District (the “District”) previously adopted an order (the “Prior Bond Order”) on June 4, 2014, authorizing the issuance of obligations designated as “Canutillo Independent School District Unlimited Tax Refunding Bonds, Series 2014,” dated June 1, 2015, in the original principal amount of \$8,795,000 (the “Bonds”); and

WHEREAS, a portion of the Bonds in a principal amount equal to \$4,175,000 is currently outstanding and is scheduled to mature on August 15 in each of the years 2027 and 2028 and such Bonds are subject to redemption on August 15, 2025 and thereafter, at the option of the District; and

WHEREAS, in accordance with the provisions of Texas Government Code, Chapter 1207, as amended (the “Act”), the District is authorized and empowered to deposit funds and/or securities directly with the place of payment for the Bonds or other authorized depository, and enter into an escrow or similar agreement with such place of payment for the safekeeping, investment, reinvestment, administration and disbursement of such deposit; and such deposit, when made in accordance with the Act, shall constitute the making of firm banking and financial arrangements for the discharge and full payment of the Bonds; and

WHEREAS, the Board hereby finds that it is in the best interest of the District and its residents to defease and/or redeem the Bonds as herein provided in order to reduce the District’s aggregate debt service requirements in the years subsequent to the redemption date; now, therefore,

**BE IT ORDERED BY THE BOARD OF TRUSTEES OF THE CANUTILLO INDEPENDENT SCHOOL DISTRICT THAT:**

SECTION 1. A portion of the Bonds, in an aggregate principal amount of not less than \$2,675,500 (the “Minimum Amount”) (but to include such additional amounts due to availability of funds and/or funds necessary to cause such defeasance, as hereinafter described), stated to mature on August 15 in each of the years identified in the Escrow Agreement (defined below), shall be defeased to their maturity or prior redemption date, as applicable, as set forth in this Order. The Board hereby authorizes and directs the Superintendent of Schools or the Executive Director of Financial Services of the District to determine the exact principal amount of Bonds to be defeased and/or redeemed (the “Defeased Obligations”) on the basis of the availability of funds for such purpose by the funding deadline; provided, however, that in no case shall the Defeased Obligations be less than the Minimum Amount.

SECTION 2. As directed by the Superintendent or the Executive Director of Financial Services, the District shall transfer, on or before June 30, 2025, lawfully available funds of the

District to BOKF, NA, or such other entity as determined by such District official (the "Escrow Agent"), in an amount sufficient (when combined with investment earnings on such initial deposit) to pay (i) all interest due and owing on the Defeased Obligations from the time of such deposit through the obligations' respective maturity or redemption, as applicable, (ii) the principal amount of the Defeased Obligations due and owing at maturity or earlier redemption, as applicable and (iii) the associated costs and expenses of such defeasance. Upon the making of such deposit, the Defeased Obligations will be determined to have been defeased and, as a result, discharged and no longer considered outstanding as an obligation of the District in accordance with applicable Texas law.

SECTION 3. In the event a portion of the Defeased Obligations are subject to redemption, the principal amount of such Defeased Obligations shall be called for redemption on the earliest possible redemption date, at the price of par plus accrued interest to the date of redemption, and the Executive Director of Financial Services or other District official is hereby authorized and directed to file a notice of redemption and copy of this Order with BOKF, NA, the paying agent/registrar for the Defeased Obligations (the "Paying Agent/Registrar"), in accordance with the redemption provisions applicable to such obligations; such suggested form of notice of redemption being attached hereto as **Exhibit A** and incorporated herein by reference as a part of this Order for all purposes. Additionally, if necessary, the Paying Agent/Registrar is hereby authorized and directed to make a lot selection of the Defeased Obligations to be redeemed and make arrangements to notify bondholders of such lot selection as soon as possible thereafter. Each of the Superintendent of Schools, the Executive Director of Financial Services or other authorized District official is hereby authorized and directed to transfer lawfully available funds to the Escrow Agent to accomplish the defeasance and/or redemption of the Defeased Obligations in accordance with the terms of the Escrow Agreement.

In the event any of the Defeased Obligations are called for early redemption, the Superintendent of Schools, the Executive Director of Financial Services or other authorized District official is hereby authorized and directed to make all arrangements necessary to notify the holders of the Defeased Obligations of the District's decision to redeem such bonds on the date and in the manner herein provided and in accordance with the Prior Bond Order.

SECTION 4. Each of the President, Vice President, or Secretary of the Board, the District's Superintendent of Schools and the Executive Director of Financial Services of the District (each of the foregoing, an "Authorized Official"), is authorized to provide certifications or other evidence of adoption of this Order and to do any and all things necessary or convenient to effect the defeasance described herein and otherwise give effect to the intent and purpose hereof, including the selection of an escrow agent, any verification agent and the execution of the Escrow Agreement.

SECTION 5. A special escrow agreement (the "Escrow Agreement") in substantially the form and content of **Exhibit B** attached hereto, is hereby approved and hereby authorized to be finalized, including any changes required to accomplish the defeasance of the defeased bonds, and executed by an Authorized Official for and on behalf of the District and as the act and deed of this Board; and such Escrow Agreement as executed by such Authorized Official shall be deemed approved by the Board and constitute the Escrow Agreement herein approved. Upon the deposit of sufficient funds to the Escrow Fund to accomplish the defeasance of the Defeased Obligations,

the District shall provide notice of such defeasance in accordance with the requirements of the Prior Bond Order no later than 10 business days after occurrence of such defeasance.

SECTION 6. Furthermore, appropriate officials of the District in cooperation with the Escrow Agent are hereby authorized and directed to make the necessary arrangements for the purchase of the escrowed securities referenced in the Escrow Agreement, if any, and the delivery thereof to the Escrow Agent for deposit to the credit of the "SPECIAL CANUTILLO INDEPENDENT SCHOOL DISTRICT DEFEASANCE 2024 ESCROW FUND" (referred to herein as the "Escrow Fund") or such other designation as provided for in the Escrow Agreement; all as contemplated and provided in the Act, this Order and the Escrow Agreement.

SECTION 7. The Board further hereby authorizes each Authorized Official to select a firm of independent certified public accountants or other qualified professional services firm permitted by the terms of the Prior Bond Order (the "Verification Agent") to verify the sufficiency of the deposit to the Escrow Fund to accomplish the defeasance of the Defeased Obligations, to the extent such appointment is necessary or desired and in the event of the establishment of a net defeasance escrow fund; provided, however, that in the event of a gross defeasance of the Defeased Obligations, the sufficiency of the deposit to the Escrow Fund to accomplish such defeasance shall be certified to the District by the District's Financial Advisor, the Paying Agent/Registrar or another qualified financial institution.

SECTION 8. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Order for all purposes and are adopted as a part of the judgement and findings of the Board.

SECTION 9. If any provision of this Order or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Order and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Order would have been enacted without such invalid provision.

SECTION 10. It is officially found, determined, and declared that the meeting at which this Order is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Order, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 11. This Order shall be in force and effect from and after its passage on the date shown below.

PASSED AND ADOPTED, this September 10, 2024.

CANUTILLO INDEPENDENT SCHOOL  
DISTRICT

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President, Board of Trustees

ATTEST:

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Secretary, Board of Trustees

(DISTRICT SEAL)

## EXHIBIT A

### NOTICE OF REDEMPTION

NOTICE IS HEREBY GIVEN that the Canutillo Independent School District (the *Issuer*), acting through its Board of Trustees (the *Governing Body*), has called for redemption the following outstanding obligations:

“Canutillo Independent School District Unlimited Tax Refunding Bonds, Series 2014”, dated June 1, 2014 (the *Bonds*), bearing interest, and stated to mature on August 15 in each year as follows:

<u>CUSIP No.*</u>	<u>Stated Maturity</u>	<u>Principal or Maturity</u>	<u>Interest Rate or Yield</u>
		<u>Amount (\$)</u>	<u>(%)</u>
138735VJ1	2027	1,540,000	4.000
138735VK8	2028	1,660,000	4.000

THE 15<sup>TH</sup> DAY OF AUGUST, 2025 (the *Redemption Date*) is the date fixed for redemption of the Bonds as authorized by the order authorizing the issuance of the Bonds and as directed by the Governing Body pursuant to an order adopted on September 10, 2024. You are hereby notified that the Bonds should be presented for redemption on or before the Redemption Date and that interest shall cease to accrue from and after that date, and that on such date there shall become due and payable on each of the Bonds the redemption price equal to the original principal amount thereof, plus accreted value, including unpaid accrued interest to the Redemption Date.

NOTICE IS FURTHER GIVEN that the Bonds will be payable at and should be submitted either in person or by certified or registered mail to BOKF, NA at the following address:

BOKF, NA  
Corporate Trust Services  
1401 McKinney, Suite 1000  
Houston, Texas 77010

In compliance with section 1441 of the Internal Revenue Code and the attendant regulations, the redeeming institution is required to withhold 30% of the principal amount of the bonds being redeemed unless it is provided with a Form W-9 certifying the holders social security number or federal employer tax identification number, a Form W-8 Withholding Certificate establishing a lower rate of withholding, or other documentation acceptable to the redeeming institution and the Internal Revenue Service.

THIS NOTICE is issued and given pursuant to the option of redemption reserved to the Issuer in the proceedings authorizing the issuance of the Bonds.

\*The CUSIP number is included solely for the convenience of the Bondholders. None of the Issuer, the Escrow Agent, Bond Counsel, nor the Paying Agent/Registrar shall be responsible for the selection or the use of the CUSIP number, nor is any representation made as to its correctness on the Bonds or as indicated in any redemption notice.

**EXHIBIT B**  
**FORM OF ESCROW AGREEMENT**

## ESCROW AND TRUST AGREEMENT

THIS ESCROW AND TRUST AGREEMENT, dated as of September 10, 2024 (together with any amendments or supplements hereto, this *Agreement*), is entered into between the Canutillo Independent School District (the *District*), a duly organized and existing body corporate and political subdivision of the State of Texas, and BOKF, NA, Dallas, Texas, as escrow agent (together with any successor in such capacity, the *Escrow Agent*), a national banking association with trust powers duly organized and existing under the laws of the United States of America and qualified to transact business in the State of Texas.

### W I T N E S S E T H:

WHEREAS, the District has heretofore issued and there currently remain outstanding the obligations, plus accrued interest thereon (the *Defeased Bonds*) set forth on **Schedule I** hereto; and

WHEREAS, the Defeased Bonds were issued pursuant to an order which provides that the Defeased Bonds are stated to mature in such years, are redeemable, if any, prior to stated maturities, bear interest at such rates, and have debt service at the times and in the amounts set forth on **Exhibit A** attached hereto and made a part hereof for all purposes; and

WHEREAS, when firm banking arrangements have been made for the payment of the principal, premium, if any, and interest to the stated maturity or redemption dates, if any, of the Defeased Bonds, the Defeased Bonds shall no longer be regarded as outstanding except for the purpose of receiving payment from the funds provided for such purpose; and

WHEREAS, Chapter 1207, as amended, Texas Government Code (the *Act*), authorizes the District to deposit any lawfully available funds or resources, directly with any place of payment (the paying agent) for the Defeased Bonds or a designated escrow agent for the Defeased Bonds that is not the depository bank for the District, and such deposit, if made before such payment dates, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Defeased Bonds; and

WHEREAS, the Act further authorizes the District to enter into an escrow agreement with any paying agent, escrow agent, or trustee that is not the depository bank for the District for the Defeased Bonds with respect to the safekeeping, investment, reinvestment, administration, and disposition of any such deposit, upon such terms and conditions as the District and such paying agent, escrow agent, or trustee may agree, provided that such deposits may be invested only in Eligible Investments which shall mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment of the Defeased Bonds; and

WHEREAS, The Bank of New York Mellon Trust Company, N.A., Dallas, Texas currently serves as the paying agent for the Defeased Bonds (the *Paying Agent*); and

WHEREAS, BOKF, NA, Dallas, Texas is hereby designated as the Escrow Agent by the District and is not the depository bank of the District; and

WHEREAS, the Escrow Agent is designated as the escrow agent for the Defeased Bonds and this Agreement constitutes an escrow agreement as authorized and permitted by the Act; and

WHEREAS, concurrently herewith the District has adopted an order (the *Order*) authorizing the transfer and deposit at the time or times specified therein of certain lawfully available funds identified in such Order in an amount sufficient to refund, discharge, and make final payment of the principal of and premium, if any, on the Defeased Bonds at their respective stated maturity or redemption dates and interest thereon to such dates; and

WHEREAS, the Defeased Bonds will be paid on the redemption date specified for payment on **Exhibit A**; and

WHEREAS, the District desires that certain lawfully available funds of the District shall be applied to purchase the Escrowed Securities for deposit to the credit of the Escrow Fund (hereinafter defined) created pursuant to the terms of this Agreement and to establish a beginning cash balance (if needed) in this Escrow Fund; and

WHEREAS, the Escrowed Securities shall mature and the interest thereon shall be payable at such times and in such amounts so as to provide money which, together with cash balances from time to time on deposit in the Escrow Fund, will be sufficient to pay accreted and unpaid interest and the principal of and premium, if any, on the Defeased Bonds to their redemption date; and

WHEREAS, a description of the Escrowed Securities and beginning cash balances, if any, is attached hereto as **Exhibit B**, which **Exhibit B** is hereby incorporated by reference and made a part of this Agreement for all purposes; and

WHEREAS, the District has completed all arrangements for the purchase of the Escrowed Securities and the deposit and credit of the same to the Escrow Fund as provided herein; and

WHEREAS, to facilitate the receipt and transfer of proceeds of the Escrowed Securities, particularly those in book entry form, the District desires to establish an irrevocable Escrow Fund at the corporate trust office of the Escrow Agent; and

WHEREAS, the Escrow Agent is a national banking association with trust powers duly organized and existing under the laws of the United States of America and qualified to transact business in the State of Texas, and is fully qualified and empowered to enter into this Agreement; and

WHEREAS, the Board of Trustees of the Canutillo Independent School District has duly approved and authorized the execution of this Agreement; and

WHEREAS, the District, the Escrow Agent, and the Paying Agent, as the case may be, shall take all action necessary to call, pay, redeem, if any, and retire the Defeased Bonds in accordance with the provisions thereof, including, without limitation, all actions required by the order authorizing the issuance of the Defeased Bonds, the Act, the Order, and this Agreement; and

WHEREAS, the Escrow Agent is a party to this Agreement to acknowledge its acceptance of the terms and provisions hereof;

NOW, THEREFORE, in consideration of the mutual undertakings, promises, and agreements herein contained, the sufficiency of which hereby is acknowledged, and to secure the full and timely payment of the principal of, premium, if any, and the interest on the Defeased Bonds, the District and the Escrow Agent mutually undertake, promise, and agree for themselves and their respective representatives and successors, as follows:

ARTICLE I  
DEFINITIONS AND INTERPRETATIONS

Section 1.01 Definitions. Unless the context clearly indicates otherwise, the following terms shall have the meanings assigned to them below when they are used in this Agreement:

*Defeased Bonds* means the District's obligations more fully described in **Schedule I** to this Agreement.

*District* means the Canutillo Independent School District.

*Eligible Investments* means (i) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by, the United States of America, or (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; or (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent.

*Escrow Agent* means BOKF, NA, Dallas, Texas or its successors as Escrow Agent under this Agreement.

*Escrow Fund* means the fund created by this Agreement to be administered by the Escrow Agent pursuant to the provisions of this Agreement.

*Escrowed Securities* means the Eligible Investments for the Defeased Bonds described in **Exhibit B** attached to this Agreement or any substituted securities permitted by the provisions of Section 4.03 hereof. Investments in mutual funds and/or unit investment trusts are prohibited.

*Paying Agent* means BOKF, NA, Dallas, Texas, or its successors or assigns, as the paying agent/registrars for the Defeased Bonds.

Section 1.02 Interpretations. The titles and headings of the articles and sections of this Agreement have been inserted for convenience and reference only and are not to be considered a part hereof and shall not in any way modify or restrict the terms hereof. This Agreement and all of the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to achieve the intended purpose of providing for the refunding of the Defeased Bonds in accordance with applicable law.

ARTICLE II  
DEPOSIT OF FUNDS AND  
ESCROWED SECURITIES

Section 2.01 Deposits in the Escrow Fund. The District has, as of \_\_\_\_\_, 20\_\_, deposited, or caused to be deposited, in the Escrow Fund the money and Escrowed Securities described in **Exhibit B** attached to this Agreement.

Section 2.02 Receipt. The Escrow Agent acknowledges receipt of a copy of the order authorizing the issuance of the Defeased Bonds, the Notices of Redemption, the Notices of Defeasance, the Verification Report prepared by Causey Demgen & Moore P.C., relating to the Defeased Bonds, if any, and the Order. Reference herein to or citation herein of any provision of such instruments shall be deemed to be an incorporation of such provision as a part hereof.

ARTICLE III  
CREATION AND OPERATION OF ESCROW FUND

Section 3.01 Escrow Fund. The Escrow Agent has created on its books a special trust fund and irrevocable escrow to be known as the “Special Canutillo Independent School District Defeasance 2025 Escrow Fund” (the *Escrow Fund*) for the benefit of the holders of the Defeased Bonds. The Escrowed Securities and cash, if any, deposited in the Escrow Fund shall be utilized to defease the Defeased Bonds as specified in **Exhibit B**. The Escrow Agent hereby acknowledges that there has been deposited to the credit of the Escrow Fund the beginning cash balance, if any, and the Escrowed Securities described in **Exhibit B**. The Escrowed Securities and all proceeds therefrom shall be the property of the Escrow Fund and shall be applied only in strict conformity with the terms and conditions of this Agreement. All of the Escrowed Securities in the Escrow Fund, all proceeds therefrom, and all cash balances and reinvestment of such cash balances in accordance with Sections 4.02 and 4.03 from time to time on deposit in the Escrow Fund are hereby irrevocably pledged to the payment of the principal of, premium, if any, and interest on the Defeased Bonds which payment shall be made by timely transfers of such amounts at such times as are provided for in Section 3.02. When the final transfers have been made for the payment of such principal of, premium, if any, and interest on the Defeased Bonds, any balance then remaining in the Escrow Fund shall be transferred to the District, and the Escrow Agent shall thereupon be discharged from any further duties pertaining to the Escrow Fund.

Section 3.02 Payment of Principal, Premium, if any, and Interest. The Escrow Agent is hereby irrevocably instructed to transfer from the cash balances from time to time on deposit in the Escrow Fund, the amounts required to pay the principal, premium, if any, and accreted and unpaid interest of the Defeased Bonds at their redemption date and in the amounts and at the time shown in **Exhibit A** attached hereto.

Section 3.03 Sufficiency of Escrow Fund. The District represents that the successive receipts of the principal of and interest on the Escrowed Securities, together with the beginning cash balance, if any, in the Escrow Fund will assure that the cash balance on deposit from time to time in the Escrow Fund will be at all times sufficient to provide money for transfer to the Paying Agent at the time and in the amounts required to pay, the principal, redemption premium (as applicable), if any, and the accreted and unpaid interest of the Defeased Bonds as such amounts

come due on the Defeased Bonds, all as more fully set forth in **Exhibit A**, as appropriate, attached hereto. If, for any reason, at any time, the cash balances on deposit or scheduled to be on deposit in any Escrow Fund shall be insufficient to transfer the amounts required by the paying agents to make the payments set forth in Section 3.02, the District shall timely deposit in the Escrow Fund, from lawfully available funds, additional funds in the amounts required to make such payments. Notice of any such insufficiency shall be given promptly by the Escrow Agent to the District.

Section 3.04 Trust Funds. The Escrow Agent shall hold at all times the Escrow Fund, the Escrowed Securities, and all other assets of the Escrow Fund wholly segregated on its books from all other funds and securities on deposit with the Escrow Agent; it shall never allow the Escrowed Securities or any other assets of the Escrow Fund to be commingled with any other funds or securities of the Escrow Agent; and it shall hold and dispose of the assets of the Escrow Fund only as set forth herein. The Escrowed Securities and other assets of the Escrow Fund shall always be maintained by the Escrow Agent as trust funds for the benefit of the holders of the Defeased Bonds; and the books and records of the Escrow Agent shall reflect the foregoing. The holders of the Defeased Bonds shall be entitled to the same preferred claim and first lien upon the Escrowed Securities, the proceeds thereof, and all other assets of the Escrow Fund to which they were entitled as holders of the Defeased Bonds. The amounts received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the District and the Escrow Agent shall have no right to title with respect thereto except Escrow Agent under the terms of this Agreement. The amounts received by the Escrow Agent under this Agreement shall not be subject to warrants, drafts, or checks drawn by the District or, except to the extent expressly herein provided, by the Paying Agent.

Section 3.05 Non-Presentment. If any Defeased Bonds shall not be presented for payment when the principal thereof, premium, if any, or accreted and unpaid interest thereon shall have become due, and if cash shall at such times be held by the Paying Agent in trust for that purpose sufficient and available to pay the principal and premium, if any, of such Defeased Bonds and interest thereon, it shall be the duty of the Paying Agent to hold such cash without liability to the holder of such Defeased Bonds for accreted and unpaid interest thereon after such stated maturity or redemption date, if any, in trust for the benefit of the holder of such Defeased Bond, who shall thereafter be restricted exclusively to such cash for any claim of whatever nature on his part on or with respect to such Defeased Bond, including for any claim for the payment thereof and interest thereon. All cash required by the provisions hereof to be set aside or held in trust for the payment of the Defeased Bonds, including accreted and unpaid interest thereon, shall be applied to and used solely for the payment of the Defeased Bonds and accreted and unpaid interest thereon with respect to which such cash has been so set aside in trust.

Subject to the provisions of the last sentence of Section 3.01, cash held by the Paying Agent in trust for the payment and discharge of any of the Defeased Bonds and interest thereon which remains unclaimed for a period of three (3) years after the stated maturity date of such Defeased Bonds shall be returned to the District. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent to the District shall be subject to any applicable unclaimed property laws of the State of Texas.

Section 3.06 Destruction. Any Defeased Bonds canceled on account of payment by the Paying Agent shall be cremated or otherwise destroyed or handled by the Paying Agent in accordance with the order authorizing the issuance of the Defeased Bonds.

Section 3.07 Irrevocable Escrow. The escrow created by this Agreement shall be irrevocable, and the holders of the Defeased Bonds shall have an express lien on all money and Escrowed Securities in the Escrow Fund until paid out, used, and applied in accordance with this Agreement.

#### ARTICLE IV LIMITATION ON INVESTMENTS

Section 4.01 Duty to Invest. Except for the initial investment of the lawfully available funds of the District in the Escrowed Securities, and except as provided in Sections 4.02, 4.03, and 4.04 and as set forth herein, the Escrow Agent shall not have any power or duty to invest or reinvest any money held hereunder, make substitutions of the Escrowed Securities, or sell, transfer, or otherwise dispose of the Escrowed Securities.

Section 4.02 Reinvestment of Certain Cash Balances in Escrow Funds by Escrow Agent. Except as provided in Section 4.03 hereof, the Escrow Agent shall have no authority to substitute Escrowed Securities for the Escrowed Securities identified in **Exhibit B** hereto, provided that if there exists cash in the Escrow Fund on the respective dates identified in **Exhibit C**, if any, then the Escrow Agent and the District agree to make timely subscriptions for and apply such amounts to the purchase of United States Treasury Securities--State and Local Government Securities having a zero percent (0%) interest rate (*Zero Interest SLGS*), on the respective dates, in the respective amounts, and scheduled to mature as provided on **Exhibit C**, if any, by executing and filing subscription forms prepared therefor in such form as may be then required by the United States Department of the Treasury; provided that the then existing rules and regulations and policy of the United States Department of the Treasury permit and authorize such investments. Should the policies, rules, and regulations of the United States Department of the Treasury not permit or authorize the purchase of Zero Interest SLGS at such time or times, such cash balance or balances shall remain uninvested and held in trust for the benefit of the holders of the Defeased Bonds and used for the payment of the Defeased Bonds on the dates and in the amount such money would have been expended had such Zero Interest SLGS been acquired and matured.

Section 4.03 Substitutions and Reinvestments. At the written direction of the District, the Escrow Agent shall be authorized to accept initially and temporarily cash and/or substituted securities pending the delivery of the Escrowed Securities identified in **Exhibit B** (with respect to such account) or shall be authorized to sell, exchange, or redeem the Escrowed Securities and reinvest the proceeds thereof, together with other money held in the Escrow Fund, provided that the Escrow Agent receives the following:

- (1) an opinion by an independent certified public accountant to the effect that (i) the initial and/or temporary substitution of cash and/or securities (which shall be Escrowed Securities) for one or more of the Escrowed Securities identified in **Exhibit B** pending the receipt and delivery thereof to the Escrow Agent or (ii) the sale, exchange, or redemption of one or more of the Escrowed

Securities and the reinvestment of such funds in one or more substituted securities (which shall be Escrowed Securities and permitted by the laws of the State of Texas and the order authorizing the Defeased Bonds to be held in the Escrow Fund), together with the interest thereon and other available investments and money then held in the Escrow Fund, will, in either case, be sufficient, without reinvestment, to pay, as the same become due in accordance with **Exhibit A**, the principal of, premium, if any, and interest on, the Defeased Bonds which have not previously been paid, and

(2) with respect to an early sale, exchange, or redemption of Escrowed Securities and the reinvestment of the proceeds thereof, an opinion of nationally recognized municipal bond counsel to the effect that (a) such investment will not cause interest on the Defeased Bonds to be included in the gross income of the owners thereof for federal income tax purposes, under the Internal Revenue Code of 1986, as amended, and applicable related regulations, and (b) such reinvestment complies with the laws of the State of Texas and with all relevant documents relating to the issuance of the Defeased Bonds.

Section 4.04 Excess Balances. Except with respect to final transfers of amounts held in the Escrow Fund (which shall be controlled by Section 3.01), the Escrow Agent shall transfer excess amounts held in the Escrow Fund to or on the order of the District provided that the District delivers to the Escrow Agent the following:

(1) an opinion by an independent certified public accountant that, after the transfer of the excess amounts, the principal amount of securities in the Escrow Fund, together with the interest thereon and other available money then held in the Escrow Fund, will be sufficient, without reinvestment, to pay, as the same become due, in accordance with **Exhibit A**, the principal of, premium, if any, and interest on the Defeased Bonds which have not previously been paid, and

(2) an unqualified opinion of nationally recognized bond counsel to the effect that (a) such transfer will not make the interest on the Defeased Bonds relating to such Escrow Fund subject to federal income taxation, and (b) such transfer complies with the laws of the State of Texas and with all relevant documents relating to the issuance of such Defeased Bonds.

Section 4.05 Allocation of Certain Escrow Securities. The maturing principal of and interest on the Escrowed Securities in the Escrow Fund may be applied to the payment of any Defeased Bonds relating to the Escrow Fund, and no allocation or segregation of the receipts of principal or interest from such Escrowed Securities is required.

Section 4.06 Security for Funds. The Escrow Agent shall continuously collateralize the money in the Escrow Fund not invested in Escrowed Securities with securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for public funds to the extent such money is not insured by the Federal Deposit Insurance Corporation.

ARTICLE V  
APPLICATION OF CASH BALANCES

Section 5.01 In General. Except as provided in Sections 3.01, 3.02, 4.02, 4.03, and 4.04, no withdrawals, transfers, or reinvestment shall be made of cash balances in the Escrow Fund.

ARTICLE VI  
RECORDS AND REPORTS

Section 6.01 Records. The Escrow Agent will keep books of record and account in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocations, and application of the money and Escrowed Securities deposited to the Escrow Fund and all proceeds thereof, and such books shall be available for inspection at reasonable hours and under reasonable conditions by the District and the holders of the Defeased Bonds.

Section 6.02 Reports. As soon as practicable following each June 30, beginning June 30, 2024, while any amount is held in the Escrow Fund, the Escrow Agent shall prepare and send to the District a written report summarizing all transactions occurring since the preceding July 1 (or since the date of establishment of the Escrow Fund with respect to the initial report) relating to the Escrow Fund, including without limitation credits to the Escrow Fund as a result of interest payments on or maturities of the Escrowed Securities and transfers from the Escrow Fund for payments on the Defeased Bonds or otherwise, together with a detailed statement of all Escrowed Securities and the cash balance on deposit in the Escrow Fund as of the end of each such annual period.

ARTICLE VII  
CONCERNING THE PAYING AGENT AND ESCROW AGENT

Section 7.01 Representations. The Escrow Agent hereby represents that it has all necessary power and authority to enter into this Agreement and to undertake the obligations and responsibilities imposed upon it herein and that it will carry out all of its obligations hereunder.

Section 7.02 Limitation on Liability. The liability of the Escrow Agent to transfer funds for the payment of the principal of, premium, if any, and interest on the Defeased Bonds shall be limited to the proceeds of the Escrowed Securities and the cash balances from time to time on deposit in the Escrow Fund.

The recitals herein and in the proceedings authorizing the defeasance and redemption of the Defeased Bonds shall be taken as the statements of the District and shall not be considered as made by, or imposing any obligation or liability upon, the Escrow Agent. The Escrow Agent is not a party to the order authorizing the Defeased Bonds, and is not responsible for nor bound by any of the other provisions thereof. In its capacity as Escrow Agent, the Escrow Agent undertakes to perform such duties and only such duties, as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Escrow Agent.

The Escrow Agent makes no representations as to the value, conditions, or sufficiency of the Escrow Fund, or any part thereof, or as to the title of the District, or as to the security afforded

thereby or hereby, and the Escrow Agent shall not incur any liability or responsibility in respect to any of such matters.

It is the intention of the parties hereto that the Escrow Agent shall never be required to use or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder, except for its own action, neglect, or default or for any loss resulting from its negligence or bad faith.

The Escrow Agent shall not be liable for any action taken or neglected to be taken by it in good faith in the exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, nor shall the Escrow Agent be responsible for the consequences of any error of judgment; and the Escrow Agent shall not be answerable except for its own action, neglect, or default, nor for any loss unless the same shall have been through its negligence or bad faith.

Unless it is specifically otherwise provided herein, the Escrow Agent has no duty to determine or inquire into the happening or occurrence of any event or contingency or the performance or failure of performance of the District with respect to arrangements or contracts with others, with the Escrow Agent's sole duty hereunder being to safeguard the Escrow Fund, and to dispose of and deliver the same in accordance with this Agreement. If, however, the Escrow Agent is called upon by the terms of this Agreement to determine the occurrence of any event or contingency, the Escrow Agent shall be obligated, in making such determination, only to exercise reasonable care and diligence, and in event of error in making such determination the Escrow Agent shall be liable only for its own willful misconduct or its negligence. In determining the occurrence of any such event or contingency the Escrow Agent may request from the District or any other person such reasonable additional evidence as the Escrow Agent in its discretion may deem necessary to determine any fact relating to the occurrence of such event or contingency, and in this connection may make inquiries of, and consult with, among others, the District at any time.

The Escrow Agent may conclusively rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

The Escrow Agent may consult with counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it in good faith and in accordance therewith. The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care.

#### Section 7.03 Compensation.

(a) The District has agreed to pay the Escrow Agent the sum of \$\_\_\_\_\_ .00 for the administration of this Agreement. In the event that the Escrow Agent is requested to perform any extraordinary services hereunder and the Escrow Agent agrees to perform such request, the District hereby agrees to pay reasonable fees to the Escrow Agent for such extraordinary services and to reimburse the Escrow Agent for all expenses incurred by the Escrow Agent in performing

such extraordinary services, including counsel fees, and the Escrow Agent hereby agrees to look only to the District for the payment of such fees and reimbursement of such expenses. The Escrow Agent hereby agrees that in no event shall it ever assert any claim or lien against the Escrow Fund for any fees for its services, whether regular or extraordinary, as Escrow Agent, or in any other capacity, or for reimbursement for any of its expenses.

(b) The Paying Agent is a place of payment (paying agent) for the Defeased Bonds listed on **Schedule I**. The District shall pay to the Paying Agent the amounts due and owing for all future paying agency services of the Paying Agent with respect to such Defeased Bonds as provided in the paying agent/registrars agreement relating thereto. The District warrants that it has received from the Paying Agent approval of the arrangements herein made and written acknowledgment that the sum paid to the Paying Agent has been accepted in payment of all future paying agency services of the Paying Agent in connection with the Defeased Bonds listed on **Schedule I**.

Section 7.04 Successor Escrow Agents. If at any time the Escrow Agent or its legal successor or successors should become unable, through operation of law or otherwise, to act as escrow agent hereunder, or if its property and affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy or for any other reason, a vacancy shall forthwith exist in the office of Escrow Agent hereunder. In such event the District, by appropriate resolution or order, shall promptly appoint an Escrow Agent to fill such vacancy. If no successor Escrow Agent shall have been appointed by the District within 60 days, a successor may be appointed by the holders of a majority in principal amount of the Defeased Bonds then outstanding for purposes of this Agreement by an instrument or instruments in writing filed with the District, signed by such holders or by their duly authorized attorneys-in-fact. If, in a proper case, no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this Section within three months after a vacancy shall have occurred, the holder of any Defeased Bonds may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as it may deem proper, prescribe and appoint a successor Escrow Agent.

Any successor Escrow Agent shall be a bank, trust company or other financial institution that is duly qualified under applicable law (the Act, or other appropriate statute) to serve as escrow agent hereunder and authorized and empowered to perform the duties and obligations contemplated by this Agreement and organized and doing business under the laws of the United States or one of the states, authorized under such laws to exercise corporate trust powers, having its principal office and place of business in the State of Texas or in the City of New York, New York having a combined capital and surplus of at least \$50,000,000 and subject to the supervision or examination by federal or state authority.

Any successor Escrow Agent shall execute, acknowledge, and deliver to the District and the Escrow Agent an instrument accepting such appointment hereunder, and the Escrow Agent shall execute and deliver an instrument transferring to such successor Escrow Agent, subject to the terms of this Agreement, all the rights, powers, and trusts of the Escrow Agent hereunder. Upon the request of any such successor Escrow Agent, the District shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor Escrow Agent all such rights, powers, and duties.

Section 7.05 Notice of Redemption and/or Notice of Defeasance. The Paying Agent shall publish or mail the Notices of Redemption for the Defeased Bonds listed on **Schedule I** attached hereto and as required by the orders authorizing such Defeased Bonds. The Escrow Agent also hereby acknowledges receipt of the Notices of Redemption which shall be published and/or mailed to the holders of the Defeased Bonds in the time, form, and manner as provided in the orders authorizing the issuance of such Defeased Bonds. The District has advised the Escrow Agent that the Defeased Bonds will be escrowed to the date of prior redemption specified in **Schedule I** hereto. The Paying Agent hereby acknowledges the receipt of the Notices of Redemption and its ongoing duties and responsibilities with respect to the Defeased Bonds and that the Notices of Redemption will be provided to the holders of the Defeased Bonds in the form and manner that is customary in the securities industry.

ARTICLE VIII  
MISCELLANEOUS

Section 8.01 Notice. Any notice, authorization, request, or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid addressed as follows:

To the Escrow Agent:

BOKF, NA  
5956 Sherry Lane, Suite 900  
Dallas, Texas 75225  
Attention: Global Corporate Trust Services

To the District:

Canutillo Independent School District  
7965 Artcraft Road  
El Paso, Texas 79932  
Attention: Chief Business Officer

The United States Post Office registered or certified mail receipt showing delivery of the aforesaid shall be conclusive evidence of the date and fact of delivery. Any party hereto may change the address to which notices are to be delivered by giving to the other parties not less than ten (10) days prior notice thereof.

Section 8.02 Termination of Responsibilities. Upon the taking of all the actions as described herein by the Escrow Agent, the Escrow Agent shall have no further obligations or responsibilities hereunder to the District, the holders of the Defeased Bonds, or to any other person or persons in connection with this Agreement.

Section 8.03 Binding Agreement. This Agreement shall be binding upon the District, the Escrow Agent, and their respective successors and legal representatives and shall inure solely to the benefit of the holders of the Defeased Bonds, the District, the Escrow Agent, and their respective successors and legal representatives.

Section 8.04 Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. Notice of any severance shall be immediately provided to each national rating service (Moody's Investors Service, Inc., S&P Global Ratings, or Fitch Ratings, Inc.) which has rated the Defeased Bonds on the basis of this Agreement.

Section 8.05 Governing Law. This Agreement shall be deemed to be an agreement made under the laws of the State of Texas and for all purposes shall be governed by and construed in accordance with the laws of the State of Texas and the United States of America.

Section 8.06 Time of the Essence. Time shall be of the essence in the performance of obligations from time to time imposed upon the Escrow Agent by this Agreement.

Section 8.07 Amendments and Modifications. This Agreement shall be binding upon the District and the Escrow Agent and their respective successors and legal representatives and shall inure solely to the benefit of the holders of the Defeased Bonds, the District, the Escrow Agent, and their respective successors and legal representatives. Furthermore, no alteration, amendment, or modification of any provision of this Agreement shall be effective unless (i) prior written consent of such alteration, amendment, or modification shall have been obtained from the holders of all Defeased Bonds outstanding at the time of such alteration, amendment, or modification and (ii) such alteration, amendment, or modification is in writing and signed by the parties hereto; provided, however, the District and the Escrow Agent may, without the consent of the holders of the Defeased Bonds (upon obtaining the written confirmation of all rating agencies then rating the Defeased Bonds that the proposed amendment will not result in the ratings on the Defeased Bonds being lowered or withdrawn as a result of the amendment, unless the proposed amendment is limited to (i) the insertion of inadvertently omitted material or the correction of mistakes or clarification of ambiguities, (ii) the pledging of additional security to the holders of the Defeased Bonds, or (iii) the deposit of additional cash or Escrowed Securities into the Escrow Fund in which instances the written confirmation from the rating agencies shall not be required), amend or modify the terms and provisions of this Agreement to cure in a manner not adverse to the holders of the Defeased Bonds any ambiguity, formal defect, or omission in this Agreement; provided, however, that no such amendment shall adversely affect the firm banking arrangements made for the payment of the principal of, premium, if any, and interest on the Defeased Bonds. Moody's Investors Service, Inc. shall receive prior written notice and drafts of all amendments at the address identified in Section 8.01 hereof.

Section 8.08 Holiday. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Agreement, is not a business day, such payment may be made or act performed or right exercised on the next succeeding business day with the same force and effect as if done on the date provided therefor herein and, in the case of any payment, no interest shall accrue for the period after such date.

Section 8.09 Covenants. The District covenant that they will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Agreement, in any and every Defeased Bonds as executed, authenticated, and delivered, and in all

proceedings pertaining thereto as the Defeased Bonds shall have been modified as provided in this Agreement. The District covenants that it is duly authorized under the laws of the State of Texas to execute and deliver this Agreement, that all actions on its part for the payment of the Defeased Bonds as provided herein and the execution and delivery of this Agreement have been duly and effectively taken, and that the Defeased Bonds in the hands of the holders and owners thereof are and will be valid and enforceable obligations of the District according to the import thereof as provided in this Agreement.

Section 8.10 Interpretation of Agreement. In the event of any disagreement or controversy hereunder or if conflicting demands or notices are made upon the Escrow Agent growing out of or relating to this Agreement or in the event that the Escrow Agent in good faith is in doubt as to what action should be taken hereunder, the District expressly agrees and consents that the Escrow Agent shall have the absolute right at its election to

(a) withhold and stop all further proceedings in, and performance of, this Agreement with respect to the issue in question and of all instructions received hereunder in regard to such issue; and

(b) file a suit in interpleader and obtain an order from a court of appropriate jurisdiction requiring all persons involved to interplead and litigate in such court their several claims and rights among themselves. Nothing in this paragraph is intended to create or expand upon any right that the Escrow Agent would otherwise have available to it under applicable law to commence an interpleader or to alter the obligations of the Escrow Agent under this Agreement.

In the event the Escrow Agent becomes involved in litigation in connection with this Agreement, the District agrees to indemnify and save the Escrow Agent harmless, to the extent permitted by law, from all loss, cost, damages, expenses, and attorney fees suffered or incurred by the Escrow Agent as a result thereof, except as a result of the Escrow Agent's own negligence or willful misconduct. The obligations of the Escrow Agent under this Agreement shall be performable at the corporate office of the Escrow Agent in Dallas, Texas.

The Escrow Agent may consult with legal counsel in the event of any dispute or question as to the construction of any of the provisions hereof or its duties hereunder, and it shall, in the absence of negligence or bad faith on the part of the Escrow Agent, incur no liability and shall be fully protected in acting in accordance with the opinion and instructions of such counsel.

Section 8.11 Liability; Reliance; Assignment. The Escrow Agent shall not be responsible or liable to any person in any manner whatsoever for the sufficiency, correctness, genuineness, effectiveness, or validity of this Agreement with respect to the District or for the identity or authority of any person making or executing this Agreement for and on behalf of the District. The Escrow Agent is authorized by the District to rely upon the representations of the District with respect to this Agreement and the deposits made pursuant hereto and as to the District's right and power to execute and deliver this Agreement, and the Escrow Agent shall not be liable in any manner as a result of such reliance. The duty of the Escrow Agent hereunder shall only be to the District and the holders of the Defeased Bonds. Neither the District nor the Escrow Agent shall assign or attempt to assign or transfer any interest hereunder or any portion of any such interest without the written consent of each of the parties to this Agreement.

The Escrow Agent may act on any order, request, approval, or other authority relating to the Defeased Bonds which is provided by the District through a facsimile or e-mail transmission without the necessity of obtaining an original or executed copy of any such authority.

Section 8.12 Counterparts. This Agreement may be executed in any number of counterparts, each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute one and the same instrument.

Section 8.13 Incorporation of Preamble Recitals. The recitals contained in the preamble to this Agreement are hereby found to be true, and such recitals are hereby made a part of this Agreement for all purposes and are adopted as a part of the judgment and findings of the District.

Section 8.14 No Boycott of Israel (H.B. 89 85<sup>th</sup> Texas Legislature). The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. As used in the foregoing verification, ‘boycott Israel’ means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Bank understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

Section 8.15 Contracts with Companies Engaged in Business with Iran, Sudan or Foreign Terrorist Organizations Prohibited (S.B. 252 85<sup>th</sup> Texas Legislature). The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on the following page of such officer’s internet website:

<https://comptroller.texas.gov/purchasing/publications/divestment.php>

The foregoing representation excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Bank understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

Section 8.16 Texas Government Code 2274.002(a)(2). The aggregate value of this Agreement is less than the dollar limitation set forth in Section 2274.002(a)(2) of the Texas Government Code, as amended.

EXECUTED as of the date first written above.

CANUTILLO INDEPENDENT SCHOOL  
DISTRICT

By \_\_\_\_\_  
Superintendent of Schools

*[The remainder of this page intentionally left blank.]*

BOKF, NA  
as Escrow Agent

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

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

Address: 5956 Sherry Lane, Suite 900  
Dallas, Texas 75225

*[The remainder of this page intentionally left blank.]*

**ACKNOWLEDGEMENT OF RECEIPT OF NOTICE AND CONTINUING DUTIES**

The undersigned acknowledges the receipt of the Order and the Escrow and Trust Agreement pertaining to the defeasance of the Defeased Bonds and consents to the provisions of, and acknowledges its ongoing duties and responsibilities with respect to the Defeased Bonds as specified under, Sections 7.03(b) and 7.05 hereof. The undersigned also acknowledges receipt of the order authorizing the issuance of the Defeased Bonds and the Notice of Redemption. The Notice of Redemption described in Section 7.05 will be provided to the holders of the Defeased Bonds in the form and manner that is customary in the securities industry.

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.

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

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

## INDEX TO EXHIBITS

Schedule I.....	Defeased Bonds
Exhibit A.....	Schedule of Debt Service on Defeased Bonds
Exhibit B.....	Escrowed Securities and Cash to Pay Defeased Bonds
Exhibit C.....	Escrow Fund Cash Flow Reinvestment

**Schedule I**  
**Defeased Bonds**

<u>CUSIP No.*</u>	<u>Stated Maturity</u>	<u>Principal or Maturity Amount</u> <u>(\$)</u>	<u>Interest Rate or Yield (%)</u>
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**Exhibit A**

**Schedule of Debt Service on Defeased Bonds**

**Exhibit B**

**Escrowed Securities and Cash to pay the Defeased Bonds**

**Exhibit C**

**Escrow Fund Cash Flow and Reinvestment**

# CANUTILLO A Premier District

## Property Tax Rate Adoption Public Hearing

Fiscal Year 2024-2025

September 10, 2024



# 2024 -2025 Budget Adopted June 25, 2024



# Estimated Revenue

	199	101	599	
	GENERAL FUND	CHILD NUTRITION	DEBT SERVICE	GRAND TOTAL
LOCAL SOURCES	\$28,591,786	\$170,000	\$15,299,589	\$44,061,375
STATE SOURCES	35,886,619	25,000	0	35,911,619
FEDERAL SOURCES	720,000	5,675,000	0	6,395,000
<b>TOTAL REVENUE</b>	<b>\$65,198,405</b>	<b>\$5,870,000</b>	<b>\$15,299,589</b>	<b>\$86,367,994</b>

# Adopted Budget by Function

FUNCTION	DESCRIPTION OF FUNCTION	2024-2025 GENERAL FUND	2024-2025 FOOD SERVICE FUND	2024-2025 DEBT SERVICE FUND	2024-2025 TOTAL
11	INSTRUCTION	38,343,135			38,343,135
12	INSTRUCTIONAL RESOURCES & MEDIA	828,435			828,435
13	STAFF/CURRICULUM DEVELOPMENT	776,851			776,851
21	INSTRUCTIONAL ADMINISTRATION	1,190,498			1,190,498
23	SCHOOL LEADERSHIP	4,135,158			4,135,158
31	GUIDANCE & COUNSELING SERVICES	2,559,745			2,559,745
32	SOCIAL WORK SERVICES	149,828			149,828
33	HEALTH SERVICES	1,039,882			1,039,882
34	STUDENT TRANSPORTATION	2,154,176			2,154,176
35	FOOD SERVICE		5,355,545		5,355,545
36	COCURRICULAR ACTIVITIES	1,862,554			1,862,554
41	GENERAL ADMINISTRATION	3,457,431			3,457,431
51	PLANT MAINTENANCE & OPERATIONS	7,004,799	514,455		7,519,254
52	SECURITY & MONITORING SERVICES	1,400,964			1,400,964
53	DATA PROCESSING SERVICES	1,937,456			1,937,456
61	COMMUNITY SERVICES	20,901			20,901
71	DEBT SERVICE	457,096		15,299,589	15,756,685
81	FACILITIES ACQUISITION/CONSTRUCTION	45,300			45,300
99	OTHER INTER-GOVERNMENTAL CHARGES	584,196			584,196
<b>BUDGET TOTALS</b>		<b>\$67,948,405</b>	<b>\$5,870,000</b>	<b>\$15,299,589</b>	<b>\$89,117,994</b>



# Top 10 Taxpayers

2023	2024
Tenet Hospitals Limited	Tenet Hospitals Limited
El Paso Outlet Center CMBS LLC	El Paso Outlet Center CMBS LLC
Care Fusion 213 LLC	BCORE NW Corp Center Owner LP
Schneider Electric USA Inc	El Paso Behavioral Hospital LLC
ROP (River Oaks Properties) Artcraft LLC	ROP (River Oaks Properties) Artcraft LLC
El Paso Behavioral Hospital LLC	Schneider Electric USA Inc
El Paso Electric Co	Wal-Mart Stores Inc
Coleman Cable Inc	El Paso Electric Co
Wal-Mart Stores Inc	Coleman Cable Inc
Vinton Steel LLC	1776 Cimarron Square LLC



# M&O Compressed Voter Approved Tax Rate Calculation

	2023 Tax Year FY2024 Revenue	2024 Tax Year FY2025 Revenue
Maximum Compressed Tax Rate <i>(Set by TEA)</i>	\$0.6222	\$0.6169
Tier 2 (Golden Pennies)	\$0.0800	\$0.0800
Tier 3 (Copper Pennies)	\$0.0583	\$0.0583
Tax Rate	\$0.7605	\$0.7552

**Reduction of \$0.0053**



# Calculated Tax Rate

2024 **Certified** Property Values - **\$3,599,040,500**  
Net Taxable Levy

## ▶ Maintenance and Operations (M & O)

Projected Revenue for Operating Costs (Certified Values / \$100 X \$0.7552 X 98.5%*)	\$ 26,772,255
Proposed M & O Rate Per \$100 Valuation	\$ 0.7552

## ▶ Debt Service (I & S)

Debt Service Amount (to be paid from property taxes) (Certified Values / \$100 X \$0.40 X 98.5%*)	\$ 14,180,220
Debt Service Tax Rate Per \$100 Valuation	\$ 0.4000

\*Projected Revenue at 98.5% Collection Rate

**Voter Approved Tax Rate \$1.1552**

# Impact of Tax Rates on Average Homeowner

	2023	2024	
	Value After CAP	Value After CAP	Change
Avg. Appraised Value	\$ 257,416	\$ 282,482	\$ 25,066
Homestead Exemption	<u>( 100,000)</u>	<u>( 100,000)</u>	<u>(-0-)</u>
Taxable Value	\$ 157,416	\$ 182,482	\$ 25,066
Tax Rate Per \$100 Valuation	\$ 1.1605	\$ 1.1552	(\$ 0.0053)
Property Tax Levied	\$ 1,826.81	\$ 2,108.03	\$ 281.22
Average Percent Increase in Values = 9.74% Average Percent Increase in Tax Levied = 0.15%			

# Board Questions and Public Comment



# MOTION:

## To Adopt the 2024-2025 Property Tax Rate

### Tax Rate Resolution

- ❖ Maintenance & Operation Rate- \$0.7552
- ❖ Interest & Sinking Rate - \$0.40000
- ❖ Total Tax Rate \$1.1552

**CANUTILLO INDEPENDENT SCHOOL DISTRICT  
RESOLUTION TO SET TAX RATE  
FOR 2024-2025**

**RECITALS**

The School District has adopted a fiscal year commencing July 1 and ending June 30.

The School District has received the certified taxable property value within the School District from the El Paso Central Appraisal District.

The Board of Trustees has published the Notice of Public Meeting to Discuss the Proposed Budget and Tax Rate as required by Section 44.004, Texas Education Code.

The Board of Trustees has conducted a public meeting on the proposed tax rate on September 10, 2024.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Trustees of the Canutillo Independent School District as follows hereby levy or set the tax rate on \$100 valuation for the District for the tax year 2024 at a total tax rate of \$1.1552, to be assessed and collected by the duly specified assessor and collector as follows:

\$0.7552 for the purpose of maintenance and operations, and

\$0.4000 for the purpose of payment of principal and interest on debts.

**THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.**

**THE TAX RATE WILL EFFECTIVELY BE RAISED BY 8.22% AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$281.22.**

Adopted this 10<sup>th</sup> day of September, 2024, by the Board of Trustees.

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Armando Rodriguez, President

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Cindy Zuniga, Secretary