

# 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 April 4, 2006, 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
    - A. Call to Order
    - B. Roll Call
  2. Instruction and Student Affairs
    - A. NONE
  3. Personnel
    - A. NONE
  4. Business and Finance
    - A. Consider and take appropriate action regarding an order authorizing the issuance and sale of "Canutillo Independent School District Unlimited Tax School Building Bond, Series 2006A"; levying a tax and providing for the security and payment thereof; approving the official statement and bond purchase contract; and enacting other provisions relating thereto 2
    - B. Approve Job Order Contract 40
    - C. Selection of Painting Contractor Services under RFCSP #06-06 48
    - D. Select Construction Manager(s) at Risk for elementary school projects and other school district projects
    - E. Select architect(s) for elementary school projects and other school district projects
  5. Administration
    - A. NONE
  6. 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.

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ORDER  
AUTHORIZING THE ISSUANCE OF

§ \_\_\_\_\_  
CANUTILLO INDEPENDENT SCHOOL DISTRICT  
UNLIMITED TAX SCHOOL BUILDING BONDS  
SERIES 2006A

Dated: April 1, 2006

Adopted: April 4, 2006

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AN ORDER AUTHORIZING THE ISSUANCE AND SALE OF CANUTILLO INDEPENDENT SCHOOL DISTRICT UNLIMITED TAX SCHOOL BUILDING BONDS, SERIES 2006A; LEVYING A TAX AND PROVIDING FOR THE SECURITY AND PAYMENT THEREOF; APPROVING THE OFFICIAL STATEMENT AND BOND PURCHASE CONTRACT; AND ENACTING OTHER PROVISIONS RELATING THERETO

WHEREAS, the Board of Trustees (the "Board") of Canutillo Independent School District (the "District") intends to issue school building bonds to finance improvements which the Board determines to be necessary within the District; and

WHEREAS, the bonds herein authorized were duly and favorably voted, as required by the Constitution and laws of the State of Texas, at an election held within the District on February 4, 2006; and

WHEREAS, at said election, the following are the purposes and amounts of bonds which were authorized, reflecting any amount previously issued pursuant to such voted authorization, the amount therefrom being issued pursuant to this Order, and the balance that remains unissued after the issuance of the Bonds herein authorized, to-wit:

<u>Purpose</u>	<u>Amount Voted</u>	<u>Amount Previously Issued</u>	<u>Amount Being Issued</u>	<u>Unissued Balance</u>
School Buildings/Acquisition of property financed under Chapter 271 of Local Government Code	\$38,330,000	\$3,163,823.65 <sup>1</sup>	\$	\$
Refunding Bonds	\$730,000	\$730,000	\$0	\$0

<sup>1</sup> Includes \$78,826.05 of premium received with respect to the District's Unlimited Tax School Building and Refunding Bonds, Series 2006.

<sup>2</sup> Includes \$\_\_\_\_\_ of net premium received with respect to the Bonds.

WHEREAS, the school building bonds are authorized to be issued pursuant to Chapter 45 of the Texas Education Code, as amended; and

WHEREAS, the Board has found and determined that it is necessary and in the best interest of the District and its citizens that it authorize by this Order the issuance and delivery of the bonds in a single series at this time; and

WHEREAS, the meeting at which this Order is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended; now, therefore,

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

## ARTICLE I

### DEFINITIONS AND OTHER PRELIMINARY MATTERS

#### Section 1.01. Definitions.

Unless otherwise expressly provided or unless the context clearly requires otherwise in this Order, the following terms shall have the meanings specified below:

“Board” means the Board of Trustees of the District.

“Bond” means any of the Bonds.

“Bond Purchase Contract” means the Bond Purchase Contract pertaining to the Bonds approved in Section 7.01.

“Bonds” means the District’s bonds entitled “Canutillo Independent School District Unlimited Tax School Building Bonds, Series 2006A” authorized to be issued by Section 3.01.

“Business Day” means a day that is not a Saturday, Sunday, legal holiday or other day on which banking institutions in the city where the Designated Payment/Transfer Office is located are required or authorized by law or executive order to close.

“Closing Date” means the date of the initial delivery of and payment for the Bonds.

“Code” means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions.

“Debt Service” means the principal of and interest due and payable on the Bonds.

“Designated Payment/Transfer Office” means (i) with respect to the initial Paying Agent/Registrar named in this Order, the Designated Payment/Transfer Office in Dallas, Texas, or at such other location designated by the Paying Agent/Registrar and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the District and such successor.

“DTC” shall mean The Depository Trust Company of New York, New York, or any successor securities depository.

“DTC Participant” shall mean brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“Event of Default” means any event of default as defined in Section 10.01.

“Initial Bond” means the Initial Bond authorized by Section 3.04(d).

“Interest and Sinking Fund” means the interest and sinking fund established by Section 8.01(a).

“Interest Payment Date” means the date or dates upon which interest on the principal of the Bonds is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being February 15 and August 15 of each year, commencing February 15, 2007.

“Maturity Date” means the date on which the principal of a Bond is due and payable, whether at stated maturity or earlier redemption.

“Order” means this Order.

“Original Issue Date” means the dated date of the Bonds designated in Section 3.02(a).

“Owner” means the person who is the registered owner of a Bond or Bonds, as shown in the Register.

“Paying Agent/Registrar” means initially JPMorgan Chase Bank, National Association, Dallas, Texas, or any successor thereto as provided in this Order.

“Paying Agent Registrar Agreement” means the Paying Agent/Registrar Agreement between the Paying Agent/Registrar and the District relating to the Bonds.

“Permanent School Fund Guarantee” or “PSF” shall mean that certain fund, created by Article VII, Section 5 of the Texas Constitution, pursuant to which the payment of principal and interest on the Bonds has been guaranteed.

“Project Fund” means the project fund established by 8.01(b).

“Record Date” means the last business day of the month next preceding an Interest Payment Date.

“Register” means the Bond register required by Section 3.06(a).

“Representation Letter” means the Blanket Letter of Representations between the District and DTC.

“Representative” means the Representative of the Underwriters as specified in the Bond Purchase Contract.

“Special Payment Date” means the date that is fifteen (15) days after the Special Record Date, as described in Section 3.03(e).

“Special Record Date” means the new record date for interest payment established in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, as described in Section 3.03(e).

“Unclaimed Payments” means money deposited with the Paying Agent/Registrar for the payment of principal, redemption premium, if any, or interest on the Bonds as the same become due and payable or money set aside for the payment of Bonds duly called for redemption prior to

maturity and remaining unclaimed by the Owners of such Bonds for 90 days after the applicable payment or redemption date.

“Underwriters” means the parties named as underwriters in the Bond Purchase Contract.

Section 1.02. Other Definitions. The capitalized terms defined in the preamble to this Order shall have the meanings assigned to them in the preamble of this Order.

Section 1.03. Findings. The declarations, determinations and findings declared, made and found in the preamble to this Order are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.04. Table of Contents, Titles and Headings. The table of contents, titles and headings of the Articles and Sections of this Order have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Order or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.05. Interpretation. (a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Order and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Order.

(c) All article and section references shall mean references to the respective articles and sections of this Order unless designated otherwise.

## ARTICLE II

### SECURITY FOR THE BONDS

Section 2.01. Tax Levy. (a) Pursuant to the authority granted by the Constitution and laws of the State of Texas, there is hereby levied for the current year and for each succeeding year hereafter while any of the Bonds or any interest thereon is outstanding and unpaid, an ad valorem tax on each one hundred dollars valuation of taxable property within the District, at a rate sufficient, without limit as to rate or amount, to pay Debt Service when due and payable, full allowance being made for delinquencies and costs of collection.

(b) The ad valorem tax thus levied shall be assessed and collected each year against all property appearing on the tax rolls of the District most recently approved in accordance with law and the money thus collected shall be deposited as collected to the Interest and Sinking Fund.

(c) Said ad valorem tax, the collections therefrom, and all amounts on deposit in or required hereby to be deposited to the Interest and Sinking Fund are hereby pledged and

committed irrevocably to the payment of Debt Service when and as due and payable in accordance with the terms of the Bonds and this Order.

(d) To the extent the District has available funds which may be lawfully used to pay Debt Service and such funds are on deposit in the Interest and Sinking Fund in advance of the time when the Board is scheduled to set a tax rate for any year, then such tax rate which otherwise would be required to be established pursuant to subsection (a) of this Section may be reduced to the extent and by the amount of such funds then on deposit in the Interest and Sinking Fund.

(e) If the lien and provisions of this Order shall be released in a manner permitted by law, then the collection of such ad valorem tax may be suspended or appropriately reduced, as the facts may permit, and further deposits to the Interest and Sinking Fund may be suspended or appropriately reduced, as the facts may permit. In determining the aggregate principal amount of outstanding Bonds, there shall be subtracted the amount of any Bonds that have been defeased in accordance with applicable law or that have been duly called for redemption and for which money has been deposited with the Paying Agent/Registrar for such redemption and defeased.

(f) Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of the taxes granted by the District under this Section, and such pledge is therefore valid, effective, and perfected. Should Texas law be amended at any time while the Bonds are outstanding and unpaid, the result of such amendment being that the pledge of the taxes granted by the District under this Section is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, in order to preserve to the registered owners of the Bonds a security interest in said pledge, the District agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 2.02. State Assistance Funds. (a) In connection with the issuance of the Bonds, the District may receive financial assistance from the Texas Education Agency in accordance with the existing debt allotment program established pursuant to Chapter 46, Texas Education Code, as amended (the "Program"). In each fiscal year in which the District receives funding under the Program or any successor State funding program which provides a debt service subsidy for the Bonds and, in either case, which requires the District to deposit such debt service subsidy into the Interest and Sinking Fund for the Bonds (such funds being collectively referred to herein as "Debt Subsidy Funds"), the District shall deposit immediately upon receipt the Debt Subsidy Funds received to the credit of the Interest and Sinking Fund for the Bonds created pursuant to this Order. Notwithstanding the requirements of Section 2.01, if Debt Subsidy Funds are actually on deposit in the Interest and Sinking Fund for the Bonds in advance of the time when ad valorem taxes are scheduled to be levied for any fiscal year, then the amount of ad valorem taxes which otherwise would have been required to be levied pursuant to Section 2.01 shall be reduced to the extent and by the amount of the Debt Subsidy Funds then on deposit in the Interest and Sinking Fund for the Bonds.

(b) To the extent that the District demonstrates to the Texas Attorney General that the District's ability to comply with the requirements of Section 45.0031, Texas Education Code, as

amended, is contingent on receiving State assistance, the District covenants, to the extent required, and for so long as required, to comply with the provisions of said Section 45.0031, and to not set a tax rate for a year until the District has credited to the account of the Interest and Sinking Fund for the Bonds the amounts of State assistance received or to be received in accordance with the terms of said Section 45.0031.

**ARTICLE III**

**AUTHORIZATION; GENERAL TERMS AND PROVISIONS  
REGARDING THE BONDS**

Section 3.01. Authorization. The District’s bonds to be designated “Canutillo Independent School District Unlimited Tax School Building Bonds, Series 2006A” are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, including particularly Chapter 45. The Bonds shall be issued in the aggregate principal amount of \$\_\_\_\_\_ for the purpose of (i) acquiring, constructing, improving, repairing, renovating and equipping school buildings of the District and the purchasing of necessary sites therefor, and (ii) paying the costs of issuing the Bonds.

Section 3.02. Date, Denomination, Maturities, and Interest. (a) The Bonds shall be dated April 1, 2006 (the “Original Issue Date”), and shall be in fully registered form, without coupons.

(b) The Bonds shall be in the denomination of \$5,000 or any integral multiple thereof and shall be numbered separately from one upward, except the Initial Bond, which shall be numbered T-1.

(c) The Bonds shall mature on August 15 in the years and in the principal amounts and shall bear interest at the per annum rates set forth in the following schedule:

<u>Maturity</u> <u>Date</u> <u>(August 15)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u> <u>(August 15)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
2007			2020		
2008			2021		
2009			2022		
2010			2023		
2011			2024		
2012			2025		
2013			2026		
2014			2027		
2015			2028		
2016			2029		
2017			2030		
2018			2031		
2019					

(d) Interest shall accrue and be paid on each Bond, respectively, until the principal amount thereof has been paid or provision for such payment has been made, from the later of the Original Issue Date or the most recent Interest Payment Date to which interest has been paid or provided for at the rate per annum for each respective maturity specified in the schedule contained in subsection (c) above. Such interest shall be payable semiannually on February 15 and August 15 of each year, commencing February 15, 2007, computed on the basis of a 360-day year composed of twelve 30-day months.

Section 3.03. Medium, Method and Place of Payment. (a) Debt Service shall be paid in lawful money of the United States of America.

(b) Interest on each Bond shall be paid by check dated as of the Interest Payment Date, and sent first class United States mail, postage prepaid, by the Paying Agent/Registrar to each Owner, as shown in the Register at the close of business on the Record Date, at the address of each such Owner as such appears in the Register or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expense of such other customary banking arrangements.

(c) The principal of each Bond shall be paid to the Owner thereof on the Maturity Date upon presentation and surrender of such Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar.

(d) If the date for the payment of Debt Service is not a Business Day, the date for such payment shall be the next succeeding Business Day, and payment on such date shall for all purposes be deemed to have been made on the due date thereof as specified in this Section.

(e) In the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the District. Notice of the Special Record Date and of the special payment date of the past due interest (the "Special Payment Date," which shall be fifteen (15) days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Owner of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

(f) Unclaimed Payments shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Bonds to which the Unclaimed Payments pertain. Subject to Title 6, Texas Property Code, Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three (3) years after the applicable payment or redemption date shall be applied to the next payment or payments on the Bonds thereafter coming due and, to the extent any such money remains after the retirement of all outstanding Bonds, shall be paid to the District to be used for any lawful purpose. Thereafter, neither the District, the Paying Agent/Registrar nor any other person shall be liable or

responsible to any holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to Title 6, Texas Property Code.

Section 3.04. Execution and Registration of Bonds. (a) The Bonds shall be executed on behalf of the District by the President and the Secretary of the Board, by their manual or facsimile signatures, and the official seal of the District shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the District had been manually impressed upon each of the Bonds.

(b) In the event any officer of the District whose manual or facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Order unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. It shall not be required that the same officer or authorized signatory of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Bonds. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Bond delivered on the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State of Texas, or by his duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the District, and has been registered by the Comptroller of Public Accounts of the State of Texas.

(d) On the Closing Date, one initial bond (the "Initial Bond"), representing the entire principal amount of the Bonds, payable in stated installments to the Representative or its designee, executed by manual or facsimile signature of the President and Secretary of the Board, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the Representative or its designee. Upon payment for the Initial Bond, the Paying Agent/Registrar shall cancel the Initial Bond and deliver registered definitive Bonds to DTC in accordance with Section 3.10.

Section 3.05. Ownership. (a) The District, the Paying Agent/Registrar and any other person may treat the Owner as the absolute owner of such Bond for the purpose of making and receiving payment of principal, for the further purpose of making and receiving payment of the interest thereon (subject to the provisions herein that interest is to be paid to the person in whose name the Bond is registered on the Record Date), and for all other purposes, whether or not such Bond is overdue, and neither the District nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Owner of a Bond shall be valid and effectual and shall discharge the liability of the District and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.06. Registration, Transfer and Exchange. (a) So long as any Bonds remain outstanding, the District shall cause the Paying Agent/Registrar to keep at its Designated Payment/Transfer Office a Bond register in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Order.

(b) The ownership of a Bond may be transferred only upon the presentation and surrender of the Bond to the Paying Agent/Registrar at the Designated Payment/Transfer Office with such endorsement or other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. No transfer of any Bond shall be effective until entered in the Register.

(c) The Bonds shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office for a Bond or Bonds of the same maturity and interest rate and in any denomination or denominations of any integral multiple of \$5,000 and in an aggregate principal amount equal to the unpaid principal amount of the Bonds presented for exchange.

(d) The Paying Agent/Registrar is hereby authorized to authenticate and deliver Bonds transferred or exchanged in accordance with this Section. A new Bond or Bonds will be delivered by the Paying Agent/Registrar, in lieu of the Bond being transferred or exchanged, at the Designated Payment/Transfer Office, or sent by United States mail, first class, postage prepaid, to the new registered owner or his designee. Each Bond delivered by the Paying Agent/Registrar in accordance with this Section shall constitute an original contractual obligation of the District and shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

(e) No service charge shall be made to the Owner for the initial registration, any subsequent transfer, or exchange for a different denomination of any of the Bonds. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer or exchange of a Bond.

(f) Neither the District nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption within 30 days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the registered owner of the uncalled balance of a Bond.

Section 3.07. Cancellation. All Bonds paid or redeemed before scheduled maturity in accordance with this Order, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Order, shall be cancelled upon the making of proper records regarding such payment, exchange or replacement. The Paying Agent/Registrar shall then return such cancelled Bonds to the District.

Section 3.08. Temporary Bonds. (a) Following the delivery and registration of the Initial Bond and pending the preparation of definitive Bonds, the proper officers of the District may execute and, upon the District's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the District executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

(b) Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the benefit and security of this Order.

(c) The District, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Bonds in definitive form; thereupon, upon the presentation and surrender of the Bond or Bonds in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Bonds in temporary form and authenticate and deliver in exchange therefor a Bond or Bonds of the same maturity and series, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Bond or Bonds in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.09. Replacement Bonds. (a) Upon the presentation and surrender to the Paying Agent/Registrar, at the Designated Payment/Transfer Office, of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The District or the Paying Agent/Registrar may require the Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Bond is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Bond;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar and the District to save them harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the District and the Paying Agent/Registrar.

(c) If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the District and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the District or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Bond, may pay such Bond if it has become due and payable or may pay such Bond when it becomes due and payable.

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the District and shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

Section 3.10. Book-Entry Only System. (a) The definitive Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the District and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds, except as provided in this Order. Without limiting the immediately preceding sentence, the District and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than an Owner, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Order to the contrary, the District and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute Owner of such Bond for the purpose of payment of Debt Service, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all Debt Service, only to or upon the order of the respective Owners, as provided in this Order, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of, Debt Service, to the extent of the sum or sums so paid. No person other than an Owner, shall receive a Bond certificate evidencing the obligation of the District to make payments of amounts due pursuant to this Order. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the

provisions in this Order with respect to interest checks or drafts being mailed to the registered Owner at the close of business on the Record Date, the word "Cede & Co." in this Order shall refer to such new nominee of DTC.

(c) The Representation Letter previously executed and delivered by the District, and applicable to the District's obligations delivered in book-entry-only form to DTC as securities depository for said obligations, is hereby ratified and approved for the Bonds.

Section 3.11. Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the District or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, and that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the District or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts, as identified by DTC. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, as applicable, in accordance with the provisions of this Order.

Section 3.12. Payments to Cede & Co. Notwithstanding any other provision of this Order to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds, shall be made and given, respectively, in the manner provided in the Representation Letter.

## ARTICLE IV

### REDEMPTION OF BONDS BEFORE MATURITY

#### Section 4.01. Limitation on Redemption.

The Bonds shall be subject to redemption before their scheduled maturity only as provided in this Article IV.

#### Section 4.02. Optional Redemption.

The District reserves the right to redeem Bonds maturing on or after August 15, 20\_\_\_\_, in whole or in part, before their respective scheduled stated maturity dates, on August 15, 20\_\_\_\_, or on any date thereafter, such redemption date or dates to be fixed by the District, at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date. The District, at least 45 days before the redemption date, unless a shorter period shall be

satisfactory to the Paying Agent/Registrar, shall notify the Paying Agent/Registrar of such redemption and of the principal amount of Bonds to be redeemed.

Section 4.03. Reserved.

Section 4.04. Partial Redemption.

(a) If less than all of the Bonds are to be redeemed pursuant to Section 4.02, the District shall determine the maturity or maturities and amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot such Bonds for redemption.

(b) A portion of a single Bond of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. The Paying Agent/Registrar shall treat each \$5,000 portion of such Bond as though it were a single Bond for purposes of selection for redemption.

(c) Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06 of this Order, shall authenticate and deliver exchange Bonds in an aggregate principal amount equal to the unredeemed principal amount of the Bond so surrendered, such exchange being without charge.

(d) The Paying Agent/Registrar shall promptly notify the District in writing of the principal amount to be redeemed of any Bond as to which only a portion thereof is to be redeemed.

Section 4.05. Notice of Redemption to Owners.

(a) The Paying Agent/Registrar shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond or portion thereof to be redeemed, at the address shown on the Register.

(b) The notice shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

Section 4.06. Payment Upon Redemption.

(a) Before or on each redemption date, the District shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date, and the Paying Agent/Registrar shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust such amounts as are received by the Paying Agent/Registrar from the District and shall use such funds solely for the purpose of paying the redemption price of the Bonds being redeemed.

(b) Upon presentation and surrender of any Bond called for redemption at the Designated Payment/Transfer Office on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the redemption price of such Bond to the date of redemption from the money set aside for such purpose. Interest on any Bond called for redemption shall be paid to the Owner in accordance with the provisions of Section 3.03(b) of this Order.

Section 4.07. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.05 of this Order, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption; thereafter, unless the District defaults in its obligation to make provision for the payment of the redemption price, such Bonds or portions thereof shall cease to bear interest from the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

(b) If the District shall fail to make provision for the payment of all sums due on a redemption date, then any Bond or portion thereof called for redemption shall continue to bear or accrue interest as provided in such Bond until due provision is made for the payment of same by the District.

Section 4.08. Lapse of Payment. Money set aside for the redemption of the Bonds and remaining unclaimed by the Owners thereof shall be subject to the provisions of Section 3.03(f) hereof.

## ARTICLE V

### PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar. (a) The District hereby appoints JPMorgan Chase Bank, National Association, Dallas, Texas, as its initial registrar and transfer agent (the "Paying Agent/Registrar") to keep such books or records and make such transfers and registrations under such reasonable regulations as the District and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfer and registrations as herein provided. It shall be the duty of the Paying Agent/Registrar to obtain from the Owners and record in the Register the address of such Owner of each Bond to which payments with respect to the Bonds shall be mailed, as provided herein. The District or its designee shall have the right to inspect the Register during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity.

(b) The District hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds. The Paying Agent/Registrar shall keep proper records of all payments made by the District and the Paying Agent/Registrar with respect to the Bonds, and of all conversions, exchanges and replacements of such Bonds, as provided in the Order.

(c) The execution and delivery of the Paying Agent/Registrar Agreement, substantially in the form presented at this meeting, specifying the duties and responsibilities of the District and the Paying Agent/Registrar, is hereby approved with such changes as may be approved by the President of the Board, and the President and Secretary of the Board are hereby authorized to execute such agreement.

Section 5.02. Qualifications. Each Paying Agent/Registrar shall be (i) a commercial bank, trust company, or other entity duly qualified and legally authorized under applicable law, (ii) authorized under such laws to exercise trust powers, (iii) subject to supervision or examination by a federal or state governmental authority, and (iv) a single entity.

Section 5.03. Maintaining Paying Agent/Registrar. (a) At all times while any Bonds are outstanding, the District will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Order.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the District will promptly appoint a replacement.

Section 5.04. Termination. The District reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated a certified copy of a resolution of the District (i) giving notice of the termination of the appointment and of the Paying Agent/Registrar Agreement, stating the effective date of such termination, and (ii) appointing a successor Paying Agent/Registrar; provided, that, no such termination shall be effective until a successor Paying Agent/Registrar has accepted the duties of Paying Agent/Registrar for the Bonds.

Section 5.05. Notice of Change to Owners. Promptly upon each change in the entity serving as Paying Agent/Registrar, the District will cause notice of the change to be sent to each Owner by United States mail, first class postage prepaid, at the address in the Register, stating the effective date of the change and the name of the replacement Paying Agent/Registrar and the mailing address of its Designated Payment/Transfer Office.

Section 5.06. Agreement to Perform Duties and Functions. By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Order and that it will perform the duties and functions of Paying Agent/Registrar prescribed hereby and under the Paying Agent/Registrar Agreement.

Section 5.07. Delivery of Records to Successor. If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Bonds to the successor Paying Agent/Registrar.

## ARTICLE VI

### FORM OF THE BONDS

Section 6.01. Form Generally. (a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Paying

Agent/Registrar, and the Assignment form to appear on each of the Bonds (i) shall be substantially in the form set forth in this Article, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Order, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the District or by the officers executing such Bonds, as evidenced by their execution thereof.

(b) Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds.

(c) The definitive Bonds shall be typewritten, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

(d) The Initial Bond submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

Section 6.02. Form of the Bonds. The form of the Bonds, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Bonds, shall be substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Order:

(a) Form of Bond.

REGISTERED

REGISTERED

No. \_\_\_\_\_

\$ \_\_\_\_\_

United States of America  
State of Texas

CANUTILLO INDEPENDENT SCHOOL DISTRICT  
UNLIMITED TAX SCHOOL BUILDING BOND  
SERIES 2006A

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL ISSUE DATE</u>	<u>CUSIP NUMBER</u>
_____ %	August 15, _____	April 1, 2006	138735 _____

Canutillo Independent School District (the "District"), in El Paso County, State of Texas, for value received, hereby promises to pay to

\_\_\_\_\_

or registered assigns, on the Maturity Date specified above, the sum of

\_\_\_\_\_ DOLLARS

unless the payment of the principal hereof shall have been paid or provided for, and to pay interest on the unpaid principal amount hereof from the later of the Original Issue Date specified above or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on February 15 and August 15 of each year, commencing February 15, 2007.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the corporate trust office in Dallas, Texas, or such other location designated by the Paying Agent/Registrar (the "Designated Payment/Transfer Office"), of JPMorgan Chase Bank, National Association, as initial Paying Agent/Registrar, or, with respect to a successor paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the interest payment date, mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expense of such other customary banking arrangements. For the purpose of the payment of interest on this Bond, the registered owner shall be the person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the last business day of the month next preceding such interest payment date. In the event of a

nonpayment of interest on a scheduled payment date, and for thirty days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the District. Notice of the Special Record Date and of the special payment date of the past due interest (the "Special Payment Date," which date shall be fifteen days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each owner of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

If the date for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in which the Designated Payment/Transfer Office is located are required or authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which such banking institutions are required or authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of a series of fully registered bonds specified in the title hereof issued in the aggregate principal amount of \$\_\_\_\_\_ (herein referred to as the "Bonds"), issued pursuant to a certain order of the District (the "Order") for the purpose of (i) acquiring, constructing, improving, repairing, renovating and equipping of school buildings in the District and purchasing necessary sites therefor, and (ii) paying the costs of issuance relating to the Bonds.

The District has reserved the right to redeem the Bonds maturing on or after August 15, 20\_\_\_\_, in whole or in part before their respective scheduled maturity dates, on August 15, 20\_\_\_\_, or on any date thereafter, at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption. If less than all of the Bonds are to be redeemed, the District shall determine the amounts thereof to be redeemed, and shall direct the Paying Agent/Registrar to call by lot the Bonds, or portions thereof, for redemption.

Notice of such redemption or redemptions shall be given by first class mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the registered owner of each of the Bonds to be redeemed in whole or in part. Notice having been so given, the Bonds or portions thereof designated for redemption shall become due and payable on the redemption date specified in such notice, and from and after such date, notwithstanding that any of the Bonds or portions thereof so called for redemption shall not have been surrendered for payment, interest on such Bonds or portions thereof shall cease to accrue.

As provided in the Order, and subject to certain limitations therein set forth, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar; thereupon, one or more new fully registered Bonds of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the District nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 30 calendar days after the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

The District, the Paying Agent/Registrar, and any other person may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond be overdue, and neither the District nor the Paying Agent/Registrar shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and for the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law; that sufficient and proper provision for the levy and collection of taxes has been made, without limit as to rate or amount, which when collected shall be appropriated exclusively to the timely payment of the principal and maturity amounts of, and interest on the Bonds; and that the total indebtedness of the District, including the Bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the District has caused this Bond to be duly executed under its official seal.

\_\_\_\_\_  
Secretary, Board of Trustees  
Canutillo Independent School District

\_\_\_\_\_  
President, Board of Trustees  
Canutillo Independent School District

[SEAL]

(b) Form of Comptroller's Registration Certificate.

The following Comptroller's Registration Certificate may be deleted from the definitive Bonds if such certificate on the Initial Bond is fully executed.

OFFICE OF THE COMPTROLLER  
OF PUBLIC ACCOUNTS  
OF THE STATE OF TEXAS

§  
§  
§

REGISTER NO. \_\_\_\_\_

I hereby certify that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this Bond has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding obligation of Canutillo Independent School District, and that this Bond has this day been registered by me.

WITNESS MY SIGNATURE AND SEAL this \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

[SEAL]

(c) Form of Certificate of Paying Agent/Registrar.

The following Certificate of Paying Agent/Registrar may be deleted from the Initial Bond if the Comptroller's Registration Certificate appears thereon.

**CERTIFICATE OF PAYING AGENT/REGISTRAR**

The records of the Paying Agent/Registrar show that the Initial Bond of this series of bonds was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas and that this is one of the Bonds referred to in the within-mentioned Order.

**JPMORGAN CHASE BANK,  
NATIONAL ASSOCIATION**  
as Paying Agent/Registrar

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Authorized Signatory

(d) Form of Assignment.

**ASSIGNMENT**

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto (print or typewrite name, address and Zip Code of transferee): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
(Social Security or other identifying number: \_\_\_\_\_) the within Bond and all rights hereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner acceptable to the Paying Agent/Registrar.

Signature Guaranteed By:

\_\_\_\_\_  
Authorized Signatory

(e) The Initial Bond shall be in the form set forth in paragraphs (a), (b), and (d) of this Section, except for the following alterations:

(i) immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below" and the words "CUSIP NUMBER" deleted; and

(ii) in the first paragraph:

the words "on the Maturity Date specified above" shall be deleted and the following will be inserted: "on the dates, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Dates</u>	<u>Principal Installments</u>	<u>Interest Rates</u>
--------------	-------------------------------	-----------------------

(Information to be inserted from Section 3.02(c) hereof).

Section 6.03. CUSIP Registration. The District may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor's Corporation, New York, New York, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the District nor bond counsel to the District are to be held responsible for CUSIP numbers incorrectly printed on the Bonds.

Section 6.04. Legal Opinion. The approving legal opinion of Delgado, Acosta, Braden & Jones, P.C., Bond Counsel, may be attached to or printed on the reverse side of each definitive Bond over the certification of the Secretary of the Board, which may be executed in facsimile.

Section 6.05. Statement of Guarantee. A statement relating to the Permanent School Fund Guarantee to be issued for the Bonds may be printed on or attached to each Bond.

## ARTICLE VII

### SALE AND DELIVERY OF BONDS

Section 7.01. Sale of Bonds, Official Statement. (a) The Bonds are hereby officially sold and awarded and shall be delivered to the Underwriters, in accordance with the terms and provisions of that certain bond purchase contract relating to the Bonds between the District and the Underwriters and dated the date of the passage of this Order (the "Bond Purchase Contract"). The form and content of such Bond Purchase Contract are hereby approved, and the President of the Board is hereby authorized and directed to execute and deliver, and the Secretary of the Board is hereby authorized and directed to attest, such Bond Purchase Contract. It is hereby officially found, determined and declared that the terms of this sale are the most advantageous reasonably obtainable. The Bonds shall initially be registered in the name of the Representative or its designee.

(b) The form and substance of the Preliminary Official Statement for the Bonds and any addenda, supplement or amendment thereto (the "Preliminary Official Statement"), and the final Official Statement (the "Official Statement") presented to and considered at this meeting, are hereby in all respects approved and adopted, and the Preliminary Official Statement is hereby deemed final as of its date (except for the omission of pricing and related information) within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The President of the Board is hereby authorized and directed to execute the Official Statement and deliver appropriate numbers of copies thereof to the Representative. The Official Statement as thus approved, executed and delivered, with such appropriate variations as shall be approved by the President of the Board and the Representative, may be used by the Underwriters in the public offering of the Bonds and the sale thereof. The Secretary of the Board is hereby authorized and directed to include and maintain a copy of the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Official Statement for the Bonds and the preliminary public offering of the Bonds by the Underwriters are hereby ratified, approved and confirmed.

(c) All officers of the District are authorized to execute such documents, certificates and receipts and to take such actions as they may deem appropriate in order to consummate the delivery of the Bonds in accordance with this Order and the Bond Purchase Contract.

(d) The obligation of the Underwriters to accept delivery of the Bonds is subject to, among other conditions specified in the Bond Purchase Contract, the Underwriters being furnished with the final, approving opinion of Delgado, Acosta, Braden & Jones, P.C., Bond Counsel for the District, which opinions shall be dated and delivered the Closing Date.

Section 7.02. Control and Delivery of Bonds. (a) The President of the Board or, in his absence, the Vice President of the Board, is hereby authorized to have control of the Initial Bond and all necessary records and proceedings pertaining thereto pending investigation, examination

and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts, delivery of the Bonds shall be made to the Representative under and subject to the general supervision and direction of the President of the Board or, in his absence, the Vice President of the Board, against receipt by the District of all amounts due to the District under the terms of sale.

## ARTICLE VIII

### CREATION OF FUNDS AND ACCOUNTS; DEPOSIT OF PROCEEDS; INVESTMENTS

Section 8.01. Creation of Funds. The District hereby establishes the following special funds or accounts, each of which shall be maintained at an official depository of the District:

(a) "Canutillo Independent School District Unlimited Tax School Building Bonds, Series 2006A Interest and Sinking Fund."

(b) "Canutillo Independent School District Unlimited Tax School Building Bonds, Series 2006A Project Fund."

Section 8.02. Interest and Sinking Fund. (a) The taxes levied under Section 2.01 shall be deposited to the credit of the Interest and Sinking Fund at such times and in such amounts as necessary for the timely payment of Debt Service.

(b) If the amount of money in the Interest and Sinking Fund is at least equal to the aggregate principal amount of the outstanding Bonds plus the aggregate amount of interest due and that will become due and payable on such Bonds, no further deposits to that fund need be made.

(c) Money on deposit in the Interest and Sinking Fund shall be used to pay the Debt Service as such becomes due and payable.

Section 8.03. Project Fund. (a) Money on deposit in the Project Fund, including investment earnings thereof, shall be used for the purposes specified in Section 3.01(i) of this Order.

(b) All amounts remaining in the Project Fund after the accomplishment of the purposes for which the Bonds are hereby issued, including investment earnings of the Project Fund, shall be deposited into the Interest and Sinking Fund.

Section 8.04. Security of Funds. All moneys on deposit in the Interest and Sinking Fund shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys on deposit in such funds shall be used only for the purposes permitted by this Order.

Section 8.05. Deposit of Proceeds. (a) All amounts received on the Closing Date as accrued interest on the Bonds from the Original Issue Date to the Closing Date and the rounding amount of \$ \_\_\_\_\_ shall be deposited to the Interest and Sinking Fund.

(b) \$ \_\_\_\_\_ of Bond proceeds shall be applied to the payment of the costs of issuance, as specified in Section 3.01(ii) of this Order.

(c) The remaining Bond proceeds shall be deposited into the Project Fund.

Section 8.06. Investments. (a) Money in the Interest and Sinking Fund and the Project Fund, at the option of the District, may be invested in such securities or obligations as permitted under applicable law. The District's Associate Superintendent of Financial Services, and any other officer of the District authorized to make investments on behalf of the District, are hereby authorized and directed to execute and deliver, on behalf of the District, any and all investment agreements, guaranteed investment contracts or repurchase agreements in connection with the investment of moneys on deposit in the Interest and Sinking Fund and the Project Fund but only to the extent such investment agreements, guaranteed investment contracts or repurchase agreements are authorized investments under applicable law.

(b) Any securities or obligations in which money in either the Interest and Sinking Fund or Project Fund is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the fund from which the investment was made.

Section 8.07. Investment Income. Income derived from investment of any fund created by this Order shall be credited to such fund.

## ARTICLE IX

### PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Bonds. On or before each Interest Payment Date and each Maturity Date, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay Debt Service.

Section 9.02. Other Representations and Covenants. (a) The District will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Order and in each Bond; the District will promptly pay or cause to be paid Debt Service on each Bond on the dates and at the places and manner prescribed in such Bond; and the District will, at the times and in the manner prescribed by this Order, deposit or cause to be deposited the amounts of money specified by this Order.

(b) The District is duly authorized under the laws of the State of Texas to issue the Bonds; all action on its part for the creation and issuance of the Bonds has been duly and effectively taken; and the Bonds in the hands of the Owners thereof are and will be valid and enforceable obligations of the District in accordance with their terms.

Section 9.03. Federal Income Tax Exclusion. (a) General. The District intends that the interest on the Bonds shall be excludable from gross income for federal income tax purposes pursuant to sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable Income Tax Regulations promulgated thereunder (the "Regulations"). The District covenants and agrees not to take any action, or knowingly omit to take any action within its control, that if taken or omitted, respectively, would cause the interest on the Bonds to be includable in gross income, as defined in section 61 of the Code, for federal income tax purposes. In particular, the District covenants and agrees to comply with each requirement of this Section 9.03; provided, however, that the District shall not be required to comply with any particular requirement of this Section 9.03 if the District has received an opinion of nationally recognized bond counsel ("Counsel's Opinion") that such noncompliance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds or if the District has received a Counsel's Opinion to the effect that compliance with some other requirement set forth in this Section 9.03 will satisfy the applicable requirements of the Code and the Regulations, in which case compliance with such other requirement specified in such Counsel's Opinion shall constitute compliance with the corresponding requirement specified in this Section 9.03.

(b) No Private Use or Payment and No Private Loan Financing. The District shall certify, through an authorized officer, employee or agent that based upon all facts and estimates known or reasonably expected to be in existence on the date the Bonds are delivered, that the proceeds of the Bonds will not be used, in a manner that would cause the Bonds to be "private activity bonds" within the meaning of section 141 of the Code and the Regulations. Moreover, the District covenants and agrees that it will make such use of the proceeds of the Bonds, including interest or other investment income derived from Bond proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the Bonds will not be "private activity bonds" within the meaning of section 141 of the Code and the Regulations.

(c) No Federal Guarantee. The District covenants and agrees not to take any action, or knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code and the Regulations, except as permitted by section 149(b)(3) of the Code and such Regulations.

(d) No Hedge Bonds. The District covenants and agrees that it has not and will not take any action, and has not knowingly omitted and will not knowingly omit to take any action, within its control, that, if taken or omitted, respectively, would cause the Bonds to be "hedge bonds" within the meaning of section 149(g) of the Code and the Regulations.

(e) No Arbitrage. The District shall certify, through an authorized officer, employee or agent that based upon all facts and estimates known or reasonably expected to be in existence on the date the Bonds are delivered, the District will reasonably expect that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of section 148(a) of the Code and the Regulations. Moreover, the District covenants and agrees that it will make such use of the proceeds of the Bonds including interest or other investment income derived from Bond proceeds, regulate investments of proceeds of the Bonds,

and take such other and further action as may be required so that the Bonds will not be “arbitrage bonds” within the meaning of section 148(a) of the Code and the Regulations.

(f) Arbitrage Rebate. If the District does not qualify for an exception to the requirements of Section 148(f) of the Code relating to the required rebate to the United States, the District will take all necessary steps to comply with the requirement that certain amounts earned by the District on the investment of the “gross proceeds” of the Bonds (within the meaning of section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, the District will (i) maintain records regarding the investment of the gross proceeds of the Bonds as may be required to calculate the amount earned on the investment of the gross proceeds of the Bonds separately from records of amounts on deposit in the funds and accounts of the District allocable to other bond issues of the District or moneys which do not represent gross proceeds of any bonds of the District, (ii) calculate at such times as are required by applicable Regulations, the amount earned from the investment of the gross proceeds of the Bonds which is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Bonds or on such other dates as may be permitted under applicable Regulations, all amounts required to be rebated to the federal government. Further, the District will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Bonds that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm’s length and had the yield on the issue not been relevant to either party.

(g) Information Reporting. The District covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds are issued, an information statement concerning the Bonds, all under and in accordance with section 149(e) of the Code and the Regulations.

(h) Continuing Obligation. Notwithstanding any other provision of this Order, the District’s obligations under the covenants and provisions of this Section 9.03 shall survive the defeasance and discharge of the Bonds.

## ARTICLE X

### DEFAULT AND REMEDIES

Section 10.01. Events of Default. Each of the following occurrences or events for the purpose of this Order is hereby declared to be an Event of Default:

- (i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or
- (ii) default in the performance or observance of any other covenant, agreement or obligation of the District, the failure to perform which materially, adversely

affects the rights of the Owners, including, but not limited to, their prospect or ability to be repaid in accordance with this Order, and the continuation thereof for a period of 60 days after notice of such default is given by any Owner to the District.

Section 10.02. Remedies for Default. (a) Upon the happening of any Event of Default, then and in every case, any Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the District for the purpose of protecting and enforcing the rights of the Owners under this Order, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Bonds then outstanding.

Section 10.03. Remedies Not Exclusive. (a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Order, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Order.

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(c) By accepting the delivery of a Bond authorized under this Order, such Owner agrees that the certifications required to effectuate any covenants or representations contained in this Order do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or trustees of the District or the Board.

## ARTICLE XI

### DISCHARGE

Section 11.01. Discharge. The Bonds may be defeased, refunded and discharged in any manner permitted by law.

## ARTICLE XII

### CONTINUING DISCLOSURE UNDERTAKING

Section 12.01. Definitions of Continuing Disclosure Terms. As used in this Article, the following terms have the meanings assigned to such terms below:

“MSRB” means the Municipal Securities Rulemaking Board.

“NRMSIR” means each person whom the SEC or its staff has determined to be a nationally recognized municipal securities information repository within the meaning of the Rule from time to time.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

“SID” means any person designated by the State of Texas or an authorized department, officer, or agency thereof as, and determined by the SEC or its staff to be, a state information depository within the meaning of the Rule from time to time.

Section 12.02. Annual Reports. (a) The District shall provide annually to each NRMSIR and to any SID, within six (6) months after the end of each fiscal year, financial information and operating data with respect to the District of the general type included in the final Official Statement, being the information described in Exhibit A hereto. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit A hereto, and (ii) audited, if the District commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the District shall provide notice that audited financial statements are not available and shall provide unaudited financial statements for the applicable fiscal year to each NRMSIR and any SID. Thereafter, when and if audited financial statements become available, the District shall provide such audited financial statements as required to each NRMSIR and to any SID.

(b) If the District changes its fiscal year, it will notify each NRMSIR and any SID of the change (and of the date of the new fiscal year end) prior to the next date by which the District otherwise would be required to provide financial information and operating data pursuant to this Section.

(c) The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to each NRMSIR and any SID or filed with the SEC.

Section 12.03. Material Event Notices. (a) The District shall notify any SID and either each NRMSIR or the MSRB, in a timely manner, of any of the following events with respect to the Bonds, if such event is material within the meaning of the federal securities laws:

- (i) principal and interest payment delinquencies
- (ii) nonpayment related defaults;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;

- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
  - (v) substitution of credit or liquidity providers, or their failure to perform;
  - (vi) adverse tax opinions or events affecting the tax exempt status of the Bonds;
  - (vii) modifications to rights of Owners;
  - (viii) bond calls;
  - (ix) defeasance;
  - (x) release, substitution, or sale of property securing repayment of the Bonds;
- and
- (xi) rating changes.

(b) The District shall notify any SID and either each NRMSIR or the MSRB, in a timely manner, of any failure by the District to provide financial information or operating data in accordance with Section 12.02 of this Order by the time required by such Section.

Section 12.04. Limitations, Disclaimers and Amendments. (a) The District shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the District remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the District in any event will give notice of any deposit made in accordance with Article XI that causes Bonds no longer to be Outstanding.

(b) The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The District undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the District's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The District does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE DISTRICT BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE DISTRICT, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(c) No default by the District in observing or performing its obligations under this Article shall comprise a breach of or default under the Order for purposes of any other provisions of this Order.

(d) Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the District under federal and state securities laws.

(e) The provisions of this Article may be amended by the District from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the District, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Order that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the District (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Bonds. If the District so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 12.02 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

### ARTICLE XIII

#### PERMANENT SCHOOL FUND GUARANTEE

Section 13.01. Permanent School Fund Guarantee. The District has applied for and received approval from the Texas Commissioner of Education (the "Commissioner") for payment of the principal of and interest on the Bonds to be guaranteed by the Permanent School Fund of the State of Texas. If the Bonds are defeased, the guarantee of the Bonds will be removed in its entirety and, in case of default and in accordance with Texas Education Code §45.061, the Comptroller of Public Accounts will withhold the amount paid, plus interest, from the first state money payable to the District in the following order: foundation school fund, available school fund. In connection with the guarantee of the Bonds by the Permanent School Fund, the District, hereby certifies and covenants that:

(a) a certified copy of this Order and copies of the Official Statement shall be furnished to the Division of State Funding, School Facilities and Transportation, within ten (10) calendar days;

(b) following any determination by the District that it is or will be unable to pay maturing or matured principal or interest on the Bonds, the District will take all action required by Subchapter C of Chapter 45 of the Texas Education Code, as amended, including, but not limited to, the giving of timely notice of such determination to the Commissioner; and

(c) the District will notify the Division of State Funding in writing within ten (10) calendar days of the defeasance of any guaranteed Bonds.

## ARTICLE XIV

### AMENDMENTS

Section 14.01. Order a Contract; Amendments. This Order shall constitute a contract with the Owners from time to time, be binding on the District, and shall not be amended or repealed by the District while any Bonds remain Outstanding except as permitted in this Section. The District may, without the consent of or notice to any Owners, from time to time and at any time, amend this Order in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the District may, with the consent of Owners holding a majority in aggregate principal amount of the Bonds then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Order; provided that, without the consent of all Owners of Outstanding Bonds, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Owners for consent to any such amendment, addition, or rescission.

## ARTICLE XV

### MISCELLANEOUS PROVISIONS

Section 15.01. Further Procedures. The officers and employees of the District are hereby authorized and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of and under the corporate seal of the District all agreements, instruments, or such other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Order, the Paying Agent/Registrar Agreement, and the Bond Purchase Contract and the initial sale and delivery of the Bonds. In addition, prior to the initial delivery of the Bonds, the District's Board President, its Superintendent, and its Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Order or to any of the instruments authorized and approved by this Order (i) in order to cure any technical ambiguity, formal defect, or omission in the Order or such other document, or (ii) as requested by the Attorney General of Texas or his representative to obtain the approval of the Bonds by the Attorney General and if such officer or counsel determines that such ministerial changes are consistent with the intent and purpose of the Order, which determination shall be final. In the event that any officer of the District whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

PASSED, APPROVED AND EFFECTIVE this 4th day of April, 2006.

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President, Board of Trustees  
Canutillo Independent School District

ATTEST:

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Secretary, Board of Trustees  
Canutillo Independent School District

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*Signature Page to Bond Order*

## **EXHIBIT A**

### **DESCRIPTION OF ANNUAL DISCLOSURE OF FINANCIAL INFORMATION**

The following information is referred to in Article XII of this Order.

#### **Annual Financial Statements and Operating Data**

The financial information and operating data with respect to the District to be provided annually in accordance with such Article are as specified (and included in the Appendix or other headings of the Official Statement referred to) below:

1. The audited financial statements of the District for the most recently concluded fiscal year.
2. Statistical and financial data set forth in Appendix A - "Financial Information of the District," (Tables 1-12 excluding "Estimated Overlapping Debt").

#### **Accounting Principles**

The accounting principles referred to in such Article are the accounting principles described in the notes to the financial statements referred to in Paragraph 1 above.

CANUTILLO INDEPENDENT SCHOOL DISTRICT  
OFFICE OF THE SUPERINTENDENT  
POST OFFICE BOX 100  
CANUTILLO, TEXAS

Agenda Item:

Date: April 4, 2006

Subject: Approve Job Order Contract

Presented By: Tony Reza and Yusuf Farran

Consent Agenda: \_\_\_\_\_

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ACTION

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1. BACKGROUND INFORMATION:

As stated in Board Policy CH(Local), any purchase that costs or aggregates to a cost of \$25,000 or more shall require Board approval before a transaction may take place. The board approved the services and materials for minor construction, repair, rehabilitation, and alteration for district facilities on February 21, 2006. This agenda item is to inform you that the old canutillo high school will undergo Phase I of an Electrical Distribution System for Computers. As approved, services will be requested through the ESC Region XIX and ESC Region IV Co-operative purchasing program under Subchapter B, Purchases/Contracts, Education Code 44.031 Item (a) Section (5) Interlocal Contracts and Education Code 44.041 Item (a) Job Order Contracts. The project will be issued to Basic Industries in the amount of \$183,676.00.

2. SUPERINTENDENT RECOMMENDATION:

The Superintendent recommends approval of the job order contract to Basic Industries for Phase I the Electrical Distribution Systems.

3. BOARD ACTION REQUESTED:

The Board of Trustees approves the Superintendents recommendation.

MOTION \_\_\_\_\_ SECOND \_\_\_\_\_

AYES \_\_\_\_\_ NAYS \_\_\_\_\_



Via Facsimile @ 915.877.7740 (7 Pages)

March 23, 2006

**Yusuf E. Farran**  
Maintenance, Facilities &  
Construction Administrator  
**Canutillo Independent School District**  
7710 Cap Carter Rd.  
Canutillo, Texas 79835

Subject: **Request for Proposal**  
**Phase I Electrical Distribution System for Computers**  
**Old Canutillo High School**  
**Canutillo, Texas**  
**BI File No. 15-0500-0H**

Dear Mr. Farran:

Basic Industries, Inc. (BI) is pleased to present the attached proposal which has been prepared under the TCPN AJOC<sup>SM</sup> Program. All work will be completed in general accordance with the attachments hereto.

Attached hereto are the following items for your review:

- Scope of Work
- RS Means-Based Estimate
- Cost Summary

We thank you for the opportunity to work with your organization.

Respectfully,

copy of signed  
original

Eddie Linss  
Project Manager  
Basic Industries, Inc.

Reviewed by:

copy of signed  
original

John Martin  
Project Manager  
Basic Industries, Inc.

## **Scope of Work**

## Scope of Work

- 1.0     **PROJECT DEFINITION:**
- 1.1     **Resources**
- 1.1.1    Meeting and site walkover with attendees to include Mr. Leroy Romero of CISD, Mr. Andres Arroyo and Mr. Eddie Linss of Basic Industries on February 28, 2006.
- 1.1.2    Microsoft Visio drawing provided by Mr. Leroy Romero of CISD.
- 1.2     **Existing Site Conditions**
- 1.2.1    The Work Area is generally located at the old Canutillo High School on Bosque Road in Canutillo, Texas.
- 1.3     **Scope of Work:** The Scope of Work (SOW) to be provided by Basic Industries is generally described as delineated below;
- 1.3.1    Design a secondary electrical distribution system for computer power to accommodate approximately 572 20-amp circuits and associated panels, transformers and refrigerated air conditioning units.
- 1.3.2    Install approximately 572 20-amp receptacles with associated junction boxes, cover plates, wiring, and conduit stubbed out to the plenum above each receptacle throughout the school, as noted in the Visio drawing provided by Mr. Leroy Romero. Receptacles, boxes and conduit will be surface-mounted on all CMU walls. If the receptacle is located in a gypsum board wall, any penetrations made by Basic Industries will be patched and left ready to be painted at a later date by CISD.
- 2.0     **DRAWINGS:** A Microsoft Visio drawing delineating locations of the work to be performed was prepared by Mr. Leroy Romero with CISD. Design sheets for each portion of the work will be prepared by Basic Industries.
- 3.0     **SUBMITTAL:** The following submittals are anticipated as a result of this work;
- 3.1     Design sheets.
- 4.0     **TIME OF PERFORMANCE:** Work to be completed within ninety calendar days of Notice to Proceed, excluding weekends and holidays. The Time of Performance is inclusive of all activities, excluding lead-times for equipment and/or materials. All work will be performed during normal working hours (8:00 A.M. thru 5:00 P.M.).
- 5.0     **SCHEDULE OF VALUES:** Due to the nature of the work and the time of performance, a schedule of values will be prepared and submitted for approval prior to initiation of the work.
- 6.0     **SPECIAL CONSIDERATIONS:**

- 6.1 This proposal encompasses Phase I of this project which consists of the design and initial installation of 572 20-amp receptacles in locations designated by CISD personnel. A subsequent proposal for Phase II will include the installation of the electrical distribution system and associated HVAC components designed in Phase I and the eventual connection of the 20-amp receptacles installed in Phase I.
- 6.2 Provide a minimum of three (3) working days notice for proper outage coordination.
- 6.3 All work to be completed by properly trained and qualified personnel within the respective trades.
- 6.4 All work performed shall be in accordance with industry standards.
- 6.5 Work shall be performed in accordance with OSHA, Customer & BASIC INDUSTRIES requirements. Work areas shall be maintained in a clean and orderly manner with materials, tools, and equipment properly stored and utilized to prevent hazards for worker and incidental personnel in the area. Provide barricades, signs, and other devices as necessary to ensure facility occupants are notified and shielded from dangers that work areas may pose.
- 6.6 Basic Industries will assist CISD personnel to notify users and occupants of the scope of work, anticipated schedule, and related tasks. CISD will retain primary responsibility for notification of users and occupants.
- 6.7 Controlled vehicle entry to the center is enforced. All vehicles must be properly licensed, insured, and with current state inspection as required. Parking is allowed only in designated areas and applicable rules are strictly enforced.
- 6.8 All personnel will wear proper identification badges, if deemed applicable by the Owner.
- 6.9 Work activities and installations are subject to in process inspections and completion inspections by Contractor and Customer personnel. No "hold points" are imposed on this project; however items/materials installed which are not accessible after installation may be subject to rework if verification of acceptable installation is not possible.
- 6.10 Personnel working on the project will obey all site regulations, rules, and protocols.

**7.0 General Qualifications**

- 7.1 This proposal is based on the previously referenced resources and the clarifications and/or qualifications noted herein.
- 7.2 This proposal is based on the performance of work over the specified time of performance. Unrestricted access will be required at the Subject Site during working hours.
- 7.3 It has been reported to Basic Industries, that the work to be completed herein will not impact construction materials identified and/or assumed to be asbestos-containing.

The Owner retains his/her responsibility under federal, state and municipal requirements for asbestos reporting, notification, and compliance. This proposal excludes costs associated with asbestos abatement if deemed necessary by the Owner. If asbestos abatement services are required, we would be pleased to revise this proposal to include such services.

- 7.4 This proposal is good for a period of 30 days from date of proposal. Basic Industries reserves the right, prior to the issuance of a Notice to Proceed, to review the cost estimate that forms a part of this proposal and make necessary adjustments as allowed through TCPN AJOC<sup>SM</sup> to include quarterly cost adjustments as provided through RS Means. This proposal is based on 2006 RS Means Facilities Construction Cost Data Updates.
- 7.5 Registration of this project with the Texas Department of Licensing and Regulation is the responsibility of CISD. In addition, the subsequent TAS Review and any corrections that may need to be made are not covered under this Scope of Work. Basic Industries, Inc. will be glad to provide a quote for any necessary TAS corrections that need to be made.

End of Scope of Work

**CostWorks 2006 - Phase 1 Old Canutillo HS Electrical Distribution System for Computers**

Qty	CSI Number	Description	Crew	Unit	Bare Mat.	Bare Labor	Bare Equip.	Total	Total Incl. O&P	
		Junction boxes, steel channel, 2 channel								
	572 16 070 320 4700	EMT boxes connectors, set screw, steel, 1-1/2" diameter, to 15' H	1 Elec	Ea.	17117.1	8262.54	0	25379.64	31773.456	
	1716 16 132 205 6580	Electric metallic tubing (EMT), 1-1/2" diameter, to 15' high, incl 2 terminations, 2 elbows & 11 beam clamps per 100 LF	1 Elec	Ea.	12162.15	5783.778	0	17945.928	22237.644	
	11500 16 132 205 5080	Duplex receptacle, isolated ground, 20 amp	1 Elec	L.F.	39002.25	25840.5	0	64842.75	82856.81	
	572 16 140 910 2540	Outlet boxes, pressed steel, 4" square	1 Elec	Ea.	11771.76	4284.28	0	16056.04	19644.6536	
	572 16 136 600 0152	Outlet boxes, cast, duplex receptacle cover, 1 gang, FS	1 Elec	Ea.	1285.284	6426.42	0	7711.704	11387.61624	
	572 16 136 600 1530	Wire, copper, solid, 600 volt, #12, type XLPE-USE(RHW), in raceway	1 Elec	Ea.	2156.154	1805.518	0	3961.672	5157.16344	
	120 16 120 900 5400	Field Personnel, superintendent, maximum	1 Elec	C.L.F.	1656.9	2202.06	0	3858.96	5229.684	
	8 01 310 700 0280	Field Personnel, project manager, maximum		Week		0	7440	0	7440	11400
	2 01 310 700 0220	Protection of existing work, add, maximum, add to construction costs for particular job requirements		Week		0	2000	0	2000	3100
	0 01 250 400 1750			Costs	5.0%	7.0%				
<b>Totals</b>					<b>85161.598</b>	<b>64045.096</b>	<b>0</b>	<b>149196.694</b>	<b>192787.0273</b>	

<b>Means Based Pricing (Modified by City Cost Index)</b>		\$ 192,787
<b>Bid Coefficient (Means Based Pricing Only)</b>	77.0%	<u>\$ (44,341)</u>
	<b>Subtotal</b>	<b>\$ 148,446</b>

**Non-Prepriced (NPP) Items**

Electrical Distribution Design Services	\$ 19,405
AutoCAD Drawings	\$ 5,000

Overhead and Profit \$ 6,345

**Subtotal** **\$ 30,750**

**Total** **\$ 179,196**

**TCPN AJOC<sup>SM</sup> Contract Factors**

<b>Project Size</b>	0.0%	\$ -
<b>Distance</b>	0.0%	\$ -
<b>Time of Performance</b>	0.0%	\$ -
<b>Annual Volume</b>	0.0%	\$ -

**Permitting Fees (Pass Through)** \$ -

**Not Applicable**

**Subtotal** **\$ -**

**Total** **\$ 179,196**

**Payment and Performance Bonds** 2.5% \$ 4,480

<b>Adjusted Total</b>	<b>\$ 183,676</b>
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CANUTILLO INDEPENDENT SCHOOL DISTRICT  
OFFICE OF THE SUPERINTENDENT  
POST OFFICE BOX 100  
CANUTILLO, TEXAS

Agenda Item:

Date: April 4, 2006

Subject: Award RFCSP # 06-06, Painting Contractor Services

Presented By: Tony Reza and Yusuf Farran

Consent Agenda: \_\_\_\_\_

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ACTION

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1. BACKGROUND INFORMATION:

Proposals for painting contractor services were opened on March 7, 2006 with six vendors responding. It is recommended to award the proposal to *Sam's Construction, Fountain Painting, V & R Drywall Inc., and United Enterprise Builders, Inc.* which will provide painting services based on scope of work projects. Upon selection of a project, the School District will attempt to negotiate a fair and reasonable fee for the services. If the firm selected and the School District cannot reach agreement on a fair and reasonable fee, the School District shall have the right to negotiations and commence negotiations within the approved recommending firm.

2. SUPERINTENDENT RECOMMENDATION:

The Superintendent recommends approval to award the Painting Contractor Services contract # 06 - 06 to the companies listed above for the approved scope of work projects district wide.

3. BOARD ACTION REQUESTED:

The Board of Trustees approves the Superintendent's recommendation.

MOTION \_\_\_\_\_ SECOND \_\_\_\_\_

AYES \_\_\_\_\_ NAYS \_\_\_\_\_

	David's Painting and More	Prime Irrigation & Landscape, Inc.	Sam's Construction	Fountain Painting		V & R Drywall Inc.	United Enterprise Builders, Inc.
				< 900 sq ft	> 900 sq ft		
Square Footage cost for 8' wall	0.55	1.19	0.80	1.00	0.80	1.00	0.60
Square Footage cost for 10' wall	?	1.29	0.80	1.00	0.80	1.00	0.80
Square Footage cost for 12' wall	?	1.49	0.80	1.00	0.80	1.00	0.90
Square Footage cost for 16' wall	?	1.69	0.88	1.00	0.80	1.25	1.00
Cinder block	0.75	1.39	0.85	1.00	0.80	1.50	1.10
Sheet rock wall	0.75	1.29	0.80	1.00	0.80	1.00	0.70
Metal Building	1.25	1.89	estimate	1.20	0.80	1.50	1.40
Parking Lot	0.55/ LF	6.00/parking space	\$1.00/ LF	0.50/ LF	0.50/ LF	Curb \$20/ LF	0.29/ LF
	Symbols \$75		Symbols \$75	Symbols \$30		Symbols \$250	Symbols \$48
			Doors/Jam \$31.50	Doors/Jam \$50	Door/Jam \$40	Doors/Jam included	Door/Jam \$XXXXXX
				Sheetrock \$1.00/ sf 0.80/ sf			
				Tape, float & texture			
List any other cost of services that you provide.			Primer 0.50/ sf	0.80/ sf	0.60/ sf		Supervisor \$500/week Admin Asst \$380/week
			Caulk 0.40 /LF	Exterior/Interior Caulk SL, NP, NP1, NP2 \$2.00/ LF			

Bonding	Yes	Yes	Yes	Yes	Yes	Yes
	\$ 100,000.00	\$ 1,000,000.00	\$ 100,000.00	\$ 400,000.00	\$ 7,000,000.00	\$ 2,900,000.00
	Includes Primer & caulking		Includes Primer & caulking	Includes Primer & caulking	Includes Primer & caulking	Includes Primer & caulking

2 coats  
 Incomplete Proposal

2 coats      2 coats      2 coats      2 coats