



**NOTICE OF
CITY COUNCIL REGULAR MEETING
CELINA COUNCIL CHAMBERS 112 N. COLORADO ST., CELINA, TX 75009
Tuesday, November 13, 2018 AT 5:00 PM**

AGENDA

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

II. PLEDGE OF ALLEGIANCE/INVOCATION:

III. PROCLAMATIONS/PRESENTATIONS/OATHS OF OFFICE:

IV. OPEN FORUM:

Open Forum is for information only. If you wish to speak, please sign the "Speaker List" with the City Secretary. Speakers are limited to three (3) minutes. The Council can take no action. No charges and/or complaints will be heard against any elected official or employee of the city.

Please note Anyone wishing to furnish the City Council with copies/handouts regarding their item of interest must provide 9 copies and present them to the City Secretary for distribution to the City Council.

V. WORKSESSION/COMMITTEE REPORTS/STAFF REPORTS:

- A. Preliminary FY 2018 Budget vs. Actual Report. (Toutounchian)
- B. Discussion regarding any and/or all agenda items.

VI. EXECUTIVE SESSION:

- A. Consider and act to authorize the City Manager to execute an agreement by and among the City of Celina and Celina Real Estate, L.P. and Celina Realty, L.P. for Chapter 380 program economic incentives. (Jackson)
- B. 2018-40R Consider and act on a resolution authorizing the use of eminent domain to condemn Rights of way, public water line easements and temporary construction easements in real properties as portions of tracts of land generally described as being located in the Celina original donation Survey, in the Collin County School lane #14 Survey Abstract number A1067, in the Collin County School lane #16 survey Abstract number A1068, in the George Wiley Survey, Abstract A0988, in the S. McCullough
- C. Consider and act to authorize the City Manager to execute documents to acquire the property of interest reflected in the exhibits for drainage improvements. (Brawner)
- D. 2018-41R Consider and act to approve a resolution for the Purchase of Real Properties, Easements and Right of Way (ROW) for the Water Transmission Line Project (Brawner)

Reconvene Into Open Session

- E. Consider and act upon any items discussed in executive session.

VII. CONSENT AGENDA: Items are considered self-explanatory and will be enacted with one motion. No separate discussion of these items will occur unless so requested by at least one member of the City Council.

A. Minutes Approval:

1. City Council - Regular Meeting - Oct 9, 2018 5:00 PM

- B. **2018-42R** - Consider and act upon a resolution of the City Council of the City of Celina Texas, authorizing creation of an employee benefits trust; designating members of said trust; and authorizing the trust to purchase various forms of insurance for the benefit of city officers, employees, qualified retirees, and their dependents. (Hall)
- C. **2018 - 57** - Consider and act upon an ordinance amending the Fiscal Year 2018-2019 Budget. (Toutounchian)
- D. **2018 - 58** - Consider and act upon an ordinance approving and authorizing the issuance and sale of the City of Celina, Texas, special assessment revenue bonds, Series 2018 (Glen Crossing Public Improvement District Phase #1B Project); approving and authorizing related agreements, and providing for an effective date. (DeBuff)
- E. **2018 - 59** - Consider and act upon an ordinance approving and authorizing the issuance and sale of the City of Celina, Texas special assessment revenue bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project); approving and authorizing related agreements, and providing for an effective date. (DeBuff)
- F. Consider and act to authorize the City Manager to execute a contract between the City of Celina and Dickerson Construction Co. Inc. in the amount of \$2,705,440.50 for the Southeast Sector Sewer Line 5B (Brawner)
- G. Consider and act to authorize the City Manager to execute an amendment to the Construction Manager at Risk Agreement to Establish the Guaranteed Maximum Price for Phase 1 of Fire Station #2 by and between the City of Celina and Hangartner, LLC in the amount of \$2,968,594.00 (Brawner)
- H. Consider and act to authorize the City Manager to execute a contract between the City of Celina and KS State Bank in the amount of \$340,818.00 for purchase of a modular building. (Brawner)
- I. Consider and act to authorize the City Manager to execute a contract between the City of Celina and ANA Construction in the amount of \$123,998.75 (includes 15% contingency) for the decommission of an existing lift station in downtown behind Lucy's restaurant. (Brawner)
- J. Consider and act to authorize the City Manager to execute an agreement by and between the City of Celina and Celina Real Estate, L.P. for a facilities agreement regarding use of property for parking during construction. (Brawner)

- K. **2018 - 60** - Consider and act to authorize the City Manager to execute an agreement by and between the City of Celina and Thomas F. Yenny for an annexation deferment and subsequently consider and act upon an ordinance of the City of Celina, Texas, repealing ordinance No. 2017-112, annexing certain territories contiguous to and adjoining the City of Celina, Texas, to wit being an approximately 2.015 acre tract of land generally located on the east side of Prairie Meadow Lane and north of CR 101; and being more particularly described by metes and bounds in Exhibit "A" and graphically depicted in Exhibit "B" attached hereto and incorporated herein. (Thomas F. Yenny Disannexation) (McAfee)
- L. Consider and act upon an agreement by and between the City of Celina and Denton County for Fire and Emergency Medical Services. (Metdker)

VIII. PUBLIC HEARING/ACTION:

- A. **2018 - 61** - The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance of the City Council of the City of Celina, Texas, approving an amended Final Project and Reinvestment Zone Financing Plan for Reinvestment Zone Number Six, City of Celina, Texas including a percent of participation, update to projects, and a change in boundaries of the Zone. (Glen Crossing) (DeBuff)
- B. **2018 - 62** - The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance of the City Council of the City of Celina, Texas accepting and approving a Service and Assessment Plan and Phase #2 assessment roll for the Glen Crossing Public Improvement District; making a finding of special benefit to the property in Phase #2 of the District; levying special assessments against property within the District and establishing a lien on such property; providing for the method of assessment and the payment of the Phase #2 assessments in accordance with Chapter 372, Texas Local Government Code, as amended, providing penalties and interest on delinquent assessments, providing for severability, and providing an effective date. (DeBuff)
- C. **2018 - 63** - The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance amending Ordinance No. 2006-57, as heretofore amended, the same being the Comprehensive Zoning Ordinance, Chapter 14: Zoning, by adding a new Article 14.03.032 DNTD, Dallas North Tollway Overlay District. (Dallas North Tollway Overlay District) (McAfee)
- D. **2018 - 64** - The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance amending Ordinance No. 2006-57, as heretofore amended, the same being the Comprehensive Zoning Ordinance, Chapter 14: Zoning, Section 14.04.002, Accessory Buildings and Use Regulations. (Accessory Buildings and Use Regulations) McAfee
- E. **2018 - 65** - The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance amending Ordinance No. 2006-57, as heretofore amended, the same being the Comprehensive Zoning Ordinance, Chapter 14: Zoning, Article 14.05, Division 5, Exterior Construction and Design Requirements and replacing it in its entirety with Article 14.05, Division 5, Architectural Design Standards. (Architectural Design Standards) (McAfee)

IX. ACTION ITEM:

- A. Consider and act upon an Extraterritorial Jurisdiction Development Agreement by and between the City of Celina, Texas and Chapel Creek Partners, LP. The subject property is an approximately 72.260 acre tract of land generally located on the southwest corner of CR-90 (future Glendenning Parkway) and CR 87 (Coit Road) within the extraterritorial jurisdiction of the City of Celina, Collin County, Texas. (Central Park Villas Development Agreement) (DeBuff)
- B. **2018-43R** - Consider and act upon a resolution of the City Council of the City of Celina, Texas, confirming support for the proposed Palladium Celina Senior Living Development located on the south side of E. Sunset Blvd and west of County Road 89. (Palladium Celina Senior Living) (DeBuff)
- C. **2018 - 66** - Consider and act upon an ordinance of the City Council of the City of Celina, Texas, amending the City's Code of Ordinances, Appendix A: Fee Schedule, Utility Rates. (DeBuff)

X. ADJOURNMENT:

City Council Chambers is wheelchair accessible. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf, or hearing impaired, or readers of large print, are requested to contact the City Secretary's Office at 972-382-2682, or fax 972-382-3736 at least two (2) working days prior to the meeting so that appropriate arrangements can be made.

The City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code, Chapter 551. "I, the undersigned authority do hereby certify that the Notice of Meeting was posted on the bulletin board at City Hall of the City of Celina, Texas, a place convenient and readily accessible to the general public at all times and said Notice was posted on the following date and time: _____ at ____ p.m. and remained so posted continuously for at least 72 hours prior to the scheduled time of said meeting."



Vicki Faulkner, TRMC

City Secretary, City of Celina, TX

Date Notice Removed



**NOTICE OF
CITY COUNCIL REGULAR MEETING
CELINA COUNCIL CHAMBERS 112 N. COLORADO ST., CELINA, TX 75009
Tuesday, October 9, 2018 AT 5:00 PM**

MINUTES

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

Attendee Name	Organization	Title	Status	Arrived
Bill Webber	City of Celina	Place 1	Present	
Wayne Nabors	City of Celina	Place 2	Present	
Andy Hopkins	City of Celina	Place 3	Present	
Carmen Roberts	City of Celina	Place 4	Present	
Mindy Koehne	City of Celina	Place 5	Present	
Chad Anderson	City of Celina	Place 6	Present	
Sean Terry	City of Celina	Mayor	Present	

Mayor Terry called the meeting to order at 5:00 PM.

II. WORKSESSION/COMMITTEE REPORTS/STAFF REPORTS:

A. New employee introductions. (Laumer, Griggs, Metdker)

Police Chief Tony Griggs introduced new officers Ray Marshall, Erika Fairchild and Shane Culp. Fire Chief Mark Metker introduced new firemen Micah Nelson and Josh Richmond City Manager Jason Laumer introduced new Development Services Director Dusty McAfee. Director of Engineering Kim Brawner introduced new Assistant Director of Engineering Andy Glasgow.

B. Discussion regarding temporary City Hall facilities (modular building). (Brawner)

Director of Engineering Kim Brawner presented many options for the temporary housing of city employees during the upcoming renovations.

C. Discussion regarding Utility Rate Study results. (DeBuff)

Dan Jackson with WillDan presented the Water and Sewer Rate Study results to the City Council.

D. Discussion regarding any and/or all agenda items.

No other items were discussed.

III. EXECUTIVE SESSION:

The Celina City Council adjourned into Executive Session at 6:09 p.m. with City Attorney Trey Sargent and City Manager Jason Laumer.

Minutes Acceptance: Minutes of Oct 9, 2018 5:00 PM (Minutes Approval)

The Celina City Council will convene into Executive Session pursuant to Texas Government Code Section 551.072, to deliberate the purchase, exchange, sale, lease, or value of real property; acquisition of right-of-way, easements, or land; 551.071, Consultation with Attorney to seek or receive legal advice regarding pending or contemplated litigation, a settlement offer, or Consultation with Attorney, on a matter in which the duty of the attorney to the governmental body under the Texas

Disciplinary Rules of Professional conduct of the State Bar of Texas clearly conflicts with this chapter.

- A. Discussion regarding agreements with multiple property owners for easement and costs of upsized sewer line for Cambridge Crossing Public Improvement District project.
- B. Discussion regarding Development Agreement for Sanitary Sewer Easement with All Storage Celina, LLC.
- C. Discussion regarding sewer service or septic system at CAD Property ID # 2501445 and any related agreements regarding corporate limit status of property.
- D. Discussion regarding City of Celina v. Stephen Wayne Harris, et al.; Cause No. 006-01573-2018 pending in County Court at Law No. 6th of Collin County, Texas.
- E. Discussion regarding acquisition of private property for the construction of water transmission Line on Ash Street.

Reconvene Into Open Session

The Celina City Council reconvened into open session at 6:40 p.m.

- F. (A) Consider and act to authorize the City Manager to execute a Reimbursement Agreement by and between the City of Celina and Tollway/Outer Loop, L.P. for a Public Sewer and Water Line Easement for Cambridge Crossing Public Improvement District.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Carmen Roberts, Place 4
SECONDER:	Andy Hopkins, Place 3
AYES:	Webber, Nabors, Hopkins, Roberts, Koehne, Anderson

- G. (A) Consider and act to authorize the City Manager to execute an Easement Agreement by and between the City of Celina and G Bar 7, LTD. for a Water Transmission Pipeline Easement for Cambridge Crossing Public Improvement District.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Carmen Roberts, Place 4
SECONDER:	Chad Anderson, Place 6
AYES:	Webber, Nabors, Hopkins, Roberts, Koehne, Anderson

- H. (B) Consider and act to authorize the City Manager to execute a Development Agreement for Sanitary Sewer Easement by and between the City of Celina and All Storage Celina, LLC.

Councilman Hopkins moved to table item H.

RESULT:	WITHDRAWN [UNANIMOUS]
MOVER:	Andy Hopkins, Place 3
SECONDER:	Carmen Roberts, Place 4
AYES:	Webber, Nabors, Hopkins, Roberts, Koehne, Anderson

I. Consider and act upon any other items discussed in executive session.

No other action was taken out of Executive Session.

IV. PLEDGE OF ALLEGIANCE/INVOCATION:

Mayor Terry led the pledges of allegiance. Deputy Mayor Pro Tem Nabors gave the invocation.

V. PROCLAMATIONS/PRESENTATIONS/OATHS OF OFFICE:

A. American Planning Association Award of Excellence, National Planning Month. (Jackson)

Alexis Jackson presented the Planning Excellence Award to the City Council.

VI. OPEN FORUM:

John Hemenway of 2913 Vaquero Lane proposed that the City consider winter averaging for sewer billing, a round-up program for funds to go to those in need and codes improved upon for instant hot water heaters. He also would like to see the City do more education regarding water usage and he is willing to volunteer.

VII. CONSENT AGENDA:

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Andy Hopkins, Place 3
SECONDER:	Carmen Roberts, Place 4
AYES:	Webber, Nabors, Hopkins, Roberts, Koehne, Anderson

A. Minutes Approval:

1. City Council - Regular Meeting - Sep 11, 2018 5:00 PM

B. Consider and act to authorize the City Manager to execute a development agreement by and between the City of Celina and Celina 52 East, L.P. (Glen Crossing West) (Laumer)

C. Consider and act upon a resolution of the City Council of the City of Celina, Texas, setting forth its support to the approval of the 2018 Bond Program proposed by Collin County. (DeBuff)

2018-36R

D. Consider and act to authorize the City Manager to execute a contract Change Order with Felix Construction Company in the amount of \$99,731.28 for the construction of a Pressure Reducing Valve (PRV) and vault at the Downtown Pump station. (Brawner)

E. Consider and act upon an ordinance of the City Council of the City of Celina amending Ordinance 2014-21 of the City of Celina to correct the legal description of "Pod A" as provided herein and providing an effective date. (TIRZ #2, Creeks of Legacy) (DeBuff)

Minutes Acceptance: Minutes of Oct 9, 2018 5:00 PM (Minutes Approval)

2018-52

- F. Consider and act upon an offer to purchase Lot 6b of Block 71 and Lot 3 of Block 59 (delinquent tax properties) from Laurann Sutton Pratt. (Toutounchian)
- G. Consider and act upon a resolution accepting a Preliminary Amended and Restated Project and Financing Plan for Tax Reinvestment Zone Number Six, City of Celina to change the boundaries of the Zone and update the projects to be undertaken within the Zone; setting a public hearing under section 311.011 of the Texas Tax Code on the amendment of the Final Project and Financing Plan for the Zone; authorizing and directing notice by the City Secretary of Celina, Texas regarding the public hearing; and resolving other matters incident and related thereto. (Glen Crossing PFP approval) (DeBuff)

2018-37R

- H. Consider and act upon a resolution of the City of Celina, Texas determining the costs of certain public improvements to be financed by the Glen Crossing Public Improvement District; approving a preliminary service plan and assessment plan, including proposed assessment rolls; directing the filing of the proposed assessment rolls with the City Secretary to make available for public inspection; noticing a public hearing for November 13, 2018 to consider an ordinance levying assessments on property located within the Glen Crossing Public Improvement District; directing city staff to publish and mail notice of said public hearing. (Glen Crossing PID CDR & SAP approval) (DeBuff)

2018-38R

- I. Consider and act upon a resolution of the City of Celina, Texas approving the form and authorizing the distribution of a Preliminary Limited Offering Memorandum for the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #1b Project) and approving the form and authorizing the distribution of a Preliminary Limited Offering Memorandum for the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project); and resolving other matters incident and related thereto. (Glen Crossing PID PLOM Approval) (DeBuff)

2018-39R

- J. Reject the bid received for the Decommission of the Lucy's Lift Station and approving the re-advertising of the request for bids for the project. (Brawner)
- K. Consider and act upon appointing Kelly Butler to the Celina Library Board. (Faulkner)
- L. Consider and act upon interlocal agreements by and between the City of Celina and Collin County for Animal Control Services and Animal Shelter Use. (Toutounchian)
- M. Consider and act upon a Master Services Agreement (MSA) contract by and between the City of Celina and Dunham Engineering for Engineering Services. (Brawner)
- N. Consider and act upon a Master Services Agreement (MSA) contract by and between the City of Celina and Halff and Associates for Engineering and Surveying Services. (Brawner)

- O. Consider and act upon a contract by and between the City of Celina and TRC Engineering for the reconstruction of S Kentucky Drive from W Walnut Street to W Elm Street and the reconstruction of W Elm Street from S Kentucky Drive to S Arizona Drive in the amount of \$66,750. (Brawner).

VIII. PUBLIC HEARING/ACTION:

- A. The Celina City Council will conduct a public hearing and consider testimony regarding the Comprehensive Zoning Ordinance, Chapter 14: Zoning, by adopting a new Article 14.03.032 DNTD, Dallas North Tollway Overlay District. (Dallas North Tollway Overlay District) (McAfee)

Mayor Terry opened the hearing at 6:50 p.m. No public comment was received. The hearing was closed at 6:52 p.m.

- B. The Celina City Council will conduct a public hearing and consider testimony to amend existing Article 14.04.002, Accessory Structures and Use Regulations. (Accessory Structures and Use Regulations) (McAfee)

Mayor Terry opened the hearing at 6:52 p.m. No public comment was received. The hearing was closed at 6:55 p.m.

- C. The City Council will conduct a public hearing to consider testimony and act upon an ordinance amending Ordinance No. 2006-57, as heretofore amended, the same being the Comprehensive Zoning Ordinance, and amending the official zoning map of the City by designating the zoning of an approximately 5.00 acre tract of land situated in the Freeman Wilkerson Survey, Abstract No. 1411, Denton County, Texas, from AG, Agricultural zoning district to PD, Planned Development Zoning District No. 94 (PD-94) with an underlying zoning designation of L1, Light Industrial zoning district. The tract is located on the north side of Parvin Road approximately 2,500 feet east of FM 1385. (Hawthorn Creek Planned Development) (McAfee)

2018-53 Mayor Terry opened the hearing at 6:55 p.m. Representing the applicant Maxwell Fisher of Master Plan, 900 Jackson Street, Dallas, Texas, presented the proposed plan to the City Council. The hearing was closed at 7:01 p.m.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Carmen Roberts, Place 4
SECONDER:	Andy Hopkins, Place 3
AYES:	Webber, Nabors, Hopkins, Roberts, Koehne, Anderson

- D. The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance amending Ordinance No. 2006-57, as heretofore amended, the same being the Comprehensive Zoning Ordinance, and amending the official zoning map of the City by designating the zoning of an approximately 0.965 acre tract of land situated in the C. Watson Survey, Abstract No. 945, Collin County, Texas, from AG, Agricultural zoning district to R-O, Retail Office zoning district. The tract is located on the west side of Custer Road approximately 2,500 feet north of Frontier Parkway. (Custer Road Medical Office Zoning) (McAfee)

2018-54 Mayor Terry opened the hearing at 7:01 p.m. No public comment was received. The hearing was closed at 7:06 p.m.

Minutes Acceptance: Minutes of Oct 9, 2018 5:00 PM (Minutes Approval)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Andy Hopkins, Place 3
SECONDER:	Carmen Roberts, Place 4
AYES:	Webber, Nabors, Hopkins, Roberts, Koehne, Anderson

- E. The City Council will conduct a public hearing to consider testimony and act upon an ordinance amending Ordinance No. 2006-57, as heretofore amended, the same being the Comprehensive Zoning Ordinance, and amending the official zoning map of the City by designating the zoning of an approximately 30.16 acre tract of land situated in the Collin County School Land Survey #14, Abstract No. 167, Collin County, Texas, amending Planned Development Zoning District No. 48 (PD-48) with an underlying zoning designation of MU-2, Mixed Use Regional zoning district. The property is generally located on the west side of Preston Road (SH 289) and south of Choate Parkway (CR 88). (Celina 79 Partners/Outer Loop PD Amendment) (McAfee)

2018-55 Mayor Terry opened the hearing at 7:06 p.m. Rob Dakee representing the applicant presented the amendment. No public comment was received. The hearing was closed at 7:14 p.m.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Carmen Roberts, Place 4
SECONDER:	Chad Anderson, Place 6
AYES:	Webber, Nabors, Hopkins, Roberts, Koehne, Anderson

- F. The City Council will conduct a public hearing to consider testimony and act upon an ordinance amending Ordinance No. 2006-57, as heretofore amended, the same being the Comprehensive Zoning Ordinance, and amending the official zoning map of the City by designating the zoning of an approximately 24.587 acre tract of land situated in the William Davenport Survey, Abstract No. 262, Collin County, Texas, amending Planned Development Zoning District No. 46 (PD-46) with an underlying zoning designation of MU-2, Mixed Use Regional zoning district. The tract is generally located on the east side of N. Legacy Drive (CR 6) approximately 750 feet north of Frontier Parkway (CR 5). (Creeks of Legacy PD Amendment) (McAfee)

2018-56 Mayor Terry opened the hearing at 7:14 p.m. Rob Dakee representing the applicant presented the amendment. Dale Bainum of 3541 Heritage Trail asked about the numerous amendments made to this particular development. The hearing was closed at 7:23 p.m.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Carmen Roberts, Place 4
SECONDER:	Chad Anderson, Place 6
AYES:	Webber, Nabors, Hopkins, Roberts, Koehne, Anderson

IX. ACTION ITEM:

- A. The City Council will consider and act upon a request from Texas Star Bank to grant a meritorious exception from the Code of Ordinances, Section 3.07.018, Permitted Signs, for the construction of a new monument sign proposed to replace the current monument sign located at Texas Star Bank, 302 S. Preston Road, Celina, Texas. (Texas Star Bank Meritorious Exception) (McAfee)

RESULT: APPROVED [UNANIMOUS]
MOVER: Andy Hopkins, Place 3
SECONDER: Carmen Roberts, Place 4
AYES: Webber, Nabors, Hopkins, Roberts, Koehne, Anderson

- B. Consider and act to authorize and execute a contract amendment between the City of Celina and Lamar National Bank for installation and operation of an automated teller machine (ATM) at Celina Square Pavilion. (Jackson)

Mayor Pro Tem Anderson recused himself from Item B and left the room at 7:26 p.m. Mayor Pro Tem Anderson returned to the dais at 7:29 p.m.

RESULT: APPROVED [UNANIMOUS]
MOVER: Carmen Roberts, Place 4
SECONDER: Mindy Koehne, Place 5
AYES: Webber, Nabors, Hopkins, Roberts, Koehne, Anderson

- C. Consider and act to authorize the City Manager to execute an Interlocal Agreement between City of Celina and Collin County for the expansion of the Frontier Bridge over the BNSF Railroad from four lanes to six lanes. (Brawner)

RESULT: APPROVED [UNANIMOUS]
MOVER: Carmen Roberts, Place 4
SECONDER: Chad Anderson, Place 6
AYES: Webber, Nabors, Hopkins, Roberts, Koehne, Anderson

X. **ADJOURNMENT:**

There being no further comment Mayor Terry adjourned the meeting at 7:44 p.m.

 Sean Terry, Mayor

 Vicki Faulkner, TRMC
 City Secretary, City of Celina, Texas

 Date Minutes Approved

Minutes Acceptance: Minutes of Oct 9, 2018 5:00 PM (Minutes Approval)



Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Paul DeBuff, Assistant to the City Manager
 CC: Jason Laumer, City Manager
 Date: November 13, 2018
 Re: Employee benefits Trust Creation

Action Requested:

Consider and act upon a resolution of the City Council of the City of Celina Texas, authorizing creation of an employee benefits trust; designating members of said trust; and authorizing the trust to purchase various forms of insurance for the benefit of city officers, employees, qualified retirees, and their dependents. (Hall)

Background Information:

This is a nonprofit trust created for the purpose of providing or offering, whether now or possibly in the future, City officers, employees, and qualified retirees and their dependents with life, disability, sickness, accident, and other health benefits either directly or through the purchase of insurance and to perform operations in furtherance thereof. The Trust is intended to qualify as a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Internal Revenue Code (the "Code").

This agenda item names the City Manager, the Finance Director and the Human Resources Director as Trustees of the employee benefits trust.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City Attorney has reviewed this resolution.

Supporting Documents:

- Proposed resolution

Staff Recommendation:

Staff recommends approval.

RESOLUTION NO. _____**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CELINA TEXAS, AUTHORIZING CREATION OF AN EMPLOYEE BENEFITS TRUST; DESIGNATING MEMBERS OF SAID TRUST; AND AUTHORIZING THE TRUST TO PURCHASE VARIOUS FORMS OF INSURANCE FOR THE BENEFIT OF CITY OFFICERS, EMPLOYEES, QUALIFIED RETIREES, AND THEIR DEPENDENTS.**

* * * *

WHEREAS, the City of Celina, Texas (the “City”) provides or offers various employee benefits to its employees, including health, dental, and life insurance, and disability benefits; and

WHEREAS, Section 222 of the Texas Insurance Code imposes a tax upon the receipt of gross premiums and revenues associated with such benefits; and

WHEREAS, Section 222.002(c)(5) of the Texas Insurance Code also authorizes the exemption of such premiums and revenues from state law, provided that the City establishes and maintains the funds under the ownership and control of a single, nonprofit trust; and

WHEREAS, the City Council of the City finds it to be in the public interest to authorize the creation of an Employee Benefits Trust for the reasons provided above; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS:

Section 1. The City Council hereby authorizes creation of an Employee Benefits Trust, designating the City Manager, the City Finance Director, and the City Human Resources Director to be Trustees of said Trust, and authorizing the Trust to purchase various forms of insurance for the benefit of City officers, employees, qualified retirees, and their dependents, all of which is pursuant to the Declaration of Trust attached as Exhibit “A.”

PASSED, APPROVED, AND RESOLVED this _____ day of November, 2018

Sean Terry, Mayor

ATTEST:

Vicki Faulkner, City Secretary

Attachment: 2018 1102 Celina Trust (2018-42R : Employee benefits Trust Creation)

EXHIBIT “A” DECLARATION OF TRUST

I.

CREATION OF TRUST

The City of Celina (“City”), as Settlor or creator of the trust, designates the City Manager, the City Finance Director, and the City Human Resources Director to be Trustees and declares that the City holds in trust the funds described in Schedule A attached hereto and incorporated herein by reference, which is the property of the City, and all substitutions and additions to such funds, for the purpose of providing or offering, whether now or possibly in the future, life, disability, sick, accident, and other health benefits to the City’s officers, employees, and qualified retirees and their dependents.

II.

PURPOSE

This is a nonprofit trust created for the purpose of providing or offering, whether now or possibly in the future, City officers, employees, and qualified retirees and their dependents with life, disability, sickness, accident, and other health benefits either directly or through the purchase of insurance and to perform operations in furtherance thereof. The Trust is intended to qualify as a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Internal Revenue Code (the “Code”).

III.

DURATION

The Trust shall continue until terminated by operation of law or by majority vote of the Trustees.

IV.

TRUSTEES: COMPOSITION, OFFICERS, COMPENSATION, AND MEETINGS

A. Composition. The Trustees are the Celina City Manager, the City Finance Director, and the City Human Resources Director, and each Trustee’s term is contemporaneous with his or her term as an employee of the City. Whenever a Trustee ceases to be an employee, the person succeeding him or her in such position will automatically be appointed to serve as a successor Trustee of the Trust.

B. Officers. The City Manager shall serve as Chairman and shall preside at meetings of the Trustees and shall have all such other powers as are conferred herein or by majority vote of the Trustees at a duly called meeting at which a quorum is present. The Human Resources

Director shall serve as Vice Chairman and shall preside at meetings of the Trustees whenever the Chairman is absent. The Secretary shall rotate, coinciding with the City's Fiscal Year, between the members. The Secretary will oversee the preparation of meeting agendas, giving notice of meetings to the Trustees, and the minutes of the meetings of the Trustees.

C. Compensation. The Trustees shall be reimbursed for all reasonable and necessary expenses incurred by them in the performance of their duties and will otherwise receive no compensation for their service as Trustees.

D. Meetings. A meeting of the Trustees may be called by the Chairman, or on written request to the Chairman, by two Trustees. Trustees shall have at least three days written notice of any meeting. For purposes of this section, electronic mail notice is written notice.

V.

RIGHTS, POWERS, AND DUTIES OF TRUSTEES; QUORUM AND VOTING

A. Rights, Powers, and Duties. In addition to all other powers and duties conferred on them by this Trust document and imposed or authorized by law, the Trustees shall have the following powers and duties, but only to the extent permissible for a single purpose non-profit trust under Section 222.002(c)(5) of the Texas Insurance Code:

1. The Trustees shall carry out all of the duties necessary for the proper operation and administration of the Trust on behalf of the covered persons and shall have all the powers necessary and desirable for the effective administration of the affairs of the Trust.

2. The Trustees have the general power to make and enter into all contracts, leases, and agreements necessary or convenient to carry out any of the powers granted by this Trust document or by law or to effectuate the purpose of the Trust. All such contracts, leases, and agreements or any other legal documents herein authorized shall be approved by the Trustees by majority vote at a duly called meeting at which a quorum is present and signed by the Chairman on behalf of the Trust. The Trustees may also designate another Trustee to sign such documents.

3. The Trustees shall use the Trust's funds to accomplish the purpose of the Trust, as described in Section II herein, and to operate and administer the Trust solely in the interest of the covered City officers, employees, and qualified retirees and dependents thereof and for the exclusive purpose of providing or offering benefits to such persons and defraying the reasonable expenses of administration of the Trust. To this end, the Trustees may purchase life, disability, or accident and health insurance to provide or offer coverage for participating City officers, employees, and qualified retirees and their dependents. The Trustees may also adopt a health benefits plan that covers eligible City officers, employees, and qualified retirees, and their dependents.

4. The Trustees may accept contributions to the Trust funds from any source including contributions from covered persons receiving benefits from the Trust.

5. The Trustees shall be authorized to contract with any qualified organization to perform any of the functions necessary for providing or offering life, disability, sick, accident, and other health benefits, including but not limited to excess loss insurance, stop loss insurance, claims administration, administrative services, and any other services that the Trustees shall deem expedient for the proper operation of the Trust. When required by law or desired by the Trustees, the Trustees shall seek sealed competitive bids or sealed competitive proposals with respect to contracts required to carry out the operations of the Trust and to affect the purpose of the Trust.

6. The Trustees shall arrange for the investing of the funds of the Trust so as to keep the same invested according to law and at the best interest rates obtainable for the benefit of the covered persons. The Trustees may hire money managers and shall adopt an investment policy for its own use and that of its agents in making investments. The Trustees shall select a depository for the Trust's funds and provide for the proper security of any and all investments. The Trustees shall designate signatories for the Trust's depository accounts.

7. The Trustees may purchase insurance for the Trustees and any other fiduciaries appointed by the Trustees and for the Trust itself to cover liability or losses occurring by reason of the act or omission of any one or more of the Trustees or any other fiduciary appointed by them. Any insurance purchased by the Trustees must give the insurer recourse against the Trustees or other fiduciaries concerned for breach of any fiduciary obligation or fiduciary duty owed to the Trust.

8. The Trustees shall arrange for proper accounting and reporting procedures for the Trust's funds and shall also provide for an annual audit of the Trust's financial affairs by a certified public accountant.

9. The Trustees may retain legal counsel to represent the Trust and the Trustees in all legal proceedings as well as to advise the Trust and the Trustees on all matters pertaining to the operation and administration of the Trust.

10. The Trustees have the authority to terminate the Trust at any time.

11. Upon termination of the Trust, the Trustees shall provide for the payment of Trust obligations, debts, losses, and other liabilities and shall provide for the disposition of the remaining Trust funds in accordance with Section IX herein.

B. Quorum and Voting. A majority of the Trustees shall constitute a quorum for the transaction of business at any meeting of the Trustees and the vote of a majority of the Trustees present shall be required for approval of any action at such meeting. The vote of such majority of the Trustees at such meeting shall constitute action of the Trustees as a group.

VI.

BENEFICIARIES

The beneficiaries of the Trust are the City officers, employees, and qualified retirees and their dependents who are covered by a life, disability, sick, accident, or other health benefits plan purchased or adopted by the Trust (also called “covered persons” herein). Beneficiaries may make contributions to the Trust for use by the Trustees in fulfilling the purposes of the Trust. No beneficiary shall have any claim against the funds or any other property of the Trust. The rights and interests of the beneficiaries are limited to the insurance or health benefits specified in any policy purchased or plan adopted by the Trustees.

VII.

TRUST FUNDS

The Trust funds consist of the funds described in Schedule A hereto as provided by the Settlor to institute this Trust, future contributions by the Settlor, beneficiary contributions, investment income, and any other money or property which shall come into the hands of the Trustees in connection with the administration of the Trust. The funds of the Trust shall not inure to the benefit of, or be distributed to, any private person, except for the payment of necessary costs and benefits described below. The Trustees may use the Trust’s funds as follows:

1. to pay premiums on group health, accident and life policies or contracts;
2. to make authorized investments and paying fund management fees from the proceeds of the investment.

VIII.

LIABILITY OF TRUSTEES AND OFFICERS

The Trustees shall use ordinary care and reasonable diligence in the exercise of their powers and the performance of their duties hereunder; and they shall not be liable for any mistake of judgment or other action made, taken or omitted by them in good faith, nor for any action taken or omitted by any agent, employee or independent contractor selected with reasonable care; nor for loss incurred through investment of the Trust funds or failure to invest. No Trustee shall be liable for any action taken or omitted by any other Trustee. No Trustee shall be required to give a bond or other security to guarantee the faithful performance of his or her duties hereunder. To the fullest extent permitted by law: (a) the City shall indemnify each Trustee who was, is, or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding (“Proceeding”), any appeal therein, or any inquiry or investigation preliminary thereto, by reason of the fact that the Trustee is or was a Trustee; (b) the City shall pay or reimburse a Trustee for expenses incurred (i) in advance of the final disposition of a

Proceeding to which such Trustee was, is or is threatened to be made a party, and (ii) in connection with such Trustee's appearance as a witness or other participation in any Proceeding.

IX.

AMENDMENT, REVOCATION AND TERMINATION

This Declaration of Trust and the Trust created herein shall terminate when and if required by operation of law. The Trustees shall have the power to amend, modify, terminate or revoke, in whole or in part, this Declaration of Trust and the Trust created herein by majority vote at a duly called meeting at which a quorum is present. Notwithstanding the foregoing, the Trustees shall have no power to amend Section II of this Declaration of Trust. Beneficiaries of the Trust shall have no right to amend this Declaration of Trust, and their approval shall not be a condition or requirement for an authorized amendment by the Trustees. Upon termination of the Trust, the Trustees shall pay all obligations, debts, losses, and other liabilities of the Trust. Thereafter, the Trustees shall first use the remaining trust funds to pay covered claims of persons covered under the Town's health benefits plan that may be in effect at the time of termination of the Trust and then, either apply any remaining balance of the funds to provide the benefits described herein or transfer such funds to a successor whose income is excluded under Section 115(1) of the Code. Notwithstanding the foregoing, the Trustees, upon termination of the Trust and payment of all Trust obligations may, by vote of a majority of the Trustees, transfer the remaining funds or any portion thereof to the trustees of any trust or trusts established by the City for a substantially similar purpose to be applied for uses substantially similar to those set forth in Section II herein.

X.

GOVERNING LAW

This Declaration of Trust and the Trust created herein shall be construed and governed by the laws of the State of Texas in force from time to time.

XI.

MISCELLANEOUS

Whenever the context so admits and such treatment is necessary to interpret this Declaration of Trust in accordance with its apparent intent, the use herein of the singular shall include the plural, and vice versa, and the use of the feminine, masculine, or neuter gender shall be deemed to include the other genders.

The captions or headings above the various Sections of this Declaration of Trust have been included only to facilitate the location of the subjects covered by each Section but shall not be used in construing this Declaration Trust.

If any clause or provision of this Declaration of Trust proves to be or is adjudged invalid or void for any reason, such invalid or void clause, provision, or portion shall not affect the whole, but the balance of the provisions hereof shall remain operative and shall be carried into effect insofar as is legally possible.

[REMAINDER OF PAGE INTENTIONALLY BLANK; SIGNATURE PAGE FOLLOWS.]

IN WITNESS HEREOF, the undersigned parties have executed this Declaration of Trust, consisting of ten (10) pages and Schedule A attached hereto, on the dates of their respective acknowledgments below. By joining in the execution of this Declaration of Trust, the Trustees acknowledge receipt of the property described in Schedule A, signify acceptance of the Trust created hereunder, and covenant that the Trust will be executed with all due fidelity. This Trust is effective as of the last date of signature below.

Jason Laumer, City Manager, Trustee

Date

Jay Toutounchain, City Finance Director, Trustee

Date

Bonita Hall, City Human Resources Director, Trustee

Date

ACKNOWLEDGMENTS

THE STATE OF TEXAS §
 §
COUNTY OF COLLIN §

This instrument was acknowledged before me on this ____ day of _____
2018, by **Jason Laumer**, City Manager.

Notary Public In and For the State of Texas

Attachment: 2018 1102 Celina Trust (2018-42R : Employee benefits Trust Creation)

THE STATE OF TEXAS §
 §
 COUNTYOF COLLIN §

This instrument was acknowledged before me on this _____ day of _____
 2018, by **Jay Toutounchain**, City Finance Director.

 Notary Public In and For the State of Texas

THE STATE OF TEXAS §
 §
 COUNTYOF COLLIN §

This instrument was acknowledged before me on this _____ day of _____
 2018, by **Bonita Hall**, City Human Resources Director.

 Notary Public In and For the State of Texas

Attachment: 2018 1102 Celina Trust (2018-42R : Employee benefits Trust Creation)

SCHEDULE A

The following is a list of the assets initially transferred by the City of the Celina, Texas, to the Trust:

City of the Celina's first month (**January 2019**) contributions for Employee and Dependents Medical/Pharmacy Benefits, Dental Benefits, Life Insurance Benefits, and Long-Term Disability Benefits.

City of the Celina's Employee and Dependents first month (**January 2019**) of Plan Year's payroll deductions or contributions for Medical/Pharmacy Benefits, Dental Benefits, Life Insurance Benefits, and Long-Term Disability Insurance Benefits.



Finance Department
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Jay Toutouchian, Finance Director
Date: November 13, 2018
Re: Ordinance Amending the Budget for Fiscal Year 2018-2019

Action Requested:

Consider and act upon an ordinance amending the Fiscal Year 2018-2019 Budget. (Toutouchian)

Background Information:

This amendment adds eighteen (18) Full-Time Equivalent (FTE) positions.

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Funding for these positions will come from the SAFER grant and current year General Fund Balance.

Legal Review:

City Attorney has reviewed.

Supporting Documents:

Budget Amendment Ordinance
Exhibit A

Staff Recommendation:

Approve

AMENDMENT # 19-001

ADDITIONAL FULL TIME EQUIVALENT EMPLOYEES (FTE) AMENDMENT

Account No.	Account Description	Current Budget	Proposed Budget	Increase/ (Decrease)
<u>Expenditures</u>				
	General Fund			
	<i>Payroll Expense 18 FTE Dept. 513 Fire Department</i>	\$ 2,519,182	\$ 3,986,554	\$ 1,467,372
	<i>Materials and Supplies Dept. 513 Fire Department</i>	\$ 131,150	\$ 293,150	\$ 162,000
<u>Revenues</u>				
	General Fund			
	Grants SAFER Grant	\$ -	\$ 1,100,529	\$ 1,100,529

Summary

Increase expenditures by \$1,629,372

Decrease Fund Balance by \$528,843

Budget amendment to add eighteen (18) FTE positions as described below:

(18) Eighteen Firefighters with required supplies, uniforms, etc. This includes payroll and benefits
Funding is from the SAFER Grant and the City's match will be from General Fund Balance.

**CITY OF CELINA, TEXAS
ORDINANCE 2019-__**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING THE BUDGET FOR THE FISCAL YEAR 2018-2019; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FOR FINDINGS; PROVIDING FOR AMENDMENT; PROVIDING FOR A CUMULATIVE REPEALER CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a home rule municipality located in Collin County and Denton County, Texas created in accordance with the provisions of the Texas Local Government Code, the Texas Constitution and operating pursuant to the enabling legislation of the state of Texas; and

WHEREAS, pursuant to the provisions of Subsection (a) of Section 102.007 of Chapter 102 of the Local Government Code and the provisions of Chapter 2.02 of the Home Rule Charter of the City of Celina (hereinafter "the City"), the budget for 2018-2019 fiscal year of the City was finally approved by the City Council, being the governing body thereof, by its Ordinance No. 2018-50, passed and adopted on the 11th day of September, 2018, (hereinafter the "Budget");

WHEREAS, Subsection (b) of Section 102.009 of the Local Government Code provides that, after final approval of the budget, the governing body of the municipality may spend municipal funds only in strict compliance with the budget, except in an emergency, but Section 102.010 of said Code provides that the provisions of Chapter 102 thereof do not prevent the governing body of such municipality from making changes in the budget for municipal purposes; and

WHEREAS, Subsection (c) of Section 102.009 of said Code provides that the governing body of a municipality may authorize an expenditure as an amendment to the original budget only in the case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention; and

WHEREAS, the adoption of this ordinance and the amendment of the Budget is necessary for an in the best interest of the health, safety and general welfare of the inhabitants of the City.

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

**SECTION 1
INCORPORATION OF PREMISES**

The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

**SECTION 2
FINDINGS**

Attachment: Budget Amendment Ordinance (2018 - 57 : Fiscal Year 2019 Budget Amendment)

After due deliberations the City Council has concluded that the adoption of this Ordinance is in the best interest of the City of Celina, Texas, and of the public health, safety and welfare.

SECTION 3 **AMENDMENT TO THE BUDGET**

3.01 A grave public necessity exists and to meet an unusual and unforeseen conditions that could not have been included in the original budget through the use of the reasonably diligent thought and attention and the Budget must be amended and revised with respect of the new or additional receipts and expenditures set forth in Exhibit "A" attached hereto and made a part hereof.

3.02 The proposed changes are set forth in Exhibit "A" attached hereto and made a part hereof.

3.03 All of the changes set forth in Exhibit "A" are for municipal purposes.

3.04 The several amounts stated in Exhibit "A" as the amended or revised expenditures are hereby appropriated to and for the objects and purposes therein named.

SECTION 4 **CUMULATIVE REPEALER CLAUSE**

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided however, that any complaint, action, claim or lawsuit which has been initiated or has arisen under or pursuant to such other Ordinances on this date of adoption of this Ordinance shall continue to be governed by the provisions of such Ordinance and for that purpose the Ordinance shall remain in full force and effect.

SECTION 5 **SAVINGS CLAUSE**

All rights and remedies of the City of Celina, Texas are expressly saved as to any and all violations of the provisions of any other ordinance affecting the budget which have secured at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances same shall not be affected by this Ordinance but may be prosecuted until final disposition by the court.

SECTION 6 **SEVERABILITY**

The provisions of the Ordinance are severable. However, in the event this Ordinance or any procedure provided in this Ordinance becomes unlawful, or is declared or determined by a judicial, administrative or legislative authority exercising its jurisdiction to be excessive, unenforceable, void, illegal or otherwise inapplicable, in while in part, the remaining and lawful provisions shall be of full force and effect and the City shall promptly promulgate new revised provisions in compliance with the authority's decisions or enactment.

SECTION 7
ENGROSSMENT AND ENROLLMENT

The City Secretary is hereby directed to engross and enroll this Ordinance by copying the descriptive Caption in the minutes of the City Council and by filing this Ordinance in the Ordinance records of the City.

SECTION 8
EFFECTIVE DATE

This Ordinance shall become effective from and after its date of passage in accordance with law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this 13th day of November, 2018.

Sean Terry, Mayor
City of Celina, Texas

ATTEST:

Vicki Faulkner, City Secretary
City of Celina, Texas

[SEAL]

APPROVED AS TO FORM:

City Attorney
City of Celina, Texas

Attachment: Budget Amendment Ordinance (2018 - 57 : Fiscal Year 2019 Budget Amendment)



Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Paul DeBuff, Assistant to the City Manager
CC: Jason Laumer, City Manager
Date: November 13, 2018
Re: Glen Crossing PID Phase 1B Bond Ordinance

Action Requested:

Consider and act upon an ordinance approving and authorizing the issuance and sale of the City of Celina, Texas, special assessment revenue bonds, Series 2018 (Glen Crossing Public Improvement District Phase #1B Project); approving and authorizing related agreements, and providing for an effective date. (DeBuff)

Background Information:

This ordinance approves and authorizes the sale of \$2,175,000 in bonds against Glen Crossing Public Improvement District, Phase #1b. The Service and Assessment Plan and corresponding Assessment Ordinance for this phase was previously adopted by Council, on July 12, 2016.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City Attorney has reviewed this ordinance.

Supporting Documents:

- Proposed ordinance

Staff Recommendation:

Staff recommends approval.

ORDINANCE NO. 2018-__

AN ORDINANCE APPROVING AND AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF CELINA, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018 (GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1B PROJECT); APPROVING AND AUTHORIZING RELATED AGREEMENTS, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Celina, Texas (the "City"), pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the "PID Act"), has previously established the "G Bar 7 Public Improvement District", pursuant to Resolution No. 2016-24R adopted by the City Council of the City (the "City Council") on April 12, 2016; and

WHEREAS, pursuant to Resolution 2016-31R adopted by the City Council on June 14, 2016, the City changed the name of the "G Bar 7 Public Improvement District" to "Glen Crossing Public Improvement District" (the "District"); and

WHEREAS, pursuant to the PID Act, the City Council published notice of and held a public hearing on July 12, 2016 regarding the levy of special assessments against benefitted property located in Phase #1 of the District at the July 12, 2016 meeting of the City Council, and after hearing testimony at such public hearing, the City Council closed the public hearing and adopted Ordinance No. 2016-50 (the "Phase #1 Assessment Ordinance") on July 12, 2016; and

WHEREAS, in the Phase #1 Assessment Ordinance, the City Council approved and accepted the Glen Crossing Public Improvement District Service and Assessment Plan, dated July 12, 2016, as updated on November 13, 2018 (the "Service and Assessment Plan") relating to the District and levied the Phase #1 Special Assessments (as defined in the Phase #1 Assessment Ordinance, hereinafter referred to as the "Phase #1 Assessments") against the Phase #1 Assessment Roll (as defined and described in the Service and Assessment Plan, the "Phase #1 Assessment Roll"). Capitalized terms used in this Ordinance and not otherwise defined herein shall have the meanings assigned to them in the Service and Assessment Plan; and

WHEREAS, the City is authorized by the PID Act to issue its revenue bonds payable from the Phase #1 Assessments and other revenues received for the purposes of (i) paying a portion of the Actual Costs of the Phase #1 Improvements, as defined in the Indenture (defined herein), (ii) paying a portion of the interest on the Bonds Similarly Secured (defined herein) during and after the period of acquisition and construction of the Phase #1 Improvements, (iii) funding a reserve fund for payment of principal and interest on the Bonds Similarly Secured, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying the costs of issuing the Bonds Similarly Secured; and

WHEREAS, the City previously entered into an Indenture of Trust, dated as of August 1, 2016 (the "2016 Indenture") between the City and the Trustee for the purpose of financing a portion of the Actual Costs of the Phase #1 Improvements within Phase #1 of the District; and

WHEREAS, pursuant to the terms of the 2016 Indenture, the City previously issued its \$3,550,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2016 (Glen Crossing Improvement District Phase #1 Project) (the "2016 Bonds" and, together with the Bonds, the "Bonds Similarly Secured"); and

WHEREAS, the City wishes to amend and restate the 2016 Indenture in its entirety by the Amended and Restated Indenture of Trust, dated as of November 1, 2018, by and between the City and the Trustee; and

WHEREAS, the City Council hereby finds and determines that it is in the best interests of the City to issue its bonds to be designated "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #1B Project)" (the "Bonds"), such series to be payable from and secured by the Pledged Revenues as defined in the Indenture; and

WHEREAS, the City Council hereby finds and determines to (i) approve the issuance of the Bonds to finance a portion of the costs of the Phase #1 Improvements, as identified in the Service and Assessment Plan, (ii) approve the form, terms and provisions of an indenture of trust securing the Bonds authorized hereby, (iii) approve the form, terms and provisions of a Bond Purchase Agreement (defined below) between the City and the purchaser of the Bonds, (iv) approve a Preliminary Limited Offering Memorandum and a Limited Offering Memorandum (defined below), (v) approve, the form, terms and provisions of a Service and Assessment Plan (defined below) and (v) approve the form, terms and provisions of a Continuing Disclosure Agreement (defined below); and

WHEREAS, the meeting at which this Ordinance 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; now, therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS:

SECTION 1. Approval of Issuance of Bonds and Indenture of Trust.

(a) The issuance of the Bonds in the principal amount of \$_____ for the purpose of (i) paying a portion of the Actual Costs of the Phase #1 Improvements, (ii) funding a portion of a reserve fund for payment of principal and interest on the Bonds Similarly Secured, and (iii) paying the costs of issuance of the Bonds.

(b) The Bonds shall be issued and secured under that certain Amended and Restated Indenture of Trust (the "Indenture") dated as of November 1, 2018, between the City and U.S. Bank National Association, as trustee (the "Trustee"), with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the City Manager and the City's land use attorney, such approval to be evidenced by the execution and delivery of the Indenture by the Mayor or Mayor Pro Tem of the City, which Indenture is hereby approved in substantially the form attached hereto as **Exhibit A** which is incorporated herein as a part hereof for all purposes. The Mayor or Mayor Pro Tem of the City is hereby authorized and directed to execute the Indenture and the City Secretary is hereby authorized and directed to attest such signature of the Mayor or Mayor Pro Tem.

(c) The Bonds shall be dated, shall mature on the date or dates and in the principal amounts, shall bear interest, shall be subject to redemption and shall have such other terms and provisions as set forth in the Indenture. The Bonds shall be in substantially the form set forth in the Indenture with such insertions, omissions and modifications as may be required to conform the form of bond to the actual terms of the Bonds. The Bonds shall be payable from and secured by the "Pledged Revenues" (as defined in the Indenture) and other assets of the "Trust Estate" (as defined in the Indenture) pledged to such series, and shall never be payable from ad valorem taxes.

SECTION 2. Sale of Bonds; Approval of Bond Purchase Agreement. The Bonds shall be sold to FMSbonds, Inc. (the "Underwriter") under that certain Bond Purchase Agreement (the "Bond Purchase Agreement"), dated the date hereof, between the City and the Underwriter, substantially in the form attached hereto as **Exhibit B** which is incorporated herein as a part hereof for all purposes, which terms of sale are declared to be in the best interests of the City at the price and on the terms and provisions set forth in the Bond Purchase Agreement. The form, terms and provisions of the Bond Purchase Agreement are hereby authorized and approved with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the City Manager and the City's land use attorney, such approval to be evidenced by the execution and delivery of the Bond Purchase Agreement by the Mayor or Mayor Pro Tem of the City. The Mayor or Mayor Pro Tem of the City is hereby authorized and directed to execute and deliver the Bond Purchase Agreement.

SECTION 3. Limited Offering Memorandum. The form and substance of the Preliminary Limited Offering Memorandum for the Bonds and any addenda, supplement or amendment thereto and the final Limited Offering Memorandum (the "Limited Offering Memorandum") are hereby in all respects approved and adopted. The Mayor or Mayor Pro Tem is hereby authorized and directed to execute such Limited Offering Memorandum with such changes and alterations therein as the Mayor or Mayor Pro Tem may approve, such approval to be conclusively evidenced by such execution thereof. The Limited Offering Memorandum as thus approved, executed and delivered, with such appropriate variations as shall be approved by the Mayor or Mayor Pro Tem of the City and the Underwriter, may be used by the Underwriter in the offering and sale of the Bonds. The City Secretary is hereby authorized and directed to include and maintain a copy of the Preliminary Limited Offering Memorandum and Limited Offering Memorandum and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Limited Offering Memorandum in the offering of the Bonds is hereby ratified, approved and confirmed and the Preliminary Limited Offering Memorandum is hereby deemed "final" as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. Notwithstanding the execution, approval and delivery of such Preliminary Limited Offering Memorandum and Limited Offering Memorandum by the Mayor or Mayor Pro Tem, this City Council, including the Mayor and Mayor Pro Tem, are not responsible for and proclaim no specific knowledge of the information contained in the Preliminary Limited Offering Memorandum and Limited Offering Memorandum pertaining to the Development (as defined in the Limited Offering Memorandum), the Developer (as defined in the Indenture) or their financial ability, any builders, any landowners, or the appraisal of the property in the District.

SECTION 4. Continuing Disclosure Agreement. That certain Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") between the City and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (the "Dissemination Agent") is hereby authorized and approved in substantially the form attached hereto as **Exhibit C** which is incorporated herein as a part hereof for all purposes and the City Manager, Mayor and Mayor Pro Tem of the City is authorized and directed to execute and deliver such Continuing Disclosure Agreement with such changes as may be required to carry out the purpose of this Ordinance and as approved by the City Manager, Mayor or Mayor Pro Tem, such approval to be evidenced by the execution thereof.

SECTION 5. Service and Assessment Plan Update. That certain Glen Crossing Public Improvement District Service and Assessment Plan dated July 12, 2016, as updated on November 13, 2018 (as updated, the "Service and Assessment Plan") is hereby authorized and approved in substantially the form attached hereto as **Exhibit D** which is incorporated herein as

a part hereof for all purposes and the City Manager, Mayor and Mayor Pro Tem of the City is each hereby authorized and directed to deliver such Service and Assessment Plan with such changes as may be required to carry out the purposes of this Ordinance. The Service and Assessment Plan, including the method of assessment, is approved and adopted as the Service and Assessment Plan for Phase #1 of the District and the Phase #1 Assessment Roll attached as Appendix E thereto sets forth the Phase #1 Assessments levied against the Phase #1 Assessed Property which are hereby approved as an act and deed of the City Council. The City Secretary is hereby directed to file the Service and Assessment Plan in the real property records of Collin County and Denton County.

SECTION 6. Additional Actions. The Mayor, Mayor Pro Tem, the City Manager, the Director of Finance, and the City Secretary are each hereby authorized and directed to take any and all actions on behalf of the City necessary or desirable to carry out the intent and purposes of this Ordinance and to issue the Bonds in accordance with the terms of this Ordinance. The Mayor, Mayor Pro Tem, the City Manager, the Director of Finance, and the City Secretary are each hereby authorized and directed to execute and deliver any and all certificates, agreements, notices, instruction letters, requisitions, and other documents which may be necessary or advisable in connection with the sale, issuance and delivery of the Bonds and the carrying out of the purposes and intent of this Ordinance or any other certificates, agreements, or other documents subsequent to the delivery of the Bonds which may be necessary or appropriate to carry out or fulfill the purpose and intent of the Service and Assessment Plan and the acquisition and construction of the Phase #1 Improvements.

SECTION 7. Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 8. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

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

SECTION 10. Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 11. Incorporation of Findings and Determinations. The findings and determinations of the City Council contained in the preamble of this Ordinance are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 12. Effective Date. This Ordinance shall take effect and be in force immediately from and after its adoption on the date shown below in accordance with Texas Government Code, Section 1201.028, as amended.

PASSED AND ADOPTED, this November 13, 2018.

CITY OF CELINA, TEXAS

Mayor

ATTEST:

City Secretary

(City Seal)

EXHIBIT A
INDENTURE OF TRUST

Attachment: Celina - Glen Crossing Phase #1B 2018 - Bond Ordinance (with attachments) (2018 - 58 : Glen Crossing PID Phase 1B Bond

AMENDED AND RESTATED
INDENTURE OF TRUST

By and Between

CITY OF CELINA, TEXAS

and

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

DATED AS OF NOVEMBER 1, 2018

RELATED TO

\$3,550,000

CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2016
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1 PROJECT)

AND

\$ _____
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1B
PROJECT)

AMENDED AND RESTATED INDENTURE OF TRUST

WHEREAS, the City of Celina, Texas (the "City") has previously entered into that certain Indenture of Trust, dated as of August 1, 2016 (the "2016 Indenture") between the City and U.S. Bank National Association, as Trustee (the "Trustee"); and

WHEREAS, pursuant to the second paragraph of Section 10.1 of the 2016 Indenture, the City is authorized to modify or amend the 2016 Indenture and the rights and obligations of the City and of the owners of the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2016 (Glen Crossing Public Improvement District Phase #1 Project) (the "2016 Bonds") at any time by a Supplemental Indenture (as defined in the 2016 Indenture), without the consent of any owners of the 2016 Bonds;

WHEREAS, the City wishes to amend and restate the 2016 Indenture in its entirety as this Amended and Restated Indenture of Trust, dated as of November 1, 2018 (this "Indenture"), by and between the City and the Trustee;

NOW, THEREFORE:

SECTION 1: Amended and Restated Indenture. The 2016 Indenture is hereby amended and restated in its entirety as follows:

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AMENDED AND RESTATED INDENTURE OF TRUST

THIS AMENDED AND RESTATED INDENTURE OF TRUST, dated as of November 1, 2018 is by and between the CITY OF CELINA, TEXAS (the "City"), and U.S. BANK NATIONAL ASSOCIATION, Dallas, Texas as trustee (together with its successors, the "Trustee"). Capitalized terms used in the preambles, recitals and granting clauses and not otherwise defined shall have the meanings assigned thereto in Article I.

WHEREAS, a petition was submitted by the Petitioner (defined herein) and filed with the City Secretary of the City (the "City Secretary") pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "PID Act"), requesting the creation of a public improvement district located within the City to be known as the G Bar 7 Public Improvement District (later renamed the Glen Crossing Public Improvement District, as described below) (the "District"); and

WHEREAS, the petition contained the signature of the owner of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the District, as determined by the then current ad valorem tax rolls of the Collin Central Appraisal District, and the signature of the record owner of taxable real property that constitutes more than fifty percent of the area of all taxable property that is liable for assessment by the District; and

WHEREAS, on April 12, 2016, after due notice, the City Council of the City (the "City Council") held the public hearing in the manner required by law on the advisability of the improvement projects and services described in the petition as required by Section 372.009 of the PID Act and on April 12, 2016, the City Council made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 2016-24R, adopted by a majority of the members of the City Council, authorized the District in accordance with its finding as to the advisability of the improvement projects and services and also made findings and determinations relating to the estimated total costs of certain Authorized Improvements; and

WHEREAS, on April 15, 2016, the City published notice of its authorization of the District in the *Celina Record*, a newspaper of general circulation in the City; and

WHEREAS, no written protests of the District from any owners of record of property within the District were filed with the City Secretary within 20 days after April 15, 2016; and

WHEREAS, on June 14, 2016, the City adopted Resolution No. 2016-31R, changing the name of the District to Glen Crossing Public Improvement District; and

WHEREAS, on June 14, 2016, the City Council by Resolution No. 2016-33R made findings and determinations relating to the Actual Costs of certain public improvements, received and accepted a preliminary service and assessment plan and proposed assessment roll, called a public hearing for July 12, 2016, and directed City staff to (i) file said proposed assessment roll with the City Secretary and to make it available for public inspection as required by Section 372.016(b) of the PID Act and (ii) publish such notice as required by Section 372.016(b) of the PID Act relating to the July 12, 2016 public hearing; and

WHEREAS, the City Council, pursuant to Section 372.016(b) of the PID Act, published notice of a public hearing in the *Celina Record*, a newspaper of general circulation in the City to

consider the proposed "Phase #1 Assessment Roll" and the "Service and Assessment Plan" and the levy of the "Phase #1 Assessments" on property in the District; and

WHEREAS, the City Council, pursuant to Section 372.016(c) of the PID Act, mailed notice of the public hearing to consider the proposed Phase #1 Assessment Roll and the Service and Assessment Plan and the levy of Phase #1 Assessments on property in the District to the last known address of the owners of the property liable for the Phase #1 Assessments; and

WHEREAS, the City Council convened the hearing on July 12, 2016, and at such public hearing all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the proposed Phase #1 Assessment Roll and the Phase #1 Assessments, and to offer testimony pertinent to any issue presented on the amount of the Phase #1 Assessments, the allocation of Actual Costs, the purposes of the Phase #1 Assessments, the special benefits of the Phase #1 Improvements, and the penalties and interest on annual installments and on delinquent annual installments of the Phase #1 Assessment; and

WHEREAS, at the July 12, 2016 public hearing referenced above, there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of Actual Costs, the Phase #1 Assessment Roll, and the levy of the Phase #1 Assessments; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, and

WHEREAS, on July 12, 2016, the City approved and accepted the Service and Assessment Plan in conformity with the requirements of the PID Act and adopted the Assessment Ordinance and therein levied the Phase #1 Assessments; and

WHEREAS, the City Council approved the Phase #1 Assessment Roll and the Service and Assessment Plan and levied the Phase #1 Assessments as provided in the Service and Assessment Plan and the Phase #1 Assessment Roll; and

WHEREAS, the City Council is authorized by the PID Act to issue its revenue bonds payable from the Phase #1 Assessments for the purpose of (i) paying a portion of the Actual Costs of the Phase #1 Improvements, (ii) paying a portion of the interest on the Bonds Similarly Secured (as defined herein) during and after the period of acquisition and construction of the Phase #1 Improvements, (iii) funding a reserve fund for payment of principal and interest on the Bonds Similarly Secured, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying costs of issuance of the Bonds Similarly Secured; and

WHEREAS, the City has previously issued its \$3,550,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2016 (Glen Crossing Public Improvement District Phase #1 Project), dated as of August 1, 2016 (the "2016 Bonds") pursuant to that certain Indenture of Trust, dated as of August 1, 2016, between the City and the Trustee (the "2016 Indenture"); and

WHEREAS, the City Council now desires to issue revenue bonds in accordance with this Indenture and the PID Act, such bonds to be entitled "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #1B Project)" (the "2018 Bonds", and jointly with the 2016 Bonds, the "Bonds Similarly Secured"), such 2018 Bonds being payable solely from the Pledged Revenues and other funds

pledged under this Indenture to the payment of the Bonds Similarly Secured and for the purposes set forth in the preamble of this Indenture; and

WHEREAS, the 2018 Bonds are being issued as Additional Bonds (as defined herein) and are secured by and payable from a lien on and pledge of the Trust Estate (as defined herein) on parity with the 2016 Bonds; and

WHEREAS, the City has received an acknowledgment and waiver from the Owner (as defined herein) of the Outstanding 2016 Bonds consenting to the issuance of the 2018 Bonds as Additional Bonds pursuant to Section 13.2 of the 2016 Indenture on parity with the 2016 Bonds; and

WHEREAS, the City Council has found and determined that the issuance of the 2018 Bonds to pay the Actual Costs of the Phase #1 Improvements and the restructuring of the debt service requirements associated with obligations that are payable from the Pledged Revenues is beneficial to the homeowners in the District and is in the best interests of the City; and

WHEREAS, the Trustee has agreed to accept the trusts herein created upon the terms set forth in this Indenture;

NOW, THEREFORE, the City, in consideration of the foregoing premises and acceptance by the Trustee of the trusts herein created, of the purchase and acceptance of the Bonds Similarly Secured by the Owners thereof, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, CONVEY, PLEDGE, TRANSFER, ASSIGN, and DELIVER to the Trustee for the benefit of the Owners, a security interest in all of the moneys, rights and properties described in the Granting Clauses hereof, as follows (collectively, the "Trust Estate"):

FIRST GRANTING CLAUSE

The Pledged Revenues, as herein defined, but excluding any moneys held in the Developer Improvement Account of the Project Fund, and all moneys and investments held in the Pledged Funds, including any contract or any evidence of indebtedness related thereto or other rights of the City to receive any of such moneys or investments, whether now existing or hereafter coming into existence, and whether now or hereafter acquired; and

SECOND GRANTING CLAUSE

Any and all other property or money of every name and nature which is, from time to time hereafter by delivery or by writing of any kind, conveyed, pledged, assigned or transferred, to the Trustee as additional security hereunder by the City or by anyone on its behalf or with its written consent, and the Trustee is hereby authorized to receive any and all such property or money at any and all times and to hold and apply the same subject to the terms thereof;

TO HAVE AND TO HOLD the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors or assigns;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the benefit of all present and future Owners of the Bonds Similarly Secured from time to time issued under and secured by this Indenture, and for enforcement of the payment of the Bonds Similarly Secured in accordance with their terms, and for the performance of and compliance with the obligations, covenants, and conditions of this Indenture;

PROVIDED, HOWEVER, that if and to the extent Phase #1 Assessments have been prepaid, the lien on real property associated with such Phase #1 Assessment prepayment shall be released from the Trust Estate and shall no longer constitute a part of the Trust Estate;

PROVIDED, FURTHER, HOWEVER, if the City or its assigns shall well and truly pay, or cause to be paid, the principal or Redemption Price of and the interest on all the Bonds Similarly Secured at the times and in the manner stated in the Bonds Similarly Secured, according to the true intent and meaning thereof, then this Indenture and the rights hereby granted shall cease, terminate and be void; otherwise this Indenture is to be and remain in full force and effect;

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds Similarly Secured issued and secured hereunder are to be issued, authenticated, and delivered and the Trust Estate hereby created, assigned, and pledged is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as hereinafter expressed, and the City has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners from time to time of the Bonds Similarly Secured as follows:

ARTICLE I

DEFINITIONS, FINDINGS AND INTERPRETATION

Section 1.1. Definitions.

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

"2016 Bonds" means the City's bonds authorized to be issued by Section 3.1 of this Indenture entitled "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2016 (Glen Crossing Public Improvement District Phase #1 Project)".

"2016 Bond Ordinance" means Ordinance No. 2016-51 adopted by the City Council on July 12, 2016, authorizing the issuance of the 2016 Bonds.

"2016 Indenture" means the Indenture of Trust, dated as of August 1, 2016, between the City and the Trustee.

"2018 Bonds" means the City's bonds authorized to be issued by Section 3.2 of this Indenture entitled "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #1B Project)".

"2018 Bond Ordinance" means Ordinance No. 2018-__ adopted by the City Council on November 13, 2018 authorizing the issuance of the 2018 Bonds.

"Account" means any of the accounts established under the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 of this Indenture.

"Actual Costs" means the costs of the Phase #1 Improvements.

"Additional Bonds" means the 2018 Bonds authorized to be issued in accordance with the terms and conditions prescribed in Section 13.2(c) of this Indenture.

"Additional Obligations" means any bonds or obligations, including specifically, any installment contracts, reimbursement agreements, temporary notes or time warrants secured in

whole or in part by an assessment, other than the Phase #1 Assessments securing the Bonds Similarly Secured, levied against property within the District in accordance with the PID Act.

"Administrative Fund" means that Fund established under the terms of the 2016 Indenture and confirmed by Section 6.1 and administered pursuant to Section 6.10 hereof.

"Amended Development Agreement", effective as of June 14, 2016, between the City and the Wynne/Jackson, Inc. and assigned to and assumed by the Developer on June 17, 2016.

"Annual Collection Costs" mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the District, including, but not limited to, the costs of: (i) creating and organizing the District, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the District, (iii) computing, levying, billing and collecting Phase #1 Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Phase #1 Assessments and the system of registration and transfer of the Bonds Similarly Secured, (v) issuing, paying and redeeming the Bonds Similarly Secured, (vi) investing or depositing of monies, (vii) complying with the PID Act and codes with respect to the Bonds Similarly Secured, (viii) the Trustee's reasonable fees and expenses relating to the Bonds Similarly Secured, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Phase #1 Improvements. Annual Collection Costs do not include payment of the actual principal of, redemption premium, if any, and interest on the Bonds Similarly Secured. Annual Collection Costs collected and not expended for actual Annual Collection Costs shall be carried forward and applied to reduce Annual Collection Costs in subsequent years to avoid the over-collection of amounts to pay Annual Collection Costs.

"Annual Debt Service" means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds Similarly Secured in such Bond Year, assuming that the Outstanding Bonds Similarly Secured are retired as scheduled (including by reason of Sinking Fund Installments), and (ii) the principal amount of the Outstanding Bonds Similarly Secured due in such Bond Year (including any Sinking Fund Installments due in such Bond Year).

"Annual Installment" means, with respect to each Phase #1 Assessed Parcel, each annual payment of the Phase #1 Assessments as shown on the Phase #1 Assessment Roll attached to the Service and Assessment Plan as Appendix E and related to the Bonds Similarly Secured and the Phase #1 Improvements; which annual payment includes the 0.20% additional interest collected on each annual payment of the Phase #1 Assessments related to Bonds Similarly Secured for the Prepayment Reserve Account and the 0.30% additional interest collected on each annual payment of the Phase #1 Assessments related to Bonds Similarly Secured for the Delinquency Reserve Account as described in Section 6.8 herein and as defined and calculated in the Service and Assessment Plan or in any Annual Service Plan Update.

"Annual Service Plan Update" means the annual review and update of the Service and Assessment Plan required by the PID Act and the Service and Assessment Plan.

"Applicable Laws" means the PID Act, and all other laws or statutes, rules, or regulations, and any amendments thereto, of the State of Texas or of the United States, by which the City and its powers, securities, operations, and procedures are, or may be, governed or from which its powers may be derived.

"Assessment Ordinance" means Ordinance No. 2016-50 adopted by the City Council on July 12, 2016, that levied the Phase #1 Assessments on the Phase #1 Assessed Parcels.

"Assessment Revenue" means monies collected by or on behalf of the City from any one or more of the following: (i) a Phase #1 Assessment levied against a Phase #1 Assessed Parcel, or Annual Installment payment thereof, including any interest on such Phase #1 Assessment or Annual Installment thereof during any period of delinquency, (ii) a Prepayment, (iii) Delinquent Collection Costs, and (iv) Foreclosure Proceeds.

"Authorized Denomination" means \$25,000 and any integral multiple of \$1,000 in excess thereof; provided, however, that if the total principal amount of any Outstanding Bond Similarly Secured is less than \$25,000, then the Authorized Denomination of such Outstanding Bond Similarly Secured shall be the amount of the Outstanding Bond Similarly Secured.

"Authorized Improvements" means the improvements authorized by Section 372.003 of the PID Act, including those listed in Section III of the Service and Assessment Plan.

"Bond Counsel" means Norton Rose Fulbright US LLP or any other attorney or firm of attorneys designated by the City that are nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

"Bond Date" means, with respect to each series of the Bonds Similarly Secured, the date designated as the initial date of such series of Bonds Similarly Secured and, with respect to the 2016 Bonds, the date set forth in Section 3.3(a) of this Indenture and, with respect to the 2018 Bonds, the date set forth in Section 3.4(a) of this Indenture.

"Bond Fund" means the Fund established under the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 and administered as provided in Section 6.5 hereof.

"Bond Pledged Revenue Account" means the Account of such name established under the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 hereof.

"Bond Year" means the one-year period beginning on September 1 in each year and ending on August 31 in the following year.

"Bonds Similarly Secured" means, collectively, any Outstanding 2016 Bonds, any Outstanding 2018 Bonds, and any Refunding Bonds issued hereafter.

"Business Day" means any day other than a Saturday, Sunday or legal holiday in the State of Texas observed as such by the City or the Trustee.

"Certificate for Payment" means a certificate substantially in the form of Exhibit A attached to the PID Reimbursement Agreement or otherwise approved by the Developer and the City Representative executed by a Person approved by the City Representative, delivered to the City Representative and the Trustee specifying the amount of work performed and the Actual Costs thereof, and requesting payment for such Actual Costs from money on deposit in

the Project Fund as further described in the PID Reimbursement Agreement and Section 6.6 herein.

“City Certificate” means a certificate signed by the City Representative and delivered to the Trustee.

“City Order” means written instructions by the City, executed by a City Representative.

“City Representative” means any official or agent of the City authorized by the City Council to undertake the action referenced herein.

“Closing Date” means the respective date of the initial delivery of and payment for each series of the Bonds Similarly Secured.

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

“Costs of Issuance Account” means the Account established under the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 hereof.

“Defeasance Securities” means Investment Securities then authorized by applicable law for the investment of funds to defease public securities.

“Delinquency Component” shall have the meaning ascribed to such term in Section 6.8 hereof.

“Delinquency Reserve Account” means the Account established under the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 hereof.

“Delinquency Reserve Requirement” means an amount equal to 4.0% of the principal amount of the Outstanding Bonds Similarly Secured which has been or will be funded from revenues received from the payment of Phase #1 Assessments deposited to the Pledged Revenue Fund.

“Delinquent Collection Costs” means the costs related to the foreclosure on a Phase #1 Assessed Parcel and the costs of collection of a delinquent Phase #1 Assessment, including penalties and reasonable attorney’s fees actually paid, but excluding amounts representing interest and penalty interest.

“Designated Payment/Transfer Office” means (i) with respect to the initial Paying Agent/Registrar named in this Indenture, the transfer/payment office located in St. Paul, Minnesota, or 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 City and such successor.

“Developer” means W/J CR 55 LP, a Texas limited partnership (including its successors and assigns).

“Developer Improvement Account” means the Account of such name established under the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 hereof.

“Disclosure Agreement of the Developer” means that certain agreement between the Developer, the PID Administrator, and HTS Continuing Disclosure Services, a Division of Hilltop Securities Inc., which provides for the provision of certain information regarding the development and the Phase #1 Improvements by certain dates for the benefit of the Owners of the Bonds.

“District Administration Account” means the Account of such name established under the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 hereof.

“DTC” shall mean The Depository Trust Company located in 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.

“Excess Prepayment Delinquency Amount” shall have the meaning ascribed to such term in Section 6.8 hereof.

“Excess Prepayment Reserve Amount” shall have the meaning ascribed to such term in Section 6.8 hereof.

“Foreclosure Proceeds” means the proceeds, including interest and penalty interest, received by the City from the enforcement of the Phase #1 Assessments against any Phase #1 Assessed Parcel or Phase #1 Assessed Parcels, whether by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Costs.

“Fund” means any of the funds established under the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 of this Indenture.

“Indenture” means this Amended and Restated Indenture of Trust as originally executed or as it may be from time to time supplemented or amended by one or more indentures supplemental hereto and entered into pursuant to the applicable provisions hereof.

“Independent Financial Consultant” means any consultant or firm of such consultants appointed by the City who, or each of whom: (i) is judged by the City, as the case may be, to have experience in matters relating to the issuance and/or administration of the Bonds Similarly Secured; (ii) is in fact independent and not under the domination of the City; (iii) does not have any substantial interest, direct or indirect, with or in the City, or any owner of real property in the District, or any real property in the District; and (iv) is not connected with the City as an officer or employee of the City, but who may be regularly retained to make reports to the City.

“Initial Bonds” means the Initial Bonds set forth in Exhibit A (with respect to the 2016 Bonds) and Exhibit B (with respect to the 2018 Bonds) to this Indenture.

“Interest Payment Date” means the date or dates upon which interest on any series of Bonds Similarly Secured is scheduled to be paid until their respective dates of maturity or prior

redemption, such dates being on March 1 and September 1 of each year, and commencing, with respect to the 2016 Bonds, on March 1, 2017, and with respect to the 2018 Bonds, on March 1, 2019.

“Investment Securities” means those authorized investments described in the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended; provided that such investments are, at the time made, included in and authorized by the City’s official investment policy as approved by the City Council from time to time.

“Maximum Annual Debt Service” means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds Similarly Secured.

“Outstanding” means, as of any particular date when used with reference to any series of Bonds Similarly Secured, all Bonds Similarly Secured of such series authenticated and delivered under this Indenture except (i) any Bond Similarly Secured of such series that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii) any Bond Similarly Secured of such series for which the payment of the principal or Redemption Price of and interest on such Bond Similarly Secured of such series shall have been made as provided in Article IV, and (iii) any Bond Similarly Secured of such series in lieu of or in substitution for which a new Bond Similarly Secured of such series shall have been authenticated and delivered pursuant to Section 3.13 herein.

“Owner(s)” means the Person or Persons who is the registered owner of any Bonds Similarly Secured, as shown in the Register, which shall be Cede & Co., as nominee for DTC, so long as the Bonds Similarly Secured are in book-entry only form and held by DTC as securities depository in accordance with Section 3.14 herein.

“Paying Agent/Registrar” means initially the Trustee, or any successor thereto as provided in this Indenture.

“Person” or “Persons” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“Petitioner” means G Bar 7, Ltd., a Texas limited partnership.

“Phase #1” means the initial phase developed within the District and further identified and described in the Service and Assessment Plan.

“Phase #1 Addendum” means the addendum to the PID Reimbursement Agreement between City and the Developer dated as of July 12, 2016 which initially provided for the reimbursement of costs to the Developer from the Phase #1 Reimbursement Fund for funds withdrawn from the Developer Improvement Account of the Project Fund and used to pay costs of Phase #1 Improvements.

“Phase #1 Assessed Parcel” means each respective parcel of land located within Phase #1 of the District against which a Phase #1 Assessment is levied by the Assessment Ordinance in accordance with the Service and Assessment Plan.

"Phase #1 Assessment Roll" means the Phase #1 Assessment Roll attached as Appendix E to the Service and Assessment Plan or any other Phase #1 Assessment Roll in an amendment or supplement to the Service and Assessment Plan or in an Annual Service Plan Update, showing the total amount of the Phase #1 Assessments against each Phase #1 Assessed Parcel related to the Phase #1 Improvements, as updated, modified, or amended from time to time in accordance with the terms of the Service and Assessment Plan and the PID Act.

"Phase #1 Assessment" means the aggregate assessments shown on the Phase #1 Assessment Roll. The singular of such term means the assessment levied against a Phase #1 Assessed Parcel as shown on the Phase #1 Assessment Roll, subject to reallocation upon the subdivision of an Phase #1 Assessed Parcel or reduction according to the provisions of the Service and Assessment Plan and the PID Act.

"Phase #1 Improvements" means the Authorized Improvements which will benefit Phase #1 Assessed Parcels and more particularly described in Section III.B of the Service and Assessment Plan.

"Phase #1 Reimbursement Fund" means that fund established pursuant the terms of the 2016 Indenture and administered pursuant to Section 6.13 hereof.

"PID Act" means Texas Local Government Code, Chapter 372, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

"PID Administrator" means MuniCap, Inc. or any other public finance consulting firm providing services related to the administration of special tax or special assessment districts, as designated by the City.

"PID Reimbursement Agreement" means the "PID Reimbursement Agreement" between the City and the Developer, effective as of July 12, 2016, including any addendum attached thereto from time to time (and initially being the Phase #1 Addendum).

"Pledged Funds" means the Pledged Revenue Fund, the Bond Fund, the Project Fund (but excluding the Developer Improvement Account), the Reserve Fund, and the Redemption Fund.

"Pledged Revenue Fund" means that fund established pursuant to the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 and administered pursuant to Section 6.4 hereof.

"Pledged Revenues" means the sum of (i) Assessment Revenue less the Annual Collection Costs, (ii) the moneys held in any of the Pledged Funds, and (iii) any additional revenues that the City may pledge to the payment of Bonds Similarly Secured.

"Prepayment" means the payment of all or a portion of a Phase #1 Assessment before the due date thereof.

"Prepayment Component" shall have the meaning ascribed to such term in Section 6.8 hereof.

“Prepayment Reserve Account” means the Account of such name established pursuant to the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 hereof.

“Prepayment Reserve Requirement” means an amount equal to 1.5% of the principal amount of the Outstanding Bonds Similarly Secured which has been or will be funded from revenues received from the payment of Phase #1 Assessments deposited to the Pledged Revenue Fund.

“Principal and Interest Account” means the Account of such name established pursuant to the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 hereof.

“Project Fund” means that fund established pursuant to the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 and administered pursuant to Section 6.6 hereof.

“Purchaser” means the initial purchaser of any series of the Bonds Similarly Secured.

“Rebate Amount” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Rebate Fund” means that fund established pursuant to the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 and administered pursuant to Section 6.9 hereof.

“Record Date” means the close of business on the fifteenth calendar day (whether or not a Business Day) of the month next preceding an Interest Payment Date.

“Redemption Fund” means that fund established pursuant to the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 and administered pursuant to Section 6.7 hereof.

“Redemption Price” means, when used with respect to any Bond Similarly Secured or portion thereof, the applicable redemption prices shown in Article IV of this Indenture.

“Refunding Bonds” means bonds issued pursuant to the PID Act and/or Chapter 1207 of the Texas Government Code (each as heretofore and hereinafter amended) to refund all or any portion of the then-Outstanding Bonds Similarly Secured.

“Register” means the register specified in Article III of this Indenture.

“Reserve Account” means the Account of such name established pursuant to the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 hereof.

“Reserve Account Requirement” means the least of: (i) Maximum Annual Debt Service on the Bonds Similarly Secured as of the date of issuance of each such series of Bonds Similarly Secured, (ii) 125% of average Annual Debt Service on the Bonds Similarly Secured as of the date of issuance of each such series of Bonds Similarly Secured, or (iii) 10% of the proceeds of the Bonds Similarly Secured; provided, however, that such amount shall be reduced by the amount of any transfers made pursuant to subsections (d) and (e) of Section 6.8; and provided further that as a result of an optional redemption pursuant to Section 4.4 (with respect to the 2016 Bonds), Section 4.5 (with respect to the 2018 Bonds), the Reserve Account Requirement shall be reduced by a percentage equal to the pro rata principal amount of Bonds Similarly Secured redeemed by such optional redemption divided by the total principal amount of the Outstanding Bonds Similarly Secured prior to such redemption. As of the date of delivery

of the 2018 Bonds, the Reserve Account Requirement is \$_____ which is an amount equal to [Maximum Annual Debt Service] on the Bonds Similarly Secured as of the date of issuance of the 2018 Bonds.

“Reserve Fund” means that fund established pursuant to the terms of the 2016 Indenture and confirmed pursuant to Section 6.1 and administered in Section 6.8 hereof.

“Service and Assessment Plan” means the document, including the Phase #1 Assessment Roll, as amended, which is attached as Exhibit A to the Assessment Ordinance, including any annual updates thereto.

“Sinking Fund Installment” means the amount of money to redeem or pay at maturity the portion of the principal of any series of Outstanding Bonds Similarly Secured payable from such installments at the times and in the amounts provided in Section 4.2 (with respect to the 2016 Bonds) or Section 4.3 herein (with respect to the 2018 Bonds).

“Stated Maturity” means the date of any series of Bonds Similarly Secured, or any portion of the Bonds Similarly Secured, as applicable, are scheduled to mature without regard to any redemption or prepayment.

“Supplemental Indenture” means an indenture which has been duly executed by the Trustee and the City Representative pursuant to an ordinance adopted by the City Council and which indenture amends or supplements this Indenture, but only if and to the extent that such indenture is specifically authorized hereunder.

“Tax Certificate” means, collectively, the Certificate as to Tax Exemption delivered by the City on the Closing Date for the applicable series of Bonds Similarly Secured setting forth the facts, estimates and circumstances in existence on the respective Closing Date which establish that it is not expected that the proceeds of the series of Bonds Similarly Secured will be used in a manner that would cause the interest on such series of Bonds Similarly Secured to be included in the gross income of the Owners thereof for Federal income tax purposes.

“Trust Estate” means the Trust Estate described in the granting clauses of this Indenture.

“Trustee” means U.S. Bank National Association, Dallas, Texas, and its successors, and any other corporation or association that may at any time be substituted in its place, as provided in Article IX, such entity to serve as Trustee and Paying Agent/Registrar for the Bonds Similarly Secured.

Section 1.2. Findings.

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

Section 1.3. Table of Contents, Titles and Headings.

The table of contents, titles, and headings of the Articles and Sections of this Indenture 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 Indenture or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.4. 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) Words importing persons include any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or agency or political subdivision thereof.

(c) Any reference to a particular Article or Section shall be to such Article or Section of this Indenture unless the context shall require otherwise.

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

ARTICLE II

THE BONDS

Section 2.1. Security for the Bonds Similarly Secured.

The Bonds Similarly Secured, as to both principal and interest, are and shall be equally and ratably secured by and payable from a first lien on and pledge of the Trust Estate.

The lien on and pledge of the Pledged Revenues shall be valid and binding and fully perfected from and after August 1, 2016, the date of the 2016 Indenture, without physical delivery or transfer of control of the Pledged Revenues, the filing of the 2016 Indenture, this Indenture or any other act; all as provided in Texas Government Code, Chapter 1208, as amended, which applies to the issuance of the Bonds Similarly Secured and the pledge of the Pledged Revenues granted by the City under the 2016 Indenture and this Indenture, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while any of the Bonds Similarly Secured are Outstanding such that the pledge of the Pledged Revenues granted by the City under this Indenture is to be subject to the filing requirements of Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Bonds Similarly Secured the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business and Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said pledge to occur.

Section 2.2. Limited Obligations.

The Bonds Similarly Secured are special and limited obligations of the City, payable solely from and secured solely by the Trust Estate, including the Pledged Revenues and the Pledged Funds; and the Bonds Similarly Secured shall never be payable out of funds raised or to be raised by taxation or from any other revenues, properties or income of the City.

Section 2.3. Authorization for Indenture.

The terms and provisions of this Indenture and the execution and delivery hereof by the City to the Trustee have been duly authorized by official action of the City Council of the City. The City has ascertained and it is hereby determined and declared that the execution and delivery of this Indenture is necessary to carry out and effectuate the purposes set forth in the preambles of this Indenture and that each and every covenant or agreement herein contained and made is necessary, useful or convenient in order to better secure the Bonds Similarly Secured and is a contract or agreement necessary, useful and convenient to carry out and effectuate the purposes herein described.

Section 2.4. Contract with Owners and Trustee.

(a) The purposes of this Indenture are to establish a lien and the security for, and to prescribe the minimum standards for the authorization, issuance, execution and delivery of, the Bonds Similarly Secured and to prescribe the rights of the Owners, and the rights and duties of the City and the Trustee.

(b) In consideration of the purchase and acceptance of any or all of the Bonds Similarly Secured by those who shall purchase and hold the same from time to time, the provisions of this Indenture shall be a part of the contract of the City with the Owners, and shall be deemed to be and shall constitute a contract among the City, the Owners, and the Trustee.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.1. Authorization of the 2016 Bonds.

The 2016 Bonds were authorized, issued and delivered in accordance with the 2016 Indenture, the Constitution and laws of the State of Texas, including particularly the PID Act, as amended. The 2016 Bonds were issued in the aggregate principal amount of \$3,550,000 for the purpose of (i) paying a portion of the Actual Costs of the Phase #1 Improvements, (ii) paying a portion of the interest on the 2016 Bonds during and after the period of acquisition and construction of the Phase #1 Improvements, (iii) funding a reserve fund for payment of principal and interest on the Bonds Similarly Secured, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying the costs of issuance of the 2016 Bonds.

Section 3.2. Authorization of the 2018 Bonds.

The 2018 Bonds are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, including particularly the PID Act, as amended. The Bonds shall be issued in the aggregate principal amount of \$_____ for the purpose of (i) paying a portion of the Actual Costs of the Phase #1 Improvements, (ii) funding a portion of a reserve fund for payment of principal and interest on the Bonds Similarly Secured, and (iii) paying the costs of issuance of the 2018 Bonds.

Section 3.3. Date, Denomination, Maturities, Numbers and Interest of 2016 Bonds.

(a) The 2016 Bonds are dated August 1, 2016 (the "Bond Date") and were issued in Authorized Denominations. The 2016 Bonds are in fully registered form, without coupons, and are numbered separately from R-1 upward, except the Initial Bond, which was numbered T-1.

(b) Interest shall accrue and be paid on each 2016 Bond from the later of the date of initial delivery of the 2016 Bonds or the most recent Interest Payment Date to which interest has been paid or provided for, at the rate per annum set forth below until the principal thereof has been paid on the maturity date specified below or otherwise provided for. Such interest shall be payable semiannually on March 1 and September 1 of each year, commencing March 1, 2017 computed on the basis of a 360-day year of twelve 30-day months.

(c) The 2016 Bonds shall mature on September 1 in the years and in the principal amounts and shall bear interest as set forth below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2020 ****	195,000 ****	3.400 ****
2027 ****	555,000 ****	4.200 ****
2037 ****	1,150,000 ****	4.800 ****
2046	1,650,000	5.250

(d) The 2016 Bonds shall be subject to mandatory sinking fund redemption, optional redemption, and extraordinary optional redemption prior to maturity as provided in Article IV herein, and shall otherwise have the terms, tenor, denominations, details, and specifications as set forth in the form of the 2016 Bond set forth in Exhibit A to this Indenture.

Section 3.4. Date, Denomination, Maturities, Numbers and Interest of 2018 Bonds.

(a) The 2018 Bonds shall be dated November 1, 2018 (the "Bond Date") and shall be issued in Authorized Denominations. The 2018 Bonds shall be in fully registered form, without coupons, and shall be numbered separately from R-1 upward, except the Initial Bond, which shall be numbered T-1.

(b) Interest shall accrue and be paid on each 2018 Bond from the later of the date of initial delivery of the 2018 Bonds or the most recent Interest Payment Date to which interest

has been paid or provided for, at the rate per annum set forth below until the principal thereof has been paid on the maturity date specified below or otherwise provided for. Such interest shall be payable semiannually on March 1 and September 1 of each year, commencing March 1, 2019 computed on the basis of a 360-day year of twelve 30-day months.

(c) The 2018 Bonds shall mature on September 1 in the years and in the principal amounts and shall bear interest as set forth below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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(d) The 2018 Bonds shall be subject to mandatory sinking fund redemption, optional redemption, and extraordinary optional redemption prior to maturity as provided in Article IV herein, and shall otherwise have the terms, tenor, denominations, details, and specifications as set forth in the form of the 2018 Bond set forth in Exhibit B to this Indenture.

Section 3.5. Conditions Precedent to Delivery of 2016 Bonds.

The conditions precedent to the delivery of the 2016 Bonds, as set forth in the 2016 Indenture, were satisfied prior to the delivery of the 2016 Bonds.

Section 3.6. Conditions Precedent to Delivery of 2018 Bonds.

The 2018 Bonds shall be executed by the City and delivered to the Trustee, whereupon the Trustee shall authenticate the 2018 Bonds and, upon payment of the purchase price of the 2018 Bonds, shall deliver the 2018 Bonds upon the order of the City, but only upon delivery to the Trustee of:

- (a) a certified copy of the Assessment Ordinance;
- (b) a certified copy of the 2018 Bond Ordinance;
- (c) a copy of the executed Amended Development Agreement;
- (d) a copy of the executed the PID Reimbursement Agreement, including the Phase #1 Addendum;
- (e) a copy of this Indenture executed by the Trustee and the City; and
- (f) a City Certificate directing the authentication and delivery of the 2018 Bonds, describing the 2018 Bonds to be authenticated and delivered, designating the purchasers to whom the 2018 Bonds are to be delivered, stating the purchase price of the 2018 Bonds and stating that all items required by this Section are therewith delivered to the Trustee in form and substance satisfactory to the City.

Section 3.7. Medium, Method and Place of Payment.

(a) Principal of and interest on the Bonds Similarly Secured shall be paid in lawful money of the United States of America, as provided in this Section.

(b) Interest on the Bonds Similarly Secured shall be payable to the Owners thereof as shown in the Register at the close of business on the relevant Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest 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 Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled 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 (5) 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 Similarly Secured appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

(c) Interest on the Bonds Similarly Secured shall be paid by check, dated as of the Interest Payment Date, and sent, United States mail, first-class, postage prepaid, by the Paying Agent/Registrar to each Owner at the address of each as such appears in the Register or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the Owner; provided, however, the Owner shall bear all risk and expense of such other banking arrangement.

(d) The principal of each Bond Similarly Secured shall be paid to the Owner of such Bond Similarly Secured on the due date thereof, whether at the maturity date or the date of prior redemption thereof, upon presentation and surrender of such Bond Similarly Secured at the Designated Payment/Transfer Office of the Paying Agent/Registrar.

(e) If the date for the payment of the principal of or interest on the Bonds Similarly Secured shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day that is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or authorized to close, and payment on such date shall for all purposes be deemed to have been made on the due date thereof as specified in Section 3.3 (with respect to the 2016 Bonds) or Section 3.4 (with respect to the 2018 Bonds) of this Indenture.

(f) Unclaimed payments of amounts due hereunder 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 Similarly Secured to which such unclaimed payments pertain. Subject to any escheat, abandoned property, or similar law of the State of Texas, any such payments remaining unclaimed by the Owners entitled thereto for two (2) years after the applicable payment or redemption date shall be applied to the next payment or payments on such Bonds Similarly Secured thereafter coming due and, to the extent any such money remains after the retirement of all Outstanding Bonds Similarly Secured, shall be paid to the City to be used for any lawful purpose. Thereafter, none of the City, the Paying Agent/Registrar, or any other Person shall be liable or responsible to any holders of such Bonds Similarly Secured for any further payment of such unclaimed moneys or on account of any such Bonds Similarly Secured, subject to any applicable escheat law or similar law of the State of Texas, including the provisions of Title 6 of the Texas Property Code, as amended.

Section 3.8. Execution and Registration of Bonds Similarly Secured.

(a) The Bonds Similarly Secured shall be executed on behalf of the City by the Mayor or Mayor Pro Tem and City Secretary, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds Similarly Secured shall have the same effect as if each of the Bonds Similarly Secured had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds Similarly Secured shall have the same effect as if the official seal of the City had been manually impressed upon each of the Bonds Similarly Secured.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Bonds Similarly Secured ceases to be such officer before the authentication of such Bonds Similarly Secured 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 Similarly Secured shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Indenture unless and until there appears thereon the Certificate of Trustee substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Trustee. It shall not be required that the same officer or authorized signatory of the Trustee sign the Certificate of Trustee on all of the Bonds Similarly Secured. In lieu of the executed Certificate of Trustee described above, each Initial Bond delivered at the respective 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 or her duly authorized agent, which certificate shall be evidence that the respective Initial Bond has been duly approved by the Attorney General of the State of Texas, is a valid and binding obligation of the City, and has been registered by the Comptroller of Public Accounts of the State of Texas, including the provisions of Title 6 of the Texas Property Code, as amended.

(d) On each respective Closing Date, one Initial Bond representing the entire principal amount of all such series of Bonds Similarly Secured, payable in stated installments to the Purchaser, or its designee, executed with the manual or facsimile signatures of the Mayor or Mayor Pro Tem and the City Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, has been or will be delivered to the Purchaser or its designee. Upon payment for the respective Initial Bond, the Trustee shall cancel the Initial Bond and deliver to DTC on behalf of the Purchaser one registered definitive bond for each year of maturity of such series of Bonds Similarly Secured, registered in the name of Cede & Co., as nominee of DTC.

Section 3.9. Ownership.

(a) The City, the Trustee, the Paying Agent/Registrar and any other Person may treat the Person in whose name any Bond Similarly Secured is registered as the absolute owner of such Bond Similarly Secured for the purpose of making and receiving payment as provided herein (except interest shall be paid to the Person in whose name such Bond Similarly Secured is registered on the relevant Record Date) and for all other purposes, whether or not such Bond Similarly Secured is overdue, and neither the City nor the Trustee, nor the Paying Agent/Registrar, shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Owner of any Bond Similarly Secured shall be valid and effectual and shall discharge the liability of the City, the Trustee and the Paying Agent/Registrar upon such Bond Similarly Secured to the extent of the sums paid.

Section 3.10. Registration, Transfer and Exchange.

(a) So long as any Bond Similarly Secured remains Outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a 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 Similarly Secured in accordance with this Indenture. The Paying Agent/Registrar represents and warrants that it will file and maintain a copy of the Register with the City, and shall cause the Register to be current with all registration and transfer information as from time to time may be applicable.

(b) Any Bond Similarly Secured shall be transferable only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Bond Similarly Secured shall be effective until entered in the Register.

(c) The Bonds Similarly Secured shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for a Bond Similarly Secured of the same series, the same maturity and the same interest rate and in any Authorized Denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bond Similarly Secured presented for exchange. The Trustee is hereby authorized to authenticate and deliver Bonds Similarly Secured exchanged for other Bonds Similarly Secured in accordance with this Section.

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

(e) Each exchange Bond Similarly Secured delivered in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Indenture to the same extent as the Bonds Similarly Secured in lieu of which such exchange Bond Similarly Secured is delivered.

(f) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for a different Authorized Denomination of any of the Bonds Similarly Secured. 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 Similarly Secured.

(g) Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Bond Similarly Secured or portion thereof called for redemption prior to maturity within forty-five (45) days prior to the date fixed for redemption; provided, however,

such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Bond Similarly Secured.

Section 3.11. Cancellation.

All Bonds Similarly Secured paid or redeemed before scheduled maturity in accordance with this Indenture, and all Bonds Similarly Secured in lieu of which exchange Bonds Similarly Secured or replacement Bonds Similarly Secured are authenticated and delivered in accordance with this Indenture, shall be cancelled, and proper records shall be made regarding such payment, redemption, exchange, or replacement. The Paying Agent/Registrar shall dispose of cancelled Bonds Similarly Secured in accordance with the records retention requirements of the Trustee.

Section 3.12. Temporary Bonds Similarly Secured.

(a) Following the delivery and registration of the respective Initial Bond and pending the preparation of definitive bonds, the proper officers of the City may execute and, upon the City's request, the Trustee 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 Similarly Secured in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary bonds may determine, as evidenced by their signing of such temporary Bonds Similarly Secured.

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

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

Section 3.13. Replacement Bonds.

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond Similarly Secured, the Trustee shall authenticate and deliver in exchange therefor a replacement bond of the same series and of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Bond Similarly Secured 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 Similarly Secured is lost, apparently destroyed or wrongfully taken, the Trustee, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond Similarly Secured has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond Similarly Secured of

like series, tenor, and principal amount bearing a number not contemporaneously outstanding, provided that the Owner first complies with the following requirements:

(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 Similarly Secured;

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

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Trustee and 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 City and the Trustee.

(c) After the delivery of such replacement bond, if a bona fide purchaser of the original Bond Similarly Secured in lieu of which such replacement bond was issued presents for payment such original Bond Similarly Secured, the City 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 City, the Paying Agent/Registrar or the Trustee in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond Similarly Secured 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 Similarly Secured if it has become due and payable or may pay such Bond Similarly Secured 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 City and shall be entitled to the benefits and security of this Indenture to the same extent as the Bonds Similarly Secured in lieu of which such replacement bond is delivered.

Section 3.14. Book-Entry Only System.

The Bonds Similarly Secured shall initially be issued in book-entry-only form and shall be deposited with DTC, which is hereby appointed to act as the securities depository therefor, in accordance with the letter of representations from the City to DTC. On each Closing Date, the definitive Bonds Similarly Secured shall be issued in the form of a single typewritten certificate for each maturity thereof registered in the name of Cede & Co., as nominee for DTC.

With respect to Bonds Similarly Secured registered in the name of Cede & Co., as nominee of DTC, the City 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 Similarly Secured. Without limiting the immediately preceding sentence, the City 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 Similarly Secured, (ii) the delivery to any DTC Participant or any other Person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds Similarly Secured, including any notice of redemption, or (iii) the payment to any DTC Participant or any other Person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds Similarly Secured. Notwithstanding any other provision of this Indenture to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the Person in whose name each Bond Similarly Secured is registered in the Register as the absolute owner of such Bond Similarly Secured for the purpose of payment of principal of, premium, if any, and interest on Bond Similarly Secured, for the purpose of giving notices of redemption and other matters with respect to such Bonds Similarly Secured, for the purpose of registering transfer with respect to such Bond Similarly Secured, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds Similarly Secured only to or upon the order of the respective Owners as shown in the Register, as provided in this Indenture, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds Similarly Secured to the extent of the sum or sums so paid. No Person other than an Owner, as shown in the Register, shall receive a bond certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Indenture. 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 Indenture with respect to interest checks or drafts being mailed to the registered owner at the close of business on the relevant Record Date, the word "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

Section 3.15. Successor Securities Depository: Transfer Outside Book-Entry-Only System.

In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the letter of representations from the City to DTC, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds Similarly Secured to such successor securities depository; or (ii) notify DTC and DTC Participants of the availability through DTC of certificated Bonds Similarly Secured and cause the Paying Agent/Registrar to transfer one or more separate registered Bonds Similarly Secured to DTC Participants having Bonds Similarly Secured credited to their DTC accounts. In such event, the Bonds Similarly Secured 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 Similarly Secured shall designate, in accordance with the provisions of this Indenture.

Section 3.16. Payments to Cede & Co.

Notwithstanding any other provision of this Indenture to the contrary, so long as any Bonds Similarly Secured 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 Similarly Secured, and all notices with respect to such Bonds Similarly Secured shall be made and given, respectively, in the manner provided in the blanket letter of representations from the City to DTC.

ARTICLE IV

REDEMPTION OF BONDS BEFORE MATURITY

Section 4.1. Limitation on Redemption.

The 2016 Bonds and the 2018 Bonds shall be subject to redemption before their scheduled maturity only as provided in this Article IV.

Section 4.2. Mandatory Sinking Fund Redemption of 2016 Bonds.

(a) The 2016 Bonds are subject to mandatory sinking fund redemption prior to their maturity and will be redeemed by the City in part at the Redemption Price of par plus accrued and unpaid interest to the redemption date from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to Article VI, on the dates and in the respective Sinking Fund Installments as set forth in the following schedule:

Term Bonds Maturing September 1, 2020

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
September 1, 2018	\$65,000
September 1, 2019	\$65,000
September 1, 2020*	\$65,000

Term Bonds Maturing September 1, 2027

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
September 1, 2021	\$70,000
September 1, 2022	\$75,000
September 1, 2023	\$75,000
September 1, 2024	\$80,000
September 1, 2025	\$80,000
September 1, 2026	\$85,000
September 1, 2027*	\$90,000

Term Bonds Maturing September 1, 2037

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
September 1, 2028	\$95,000
September 1, 2029	\$95,000
September 1, 2030	\$100,000
September 1, 2031	\$105,000
September 1, 2032	\$110,000
September 1, 2033	\$115,000
September 1, 2034	\$125,000
September 1, 2035	\$130,000
September 1, 2036	\$135,000
September 1, 2037*	\$140,000

* maturity

Term Bonds Maturing September 1, 2046

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
September 1, 2038	\$150,000
September 1, 2039	\$155,000
September 1, 2040	\$165,000
September 1, 2041	\$175,000
September 1, 2042	\$180,000
September 1, 2043	\$190,000
September 1, 2044	\$200,000
September 1, 2045	\$210,000
September 1, 2046*	\$225,000

(b) At least forty-five (45) days prior to each mandatory sinking fund redemption date, the Trustee shall select a principal amount of 2016 Bonds of such maturity equal to the Sinking Fund Installment amount of such 2016 Bonds to be redeemed, shall call such 2016 Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.9.

(c) The principal amount of 2016 Bonds of a Stated Maturity required to be redeemed on any mandatory sinking fund redemption date pursuant to subparagraph (a) of this

Section 4.2 shall be reduced, at the option of the City, by the principal amount of any 2016 Bonds of such maturity which, at least forty-five (45) days prior to the sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such 2016 Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

(d) The principal amount of 2016 Bonds required to be redeemed on any mandatory sinking fund redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced on a pro rata basis among outstanding Sinking Fund Installments by the principal amount of any 2016 Bonds which, at least forty-five (45) days prior to the mandatory sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.3. Mandatory Sinking Fund Redemption of 2018 Bonds.

(a) The 2018 Bonds are subject to mandatory sinking fund redemption prior to their maturity and will be redeemed by the City in part at the Redemption Price of par plus accrued and unpaid interest to the redemption date from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to Article VI, on the dates and in the respective Sinking Fund Installments as set forth in the following schedule:

Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
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Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
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Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
------------------------	-------------------------------------

Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
------------------------	-------------------------------------

* maturity

(b) At least forty-five (45) days prior to each mandatory sinking fund redemption date, the Trustee shall select a principal amount of 2018 Bonds of such maturity equal to the Sinking Fund Installment amount of such 2018 Bonds to be redeemed, shall call such 2018

Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.9.

(c) The principal amount of 2018 Bonds of a Stated Maturity required to be redeemed on any mandatory sinking fund redemption date pursuant to subparagraph (a) of this Section 4.3 shall be reduced, at the option of the City, by the principal amount of any 2018 Bonds of such maturity which, at least forty-five (45) days prior to the mandatory sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such 2018 Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

(d) The principal amount of 2018 Bonds required to be redeemed on any mandatory sinking fund redemption date pursuant to subparagraph (a) of this Section 4.3 shall be reduced on a pro rata basis among outstanding Sinking Fund Installments by the principal amount of any 2018 Bonds which, at least forty-five (45) days prior to the sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.4. Optional Redemption of 2016 Bonds.

The City reserves the right and option to redeem 2016 Bonds before their scheduled maturity dates, in whole or in part, on any date on or after September 1, 2026, at par plus accrued interest to the date of redemption.

Section 4.5. Optional Redemption of 2018 Bonds.

The City reserves the right and option to redeem 2018 Bonds before their scheduled maturity dates, in whole or in part, on any date on or after September 1, 20__, at par plus accrued interest to the date of redemption.

Section 4.6. Extraordinary Optional Redemption of 2016 Bonds.

Notwithstanding any provision in this Indenture to the contrary, the City reserves the right and option to redeem 2016 Bonds before their respective scheduled maturity dates, in whole or in part, on the first day of any month, at the Redemption Price of 100% of the principal amount of such 2016 Bonds, or portions thereof, to be redeemed plus accrued interest to the date of redemption from amounts on deposit in the Redemption Fund as a result of Prepayments (including related transfers to the Redemption Fund as provided in Section 6.8(c)), transfers to the Redemption Fund made pursuant to Section 6.4(e), 6.4(f), 6.8(a), 6.8(c), 6.8(e), or 6.8(i) hereof, or as a result of unexpended amounts transferred from the Project Fund as provided in Section 6.6(d).

Section 4.7. Extraordinary Optional Redemption of 2018 Bonds.

Notwithstanding any provision in this Indenture to the contrary, the City reserves the right and option to redeem 2018 Bonds before their respective scheduled maturity dates, in whole or in part, on the first day of any month, at the Redemption Price of 100% of the principal amount of such 2018 Bonds, or portions thereof, to be redeemed plus accrued interest to the date of redemption from amounts on deposit in the Redemption Fund as a result of Prepayments (including related transfers to the Redemption Fund as provided in Section 6.8(c)), transfers to the Redemption Fund made pursuant to Section 6.4(e), 6.4(f), 6.8(a), 6.8(c), 6.8(e),

or 6.8(i), hereof, or as a result of unexpended amounts transferred from the Project Fund as provided in Section 6.6(d).

Section 4.8. Partial Redemption.

(a) If less than all of any series of the Bonds Similarly Secured are to be redeemed pursuant to either Sections 4.2, 4.3, 4.4, or 4.5, the Bonds Similarly Secured shall be redeemed in minimum principal amounts of \$25,000 or any integral of \$1,000 in excess thereof by any method selected by the Trustee that results in a pro rata reduction of the outstanding maturities of such series. Each Bond Similarly Secured of such series shall be treated as representing the number of Bonds Similarly Secured that is obtained by dividing the principal amount of such series of Bonds Similarly Secured by the smallest Authorized Denomination for such Bonds Similarly Secured.

(b) If less than all of any series of the Bonds Similarly Secured are to be redeemed pursuant to either Sections 4.6 or 4.7, the Bonds Similarly Secured shall be redeemed in minimum principal amounts of \$5,000 or any integral of \$1,000 in excess thereof by any method selected by the Trustee that results in a pro rata reduction of the outstanding maturities of such series. Each Bond Similarly Secured of such series shall be treated as representing the number of Bonds Similarly Secured that is obtained by dividing the principal amount of such series of Bonds Similarly Secured by the smallest Authorized Denomination for such Bonds Similarly Secured.

(c) A portion of a single Bond Similarly Secured of a denomination greater than an Authorized Denomination may be redeemed, but only in a principal amount equal to \$1,000. The Trustee shall treat each \$1,000 portion of such Bond Similarly Secured as though it were a single bond for purposes of selection for redemption. No redemption shall result in a Bond Similarly Secured in a denomination of less than the Authorized Denomination in effect at that time; provided, however, if the amount of the Outstanding Bond Similarly Secured series is less than an Authorized Denomination after giving effect to such partial redemption, a Bond Similarly Secured of such series in the principal amount equal to the unredeemed portion, but not less than \$1,000, may be issued.

(d) Upon surrender of any Bond Similarly Secured for redemption in part, the Trustee in accordance with Section 3.10 of this Indenture, shall authenticate and deliver and exchange the Bonds Similarly Secured in an aggregate principal amount equal to the unredeemed portion of the Bond Similarly Secured so surrendered, such exchange being without charge.

Section 4.9. Notice of Redemption to Owners.

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

(b) The notice shall state the redemption date, the Redemption Price, the place at which the Bonds Similarly Secured being redeemed are to be surrendered for payment, and, if less than all the Outstanding Bonds Similarly Secured of any series are to be redeemed, and subject to Section 4.8, an identification of the Bonds Similarly Secured or portions thereof to be redeemed, any conditions to such redemption and that on the redemption date, if all conditions,

if any, to such redemption have been satisfied, such Bond Similarly Secured, as applicable, shall become due and payable.

(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.

(d) The City has the right to rescind any optional redemption or extraordinary optional redemption described in Sections 4.4 or 4.6 (with respect to the 2016 Bonds), Sections 4.5 or 4.7 (with respect to the 2018 Bonds) by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds Similarly Secured then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The Trustee shall mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

(e) With respect to any optional redemption of the Bonds Similarly Secured, unless the Trustee has received funds sufficient to pay the respective Redemption Price of the Bonds Similarly Secured to be redeemed before giving of a notice of redemption, the notice may state the City may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Bonds Similarly Secured, as applicable, and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the respective Bonds Similarly Secured, have not been redeemed.

Section 4.10. Payment Upon Redemption.

(a) The Trustee shall make provision for the payment of the Bonds Similarly Secured to be redeemed on such date by setting aside and holding in trust an amount from the Redemption Fund or otherwise received by the Trustee from the City and shall use such funds solely for the purpose of paying the Redemption Price on the Bonds Similarly Secured being redeemed.

(b) Upon presentation and surrender of any Bonds Similarly Secured called for redemption at the designated corporate trust office of the Trustee on or after the date fixed for redemption, the Trustee shall pay the Redemption Price on such Bond Similarly Secured to the date of redemption from the moneys set aside for such purpose.

Section 4.11. Effect of Redemption.

Notice of redemption having been given as provided in Section 4.9 of this Indenture, the Bonds Similarly Secured or portions thereof called for redemption shall become due and payable on the date fixed for redemption provided that funds for the payment of the Redemption Price on such Bonds Similarly Secured to the date fixed for redemption are on deposit with the Trustee; thereafter, such Bonds Similarly Secured or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds Similarly Secured are presented and surrendered for payment on such date.

ARTICLE V

FORM OF THE BONDS

Section 5.1. Forms Generally.

(a) The Bonds Similarly Secured, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Trustee, and the Assignment to appear on each of the Bonds Similarly Secured, (i) shall be substantially in the form set forth in Exhibit A (with respect to the 2016 Bonds) or in Exhibit B (with respect to the 2018 Bonds) to this Indenture with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Indenture, 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 City or by the officers executing such Bonds Similarly Secured, as evidenced by their execution thereof.

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

(c) The definitive Bonds Similarly Secured 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 Similarly Secured, as evidenced by their execution thereof.

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

Section 5.2. CUSIP Registration.

The City may secure identification numbers through the CUSIP Services managed by S&P Global Market Intelligence on behalf of The American Bankers Association, New York, New York, and may authorize the printing of such numbers on the face of the Bonds Similarly Secured. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds Similarly Secured shall be of no significance or effect as regards the legality thereof; and none of the City, the Trustee, or the attorneys approving said Bonds Similarly Secured as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds Similarly Secured. The Trustee may include in any redemption notice a statement to the effect that the CUSIP numbers on the Bonds Similarly Secured have been assigned by an independent service and are included in such notice solely for the convenience of the Owners of the Bonds Similarly Secured and that neither the City nor the Trustee shall be liable for any inaccuracies of such numbers.

Section 5.3. Legal Opinion.

The approving legal opinion of Bond Counsel may be printed on or attached to each of the Bonds Similarly Secured over the certification of the City Secretary of the City, which may be executed in facsimile.

ARTICLE VI

FUNDS AND ACCOUNTS

Section 6.1. Establishment of Funds and Accounts.

(a) Confirmation of Funds. The following Funds were created and established under the terms of the 2016 Indenture and are hereby confirmed pursuant to the terms of this Indenture:

- (i) Pledged Revenue Fund;
- (ii) Bond Fund;
- (iii) Project Fund;
- (iv) Developer Project Fund;
- (v) Reserve Fund;
- (vi) Redemption Fund;
- (vii) Rebate Fund;
- (viii) Administrative Fund; and
- (ix) Phase #1 Reimbursement Fund.

(b) Confirmation of Accounts.

(i) The prior creation and establishment of the following Accounts under the Bond Fund are hereby confirmed:

- (A) Capitalized Interest Account; and
- (B) Principal and Interest Account.

(ii) The prior creation and establishment of the following Accounts under the Reserve Fund are hereby confirmed:

- (A) Reserve Account;
- (B) Prepayment Reserve Account; and
- (C) Delinquency Reserve Account.

(iii) The prior creation and establishment of the following Accounts under the Project Fund are hereby confirmed:

- (A) Phase #1 Improvement Account;
- (B) Developer Improvement Account; and
- (C) Costs of Issuance Account.

(iv) The prior creation and establishment of the following Accounts under the Pledged Revenue Fund are hereby confirmed:

- (A) Bond Pledged Revenue Account; and
- (B) Developer Reimbursement Pledged Revenue Account.

(v) The prior creation and establishment of the following Accounts under the Administrative Fund are hereby confirmed:

- (A) District Administration Account; and
- (B) Developer Property Tax Account.

(vi) The prior creation and establishment of the following Accounts under the Developer Project Fund are hereby confirmed:

- (A) Developer Public Improvement Account; and
- (B) Developer Private Improvement Account.

(c) Closure of Accounts and Funds.

(i) The Trustee shall transfer any funds remaining in the Capitalized Interest Account, created and established pursuant to the 2016 Indenture to the Developer and, following such transfer, the Capitalized Interest Account shall be closed.

(ii) The Trustee shall transfer any funds remaining in the Developer Property Tax Account created and established pursuant to the 2016 Indenture to the Developer and, following such transfer, the Developer Property Tax Account shall be closed.

(iii) The Trustee shall transfer any funds remaining in the Developer Project Fund, including any funds remaining in the Developer Private Improvement Account and the Developer Public Improvement Account, created and established pursuant to the 2016 Indenture to the Developer and, following such transfer, the Developer Project Fund and its Accounts shall be closed.

(iv) The Trustee shall transfer any funds remaining in the Phase #1 Reimbursement Fund created and established pursuant to the 2016 Indenture to the Developer and, following such transfer, the Phase #1 Reimbursement Fund shall be closed.

(d) Each Fund and Account previously created by the terms of the 2016 Indenture and confirmed by this Indenture, and not closed pursuant to the provisions hereof, has been and shall be maintained by the Trustee separate and apart from all other funds and accounts of the City. The Pledged Funds shall constitute trust funds which shall be held in trust by the Trustee as part of the Trust Estate solely for the benefit of the Owners of the Bonds Similarly Secured.

(e) Interest earnings and profit on each respective Fund and Account established pursuant to the terms of the 2016 Indenture and confirmed by this Indenture shall be applied or withdrawn for the purposes of such Fund or Account as specified below.

Section 6.2. Initial Deposits to Funds and Accounts related to the 2016 Bonds.

(a) The proceeds from the sale of the 2016 Bonds have previously been paid to the Trustee and deposited or transferred by the Trustee as follows:

- (i) to the Capitalized Interest Account of the Bond Fund: \$181,784.63;
- (ii) to the Reserve Account of the Reserve Fund: \$237,195.00;
- (iii) to the District Administration Account of the Administrative Fund: \$20,000;
- (iv) to the Costs of Issuance Account of the Project Fund: \$341,020.37; and
- (v) to the Phase #1 Improvement Account of the Project Fund: \$2,663,500.00.

(b) Funds received from the Developer on the Closing Date of the 2016 Bonds were paid to the Trustee and deposited or transferred by the Trustee as follows:

- (i) funds received pursuant to the terms of the PID Reimbursement Agreement in the amount of \$3,295,468.32 to the Developer Improvement Account of the Project Fund;
- (ii) an amount equal to \$5,000 to the Developer Property Tax Account of the Administrative Fund;
- (iii) funds received in accordance with the Amended Development Agreement in the amount of \$1,482,647.00 to the Developer Public Improvement Account of Developer Project Fund; and
- (iv) funds received in accordance with the Amended Development Agreement in the amount of \$999,052.84 to the Developer Private Improvement Account of Developer Project Fund.

Section 6.3. Initial Deposits to Funds and Accounts related to the 2018 Bonds.

(a) The proceeds from the sale of the 2018 Bonds shall be paid to the Trustee and deposited or transferred by the Trustee as follows:

- (i) to the Developer in full satisfaction of the Developer's interest under the PID Reimbursement Agreement: \$_____;
- (ii) to the Reserve Account of the Reserve Fund: \$_____;
- (iii) to the District Administration Account of the Administrative Fund: \$_____; and
- (iv) to the Costs of Issuance Account of the Project Fund: \$_____.

Section 6.4. Pledged Revenue Fund.

(a) On or before February 1 of each year while the Bonds Similarly Secured are Outstanding and beginning, with respect to the 2016 Bonds, in the year 2017, and with respect to the 2018 Bonds, in the year 2019, the City shall deposit or cause to be deposited the Pledged Revenues into the Pledged Revenue Fund. Specifically, the City shall deposit or cause to be deposited Assessment Revenues as follows: (i) first, to the Bond Pledged Revenue Account of the Pledged Revenue Fund in amounts sufficient to pay debt service on the Bonds Similarly Secured next coming due in such calendar year, (ii) second, to the Reserve Account of the Reserve Fund in an amount to cause the amount in the Reserve Account to equal the Reserve Account Requirement, (iii) third, to the Prepayment Reserve Account and the Delinquency Reserve Account, respectively, amounts equal the Delinquency Component and the Prepayment Component described in Section 6.8(a) hereof; (iv) fourth, to the Developer Reimbursement Pledged Revenue Account of the Pledged Revenue Fund to reimburse the Developer for Actual Costs of Phase #1 Improvements that have been paid from the Developer Improvement Account of the Project Fund (pursuant to the terms of the PID Reimbursement Agreement), (v) fifth, to pay other Actual Costs of the Phase #1 Improvements, and (vi) sixth, to pay other costs permitted by the PID Act. Moneys transferred to the Developer Reimbursement Pledged Revenue Account shall not be a part of the Trust Estate and are not security for the Bonds Similarly Secured.

(b) From time to time as needed to pay the obligations relating to the Bonds Similarly Secured, but no later than five (5) Business Days before each Interest Payment Date, the Trustee shall withdraw from the Bond Pledged Revenue Account and transfer to the Principal and Interest Account of the Bond Fund, an amount, taking into account any amounts then on deposit in such Principal and Interest Account, such that the amount on deposit in the Principal and Interest Account equals the principal (including any Sinking Fund Installments) and interest due on the Bonds Similarly Secured on the next Interest Payment Date.

(c) Reserved.

(d) If, after the foregoing transfers and any transfer from the Reserve Fund as provided in Section 6.8 herein, there are insufficient funds to make the payments provided in paragraph (b) above, the Trustee shall apply the available funds in the Principal and Interest Account first to the payment of interest, then to the payment of principal (including any Sinking Fund Installments) on the Bonds Similarly Secured.

(e) Notwithstanding Section 6.4(a) hereof, the Trustee shall deposit Prepayments to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer such Prepayments to the Redemption Fund.

(f) Notwithstanding Section 6.4(a) hereof, the Trustee shall deposit Foreclosure Proceeds to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer Foreclosure Proceeds first to the Reserve Fund to restore any transfers from the Reserve Fund made with respect to the Phase #1 Assessed Parcel or Phase #1 Assessed Parcels to which the Foreclosure Proceeds relate, and second, to the Redemption Fund.

(g) After satisfaction of the requirement to provide for the payment of the principal and interest on the Bonds Similarly Secured and to fund any deficiency that may exist in the Reserve Fund and to fund any obligations due to Developer with funds deposited to the Phase

#1 Reimbursement Fund, the City may direct the Trustee by City Order to apply Phase #1 Assessments for any lawful purposes permitted by the PID Act for which Phase #1 Assessments may be paid.

Section 6.5. Bond Fund.

(a) On each Interest Payment Date, the Trustee shall withdraw from the Principal and Interest Account and transfer to the Paying Agent/Registrar the principal (including any Sinking Fund Installments) and/or interest then due and payable on the Bonds Similarly Secured.

(b) If amounts in the Principal and Interest Account are insufficient for the purposes set forth in paragraph (a) above, the Trustee shall withdraw from the Reserve Fund amounts to cover the amount of such insufficiency in the order described in Section 6.8(g) hereof. Amounts so withdrawn from the Reserve Fund shall be deposited in the Principal and Interest Account and transferred to the Paying Agent/Registrar.

Section 6.6. Project Fund.

(a) Money on deposit in the Project Fund shall be used for the purposes specified in Section 3.1 (with respect to the 2016 Bonds) or Section 3.2 (with respect to the 2018 Bonds) hereof.

(b) Any funds received at or before the respective Closing Dates pursuant to the Amended Development Agreement or the PID Reimbursement Agreement shall be disbursed as provided in the PID Reimbursement Agreement. The procedures of the PID Reimbursement Agreement are herein incorporated by reference and deemed set forth herein in full.

(c) Disbursements from the Costs of Issuance Account of the Project Fund shall be made by the Trustee to pay costs of issuance of the related series of Bonds Similarly Secured pursuant to one or more City Certificates. Disbursements from all other Accounts of the Project Fund to pay Actual Costs shall be made by the Trustee upon receipt by the Trustee of a properly executed and completed Certificate for Payment. The disbursement of funds from the Project Fund pursuant to a Certificate for Payment shall be pursuant to and accordance with the disbursement procedures described in the PID Reimbursement Agreement; and such disbursements shall be made first, from the Phase #1 Improvement Account of the Project Fund until all funds in such account are depleted and then next from the Developer Improvement Account of the Project Fund. Such provisions and procedures related to such disbursement contained in the PID Reimbursement Agreement, and no other provisions of the PID Reimbursement Agreement, are herein incorporated by reference and deemed set forth herein in full.

(d) If the City Representative determines in his or her sole discretion that amounts then on deposit in the Phase #1 Improvement Account of the Project Fund are not expected to be expended for purposes of the Project Fund due to the abandonment, or constructive abandonment, of the Phase #1 Improvements, such that, in the opinion of the City Representative, it is unlikely that the amounts in the Phase #1 Improvement Account of the Project Fund will ever be expended for the purposes of the Project Fund, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the Phase #1 Improvement Account of the Project Fund that are not expected to be used for purposes of the Project Fund. If such City Certificate is so filed, the amounts on

deposit in the Phase #1 Improvement Account of the Project Fund shall be transferred to the Redemption Fund to redeem Bonds Similarly Secured on the earliest practicable date after notice of redemption has been provided in accordance with the Indenture.

(e) In making any determination pursuant to this Section, the City Representative may conclusively rely upon a certificate of an Independent Financial Consultant.

(f) Upon the filing of a City Certificate stating that all Phase #1 Improvements have been completed and that all Actual Costs of the Phase #1 Improvements allocable to the Phase #1 Assessed Parcels have been paid, or that any such Actual Costs are not required to be paid from the Project Fund pursuant to a Certification for Payment, the Trustee (i) shall transfer the amount, if any, remaining within the Phase #1 Improvement Account of the Project Fund to the Bond Fund, (ii) shall transfer any remaining amount in the Developer Improvement Account of the Project Fund to the Developer and (iii) the Project Fund shall be closed.

(g) Not later than six months following each respective Closing Date, upon a determination by the City Representative that all costs of issuance of the Bonds Similarly Secured have been paid, any amounts remaining in the Costs of Issuance Account shall be transferred to the Phase #1 Improvement Account in the Project Fund and used to pay Actual Costs or to the Principal and Interest Account of the Bond Fund and used to pay interest on the Bonds Similarly Secured, as directed by the City in a City Certificate filed with the Trustee, and the Costs of Issuance Account shall be closed.

Section 6.7. Redemption Fund.

(a) The Trustee shall cause to be deposited to the Redemption Fund from the Bond Pledged Revenue Account of the Pledged Revenue Fund an amount sufficient to redeem Bonds Similarly Secured as provided in Sections 4.4 or 4.6 (with respect to the 2016 Bonds) or Section 4.5 or 4.7 (with respect to the 2018 Bonds) on the dates specified for redemption as provided in such sections. Amounts on deposit in the Redemption Fund shall be used and withdrawn by the Trustee to redeem Bonds Similarly Secured as provided in Article IV.

Section 6.8. Reserve Fund.

(a) The City agrees with the Owners of the Bonds Similarly Secured to accumulate from the deposits outlined in Section 6.4(a) hereof, and when accumulated maintain in the Reserve Account, an amount equal to not less than the Reserve Account Requirement. All amounts deposited in the Reserve Account shall be used and withdrawn by the Trustee for the purpose of making transfers to the Principal and Interest Account of the Bond Fund as provided in this Indenture. The Trustee has transferred and will continue to transfer from the Bond Pledged Revenue Account of the Pledged Revenue Fund to the Prepayment Reserve Account on March 1 and September 1 of each year, commencing March 1, 2017, an amount equal to 0.20% of the interest rate component of the Annual Installments (the "Prepayment Component") until the Prepayment Reserve Requirement has been accumulated in the Prepayment Reserve Account; provided, however, that at any time the amount on deposit in the Prepayment Reserve Account is less than Prepayment Reserve Requirement, the Trustee shall resume depositing the Prepayment Component into the Prepayment Reserve Account until the Prepayment Reserve Requirement has accumulated in the Prepayment Reserve Account. Whenever, on any Interest Payment Date, or on any other date at the written request of the City Representative, the amounts on deposit in the Prepayment Reserve Account exceed the Prepayment Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess (the "Excess Prepayment Reserve Amount"). The Excess

Prepayment Reserve Amount shall be transferred, first to the Delinquency Reserve Account or, in the event that the Delinquency Reserve Account contains the Delinquency Reserve Requirement, to the Redemption Fund to redeem Bonds Similarly Secured pursuant to Article IV hereof. The Trustee has shall also previously deposited and shall continue to deposit from the Bond Pledged Revenue Account of the Pledged Revenue Fund to the Delinquency Reserve Account on March 1 and September 1 of each year, commencing March 1, 2017, an amount equal to 0.30% of the interest rate component of the Annual Installments (the "Delinquency Component"). Once the Delinquency Reserve Requirement has been accumulated in the Delinquency Reserve Account, any amounts in excess of the Delinquency Reserve Requirement in the Delinquency Reserve Account shall be transferred by the Trustee to the Redemption Fund to redeem Bonds Similarly Secured as provided in Article IV; provided, however, that at any time the amount on deposit in the Delinquency Reserve Account is less than Delinquency Reserve Requirement, the Trustee shall resume depositing such Delinquency Component into the Delinquency Reserve Account until the Delinquency Reserve Requirement has accumulated in the Delinquency Reserve Account.

(b) Whenever a transfer is made from the Reserve Account to the Bond Fund due to a deficiency in the Bond Fund, the Trustee shall provide written notice thereof to the City, specifying the amount withdrawn and the source of said funds.

(c) Whenever Bonds Similarly Secured are to be redeemed with the proceeds of Prepayments pursuant to Section 4.6 (with respect to the 2016 Bonds), Section 4.7 (with respect to the 2018 Bonds), a proportionate amount in the Reserve Account of the Reserve Fund shall be transferred on the Business Day prior to the redemption date by the Trustee to the Redemption Fund to be applied to the redemption of the Bonds Similarly Secured. The amount so transferred from the Reserve Account of the Reserve Fund shall be equal to a percentage of the amount of the Bonds Similarly Secured redeemed with such percentage equal to the lesser of: (i) the amount required to be in the Reserve Account of the Reserve Fund, as a percentage of the Outstanding Bonds Similarly Secured prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund, as a percentage of the Outstanding Bonds Similarly Secured prior to the redemption. If after such transfer, and after applying investment earnings on the Prepayment toward payment of accrued interest, there are insufficient funds to pay the principal amount plus accrued and unpaid interest on such Bonds Similarly Secured to the date fixed for redemption of the Bonds Similarly Secured to be redeemed as a result of such Prepayment, the Trustee shall transfer an amount equal to the shortfall from the Prepayment Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds Similarly Secured.

(d) Whenever, on any Interest Payment Date, or on any other date at the written request of a City Representative, the amount in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the City Representative of the amount of the excess. Such excess shall be transferred to the Principal and Interest Account to be used for the payment of interest on the Bonds Similarly Secured on the next Interest Payment Date in accordance with Section 6.5 hereof, unless within thirty days of such notice to the City Representative, the Trustee receives a City Order instructing the Trustee to apply such excess: (i) to pay amounts due under Section 6.9 hereof, (ii) to the Administrative Fund in an amount not more than the Annual Collection Costs for the Bonds Similarly Secured, or (iii) to the Project Fund if such application and the expenditure of funds is expected to occur within three years of the date hereof.

(e) Whenever, on any Interest Payment Date, or on any other date at the written request of the City Representative, the value of cash and value of Investment Securities on deposit in the Delinquency Reserve Account exceeds the Delinquency Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess (the "Excess Delinquency Reserve Amount"). Such excess on deposit in the Delinquency Reserve Account shall be transferred by the Trustee to the Redemption Fund in order to effect the redemption of Bonds Similarly Secured pursuant to Section 4.6 (with respect to the 2016 Bonds) or 4.7 (with respect to the 2018 Bonds) hereof.

(f) Whenever, on any Interest Payment Date, the amount on deposit in the Bond Fund is insufficient to pay the debt service on the Bonds Similarly Secured due on such date, the Trustee shall transfer first, from the Delinquency Reserve Account of the Reserve Fund, second, from the Reserve Account of the Reserve Fund and third, from the Prepayment Reserve Account of the Reserve Fund to the Bond Fund the amounts necessary to cure such deficiency.

(g) At the final maturity of the Bonds Similarly Secured, the amount on deposit in the Reserve Account, the Prepayment Reserve Account, and the Delinquency Reserve Account shall be transferred to the Redemption Fund and applied to the payment of the principal of the Bonds Similarly Secured.

(h) If, after a Reserve Fund withdrawal, the amount on deposit in the Reserve Account of the Reserve Fund is less than the Reserve Account Requirement, the Trustee shall transfer from the Pledged Revenue Fund to the Reserve Account of the Reserve Fund the amount of such deficiency, in accordance with Section 6.4.

(i) If the amount held in the Reserve Fund together with the amount held in the Bond Fund and Redemption Fund is sufficient to pay the principal amount and of all Outstanding Bonds Similarly Secured on the next Interest Payment Date, together with the unpaid interest accrued on such Bonds Similarly Secured as of such Interest Payment Date, the moneys shall be transferred to the Redemption Fund and thereafter used to redeem all Bonds Similarly Secured as of such Interest Payment Date.

Section 6.9. Rebate Fund: Rebate Amount.

(a) Under the terms of the 2016 Indenture and as confirmed by this Indenture, the City has established a special fund of the City designated "City of Celina, Texas, Rebate Fund" (the "Rebate Fund") that is being held by the Trustee in accordance with the terms and provisions of this Indenture. Amounts on deposit in the Rebate Fund shall be used solely for the purpose of paying amounts due the United States Government in accordance with the Code.

(b) In order to assure that Rebate Amount is paid to the United States rather than to a third party, investments of funds on deposit in the Rebate Fund shall be made in accordance with the Code and the respective Tax Certificate.

(c) The Trustee conclusively shall be deemed to have complied with the provisions of this Section and Section 7.5(h) and shall not be liable or responsible if it follows the instructions of the City and shall not be required to take any action under this Section and Section 7.5(h) in the absence of written instructions from the City.

(d) If, on the date of each annual calculation, the amount on deposit in the Rebate Fund exceeds the Rebate Amount, the City may direct the Trustee, pursuant to a City Order, to transfer the amount in excess of the Rebate Amount to the Bond Fund.

Section 6.10. Administrative Fund.

(a) The City has heretofore deposited and shall deposit or cause to be deposited to the District Administration Account of the Administrative Fund the amounts collected each year to pay Annual Collection Costs and Delinquent Collection Costs.

(b) Moneys in the District Administration Account of the Administrative Fund shall be held by the Trustee separate and apart from the other Funds created by the 2016 Indenture or confirmed and administered hereunder and used as directed by a City Order solely for the purposes set forth in the Service and Assessment Plan.

(c) Reserved.

Section 6.11. Investment of Funds.

(a) Money in any Fund established pursuant to the terms of the 2016 Indenture or confirmed pursuant to this Indenture shall be invested by the Trustee as directed by the City pursuant to a City Order filed with the Trustee at least two (2) days in advance of the making of such investment in time deposits or certificates of deposit secured in the manner required by law for public funds, or be invested in direct obligations of, including obligations the principal and interest on which are unconditionally guaranteed by, the United States of America, in obligations of any agencies or instrumentalities thereof, or in such other investments as are permitted under the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended, or any successor law, as in effect from time to time; provided that all such deposits and investments shall be made in such manner (which may include repurchase agreements for such investment with any primary dealer of such agreements) that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued each year in terms of current market value as of September 30. For purposes of maximizing investment returns, to the extent permitted by law, money in such Funds may be invested in common investments of the kind described above, or in a common pool of such investment which shall be kept and held at an official depository bank, which shall not be deemed to be or constitute a commingling of such money or funds provided that safekeeping receipts or certificates of participation clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by such Fund are held by or on behalf of each such Fund. If necessary, such investments shall be promptly sold to prevent any default.

(b) Obligations purchased as an investment of moneys in any Fund shall be deemed to be part of such Fund or Account, subject, however, to the requirements of this Indenture for transfer of interest earnings and profits resulting from investment of amounts in Funds and Accounts. Whenever in this Indenture any moneys are required to be transferred by the City to the Trustee, such transfer may be accomplished by transferring a like amount of Investment Securities.

(c) The Trustee and its affiliates may act as sponsor, advisor, depository, principal or agent in the acquisition or disposition of any investment. The Trustee shall not incur any liability for losses arising from any investments made pursuant to this Section. The Trustee shall not be required to determine the suitability or legality of any investments.

(d) Investments in any and all Funds and Accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular Funds or Accounts of amounts received or held by the Trustee hereunder, provided that the Trustee shall at all times account for such investments strictly in accordance with the Funds and Accounts to which they are credited and otherwise as provided in this Indenture.

(e) The Trustee will furnish the City monthly cash transaction statements which include detail for all investment transactions made by the Trustee hereunder; and, unless the Trustee receives a written request, the Trustee is not required to provide brokerage confirmations so long as the Trustee is providing such monthly cash transaction statements.

Section 6.12. Security of Funds.

All Funds heretofore created or reaffirmed, to the extent not invested as herein permitted, shall be secured in the manner and to the fullest extent required by law for the security of public funds, and such Funds shall be used only for the purposes and in the manner permitted or required by this Indenture.

Section 6.13. Phase #1 Reimbursement Fund.

(a) Money on deposit in the Phase #1 Reimbursement Fund shall be used to reimburse the Developer for funds withdrawn from the Developer Improvement Account of the Project Fund and used to pay Actual Costs of Phase #1 Improvements as provided in the PID Reimbursement Agreement. Such provisions and procedures of the PID Reimbursement Agreement are herein incorporated by reference and deemed set forth in this Section 6.13 in full.

(b) When all amounts due to the Developer to reimburse it for the funds withdrawn from the Developer Improvement Account of the Project Fund have been paid to the Developer in accordance with the provisions of the PID Reimbursement Agreement, no further deposits shall be made to the Phase #1 Reimbursement Fund and the Phase #1 Reimbursement Fund shall be closed.

(c) Notwithstanding the foregoing, upon the issuance of the 2018 Bonds, any funds remaining in the Phase #1 Reimbursement Fund shall be disbursed to the Developer pursuant to Section 6.1(c)(iv) and the Phase #1 Reimbursement Fund shall be closed.

Section 6.14. Developer Project Fund.

(a) Moneys deposited in the Developer Private Improvement Account of the Developer Project Fund in accordance with the provisions of the Amended Development Agreement and the PID Reimbursement Agreement shall be held by the Trustee separate and apart from the other Funds created under the terms of the 2016 Indenture and confirmed and administered hereunder and shall be disbursed as provided in the PID Reimbursement Agreement. The provisions and procedures of the PID Reimbursement Agreement are herein incorporated by reference and deemed set forth herein in full.

(b) If the City Representative determines in his or her sole discretion that amounts then on deposit in the Developer Private Improvement Account of the Developer Project Fund are not expected to be expended for purposes of the Developer Private Improvement Account due to the abandonment, or constructive abandonment, of the Private Improvements (as

defined in the Service and Assessment Plan) such that, in the opinion of the City Representative, it is unlikely that the amounts in the Developer Private Improvement Account will ever be expended for the purposes of the Private Improvements, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the Developer Private Improvement Account that are not expected to be used for the Private Improvements. If such City Certificate is so filed, the amounts on deposit in the Developer Private Improvement Account shall be transferred to the Developer on the earliest practicable date. In making any determination pursuant to this Section, the City Representative may conclusively rely upon a certificate of an Independent Financial Consultant.

(c) Moneys deposited in the Developer Public Improvement Account of the Developer Project Fund in accordance with the provision of the Amended Development Agreement and the PID Reimbursement Agreement shall be held separate and apart from the other Funds created under the terms under 2016 Indenture and confirmed and administered hereunder and shall be disbursed by the Trustee upon receipt by the Trustee of a properly executed and completed Certificate for Payment. The disbursement of funds from the Developer Project Fund pursuant to a Certificate for Payment shall be pursuant to and in accordance with the disbursement procedures described in the PID Reimbursement Agreement.

(d) If the City Representative determines in his or her sole discretion that amounts then on deposit in the Developer Public Improvement Account of the Developer Project Fund are not expected to be expended for purposes of the Developer Public Improvement Account due to the abandonment, or constructive abandonment, of the City Improvements (as defined in the Service and Assessment Plan) such that, in the opinion of the City Representative, it is unlikely that the amounts in the Developer Public Improvement Account will ever be expended for the purposes of the City Improvements, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the Developer Public Improvement Account that are not expected to be used for the City Improvements. If such City Certificate is so filed, the amounts on deposit in the Developer Public Improvement Account shall be transferred to the Developer on the earliest practicable date. In making any determination pursuant to this Section, the City Representative may conclusively rely upon a certificate of an Independent Financial Consultant.

(e) Upon the filing of a City Certificate stating that all City Improvements have been completed, the Trustee shall transfer the amount, if any, remaining within the Developer Project Fund to the Developer and the Developer Project Fund shall be closed

(f) Notwithstanding any provision of this Indenture to the contrary, nothing in this Indenture shall affect or impair the right of City and Developer to modify the applicable terms of the PID Reimbursement Agreement relating to the disbursement of moneys deposited in the Developer Project Fund.

(g) Notwithstanding the foregoing, upon the issuance of the 2018 Bonds, any funds remaining in the Developer Project Fund or in any of its Accounts shall be disbursed to the Developer pursuant to Section 6.1(c)(iii) and the Developer Project Fund shall be closed.

ARTICLE VII

COVENANTS

Section 7.1. Confirmation of Phase #1 Assessments.

The City hereby confirms, covenants, and agrees that, in the Assessment Ordinance, it has levied the Phase #1 Assessments against the respective Phase #1 Assessed Parcels from which the Pledged Revenues will be collected and received.

Section 7.2. Collection and Enforcement of Phase #1 Assessments.

(a) For so long as any Bonds Similarly Secured are Outstanding and amounts are due the Developer to reimburse it for funds it has contributed to pay Actual Costs of the Phase #1 Improvements, the City covenants, agrees and warrants that it will take and pursue all actions permissible under Applicable Laws to cause the Phase #1 Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and, to the extent permitted by Applicable Laws, to cause no reduction, abatement or exemption in the Phase #1 Assessments.

(b) The City will determine or cause to be determined, no later than February 15 of each year, whether or not any Annual Installment is delinquent and, if such delinquencies exist, the City will order and cause to be commenced as soon as practicable any and all appropriate and legally permissible actions to obtain such Annual Installment, and any delinquent charges and interest thereon, including diligently prosecuting an action in district court to foreclose the currently delinquent Annual Installment. Notwithstanding the foregoing, the City shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Phase #1 Assessment or the corresponding Phase #1 Assessed Parcel.

Section 7.3. Against Encumbrances.

(a) The City shall not create and, to the extent Pledged Revenues are received, shall not suffer to remain, any lien, encumbrance or charge upon the Pledged Revenues, other than that specified in Section 9.6 of this Indenture, or upon any other property pledged under this Indenture, except the pledge created for the security of the Bonds Similarly Secured, and other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds Similarly Secured.

(b) So long as Bonds Similarly Secured are Outstanding (and except as set forth in Section 13.2 hereof), the City shall not issue any bonds, notes or other evidences of indebtedness other than the Bonds Similarly Secured secured by any pledge of or other lien or charge on the Pledged Revenues or other property pledged under this Indenture, other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds Similarly Secured.

Section 7.4. Records, Accounts, Accounting Reports.

The City hereby covenants and agrees that so long as any of the Bonds Similarly Secured or any interest thereon remain outstanding and unpaid, and the obligation to the Developer to reimburse it for funds it has contributed to pay Actual Costs of the Phase #1 Improvements remain outstanding and unpaid, it will keep and maintain a proper and complete

system of records and accounts pertaining to the Phase #1 Assessments. The Trustee and holder or holders of any Bonds Similarly Secured or any duly authorized agent or agents of such holders shall have the right at all reasonable times to inspect all such records, accounts, and data relating thereto, upon written request to the City by the Trustee or duly authorized representative, as applicable. The City shall provide the Trustee or duly authorized representative, as applicable, an opportunity to inspect such books and records relating to the Bonds Similarly Secured during the City's regular business hours and on a mutually agreeable date not later than thirty days after the City receives such request.

Section 7.5. Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms shall have the following meanings:

"Closing Date" means the date on which each series of Bonds Similarly Secured are first authenticated and delivered to the initial purchasers against payment therefor.

"Code" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"Computation Date" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Gross Proceeds" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of each series of Bonds Similarly Secured.

"Investment" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Nonpurpose Investment" means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds Similarly Secured are invested and which is not acquired to carry out the governmental purposes of the Bonds Similarly Secured.

"Regulations" means any proposed, temporary or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds Similarly Secured. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"Yield" of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and (2) the Bonds Similarly Secured, as it pertains to a particular series of Bonds Similarly Secured, has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond Similarly Secured to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond Similarly Secured, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of each series of Bonds Similarly Secured:

(i) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds Similarly Secured of such series, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds Similarly Secured of such series or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan.

(i) Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of any Bonds Similarly Secured to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(ii) The City covenants and agrees that the levied Phase #1 Assessments will meet the requirements of the "tax assessment loan exception" within the meaning of Section 1.141-5(d) of the Regulations on the date that each series of the Bonds Similarly

Secured are delivered and will ensure that the Phase #1 Assessments continue to meet such requirements for so long as Bonds Similarly Secured are Outstanding.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of any series of Bonds Similarly Secured directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested) if, as a result of such investment, the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of such series of Bonds Similarly Secured.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds Similarly Secured to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Bond Similarly Secured is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds Similarly Secured with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of each series of the Bonds Similarly Secured until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds Similarly Secured by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall, pursuant to a City Order, direct the Trustee to transfer to the Rebate Fund from the funds or subaccounts designated in such City Order and direct the Trustee to pay to the United States from the Rebate Fund the amount that when added to the future value of previous rebate payments made for any series of Bonds Similarly Secured equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section

148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (ii) and (iii), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds Similarly Secured, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds Similarly Secured not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Director of Finance, or City Secretary, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Tax Certificate or similar or other appropriate certificate, form or document.

ARTICLE VIII

LIABILITY OF CITY

The City shall not incur any responsibility in respect of the Bonds Similarly Secured or this Indenture other than in connection with the duties or obligations explicitly herein or in the Bonds Similarly Secured assigned to or imposed upon it. The City shall not be liable in connection with the performance of its duties hereunder, except for its own willful default or act of bad faith. The City shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions covenants or agreements of the Trustee herein or of any of the documents executed by the Trustee in connection with the Bonds Similarly Secured, or as to the existence of a default or event of default thereunder.

In the absence of bad faith, the City may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the City and conforming to the requirements of this Indenture. The City shall not be liable for any error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts.

No provision of this Indenture, the Bonds Similarly Secured, the Assessment Ordinance, or any agreement, document, instrument, or certificate executed, delivered or approved in connection with the issuance, sale, delivery, or administration of the Bonds Similarly Secured (the "Bond Documents"), shall require the City to expend or risk its own general funds or otherwise incur any financial liability (other than with respect to the Pledged Revenues and the Annual Collection Costs) in the performance of any of its obligations hereunder, or in the

exercise of any of its rights or powers, if in the judgment of the City there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it.

Neither the Owners nor any other Person shall have any claim against the City or any of its officers, officials, agents, or employees for damages suffered as a result of the City's failure to perform in any respect any covenant, undertaking, or obligation under any Bond Documents or as a result of the incorrectness of any representation in, or omission from, any of the Bond Documents, except to the extent that any such claim relates to an obligation, undertaking, representation, or covenant of the City, in accordance with the Bond Documents and the PID Act. Any such claim shall be payable only from Pledged Revenues or the amounts collected to pay Annual Collection Costs on deposit in the Administrative Fund. Nothing contained in any of the Bond Documents shall be construed to preclude any action or proceeding in any court or before any governmental body, agency, or instrumentality against the City or any of its officers, officials, agents, or employees to enforce the provisions of any of the Bond Documents or to enforce all rights of the Owners of the Bonds Similarly Secured by mandamus or other proceeding at law or in equity.

The City may rely on and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The City may consult with counsel with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Indenture the City shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the City, be deemed to be conclusively proved and established by a certificate of the Trustee, an Independent Financial Consultant, an independent inspector or City Manager or other person designated by the City Council to so act on behalf of the City, and such certificate shall be full warrant to the City for any action taken or suffered under the provisions of this Indenture upon the faith thereof, but in its discretion the City may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

In order to perform its duties and obligations hereunder, the City may employ such persons or entities as it deems necessary or advisable. The City shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations, and directions of such persons or entities.

ARTICLE IX

THE TRUSTEE

Section 9.1. Trustee as Registrar and Paying Agent

The Trustee is hereby designated and agrees to act as Registrar and Paying Agent for and in respect to the Bonds Similarly Secured.

Section 9.2. Trustee Entitled to Indemnity

The Trustee shall be under no obligation to institute any suit, or to undertake any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays, and counsel fees and other reasonable disbursements, and against all liability except as a consequence of its own negligence or willful misconduct. Nevertheless, the Trustee may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as the Trustee, without indemnity, and in such case the Trustee may make transfers from the Pledged Revenue Fund or the District Administration Account of the Administrative Fund to pay all costs and expenses, outlays, and counsel fees and other reasonable disbursements properly incurred in connection therewith and shall be entitled to a preference therefor over any Bonds Similarly Secured Outstanding hereunder.

Section 9.3. Responsibilities of the Trustee.

The recitals contained in this Indenture and in the Bonds Similarly Secured shall be taken as the statements of the City and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or the Bonds Similarly Secured or with respect to the security afforded by this Indenture, and the Trustee shall incur no liability with respect thereto. Except as otherwise expressly provided in this Indenture, the Trustee shall have no responsibility or duty with respect to: (i) the issuance of Bonds Similarly Secured for value; (ii) the application of the proceeds thereof, except to the extent that such proceeds are received by it in its capacity as Trustee; (iii) the application of any moneys paid to the City or others in accordance with this Indenture, except as to the application of any moneys paid to it in its capacity as Trustee; or (iv) any calculation of arbitrage or rebate under the Code.

The duties and obligations of the Trustee shall be determined by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture.

The Trustee shall not be liable for any action taken or omitted by it in the performance of its duties under this Indenture, except for its own gross negligence or willful misconduct. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from this Indenture for the existence, furnishing, or use of the Phase #1 Improvements.

Section 9.4. Property Held in Trust.

All moneys and securities held by the Trustee at any time pursuant to the terms of this Indenture shall be held by the Trustee in trust for the purposes and under the terms and conditions of this Indenture.

Section 9.5. Trustee Protected in Relying on Certain Documents.

The Trustee may rely upon any order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond, or other document provided to the Trustee in accordance with the terms of this Indenture that it shall in good faith reasonably believe to be genuine and to

have been adopted or signed by the proper board or Person or to have been prepared and furnished pursuant to any of the provisions of this Indenture, or upon the written opinion of any counsel, architect, engineer, insurance consultant, management consultant, or accountant believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry into any statements contained or matters referred to in any such instrument. The Trustee may consult with counsel, who may or may not be Bond Counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered, or omitted to be taken by it in good faith and in accordance therewith.

Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter may be deemed to be conclusively proved and established by a City Certificate, unless other evidence in respect thereof be hereby specifically prescribed. Such City Certificate shall be full warrant for any action taken or suffered in good faith under the provisions hereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice, or other direction required or permitted to be furnished pursuant to any provision hereof by the City to the Trustee shall be sufficiently executed if executed in the name of the City by the City Representative.

The Trustee shall not be under any obligation to see to the recording or filing of this Indenture, or otherwise to the giving to any Person of notice of the provisions hereof except as expressly required in Section 9.13 herein.

Section 9.6. Compensation.

Unless otherwise provided by contract with the Trustee, the Trustee shall transfer from the Administrative Fund, from time to time, reasonable compensation for all services rendered by it hereunder, including its services as Registrar and Paying Agent, together with all its reasonable expenses, charges, and other disbursements and those of its counsel, agents and employees, incurred in and about the administration and execution of the trusts hereby created and the exercise of its powers and the performance of its duties hereunder, subject to any limit on the amount of such compensation or recovery of expenses or other charges as shall be prescribed by specific agreement, and the Trustee shall have a lien therefor on any and all funds at any time held by it hereunder prior to any Outstanding Bonds Similarly Secured. None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if in the judgment of the Trustee there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it. If the City shall fail to make any payment required by this Section, the Trustee may make such payment from any moneys in its possession under the provisions of this Indenture and shall be entitled to a preference therefor over any Outstanding Bonds Similarly Secured hereunder.

Section 9.7. Permitted Acts.

The Trustee and its directors, officers, employees, or agents may become the owner of or may in good faith buy, sell, own, hold and deal in Bonds Similarly Secured and may join in any action that any Owner of Bonds Similarly Secured may be entitled to take as fully and with the same rights as if it were not the Trustee. The Trustee may act as depository, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, the

City or any committee formed to protect the rights of holders of Bonds Similarly Secured or to effect or aid in any reorganization growing out of the enforcement of the Bonds Similarly Secured or this Indenture, whether or not such committee shall represent the holders of a majority in aggregate outstanding principal amount of the Bonds.

Section 9.8. Resignation of Trustee.

The Trustee may at any time resign and be discharged of its duties and obligations hereunder by giving not fewer than 30 days' notice, specifying the date when such resignation shall take effect, to the City and each Owner of any Outstanding Bonds Similarly Secured. Such resignation shall take effect upon the appointment of a successor as provided in Section 9.10 and the acceptance of such appointment by such successor.

Section 9.9. Removal of Trustee.

The Trustee may be removed at any time by (i) the Owners of at least a majority of the aggregate outstanding principal of the Bonds Similarly Secured by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or by their attorneys-in-fact, duly authorized and delivered to the City, or (ii) so long as the City is not in default under this Indenture, the City. Copies of each such instrument shall be delivered by the City to the Trustee and any successor thereof. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the City or the Owners of not less than 10% of the aggregate outstanding principal of the Bonds Similarly Secured.

Section 9.10. Successor Trustee.

If the Trustee shall resign, be removed, be dissolved, or become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator, or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of the Trustee hereunder shall thereupon become vacant.

If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, a successor Trustee may be appointed within one year after any such vacancy shall have occurred by the Owners of at least twenty-five percent (25%) of the aggregate outstanding principal of the Bonds Similarly Secured by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or their attorneys-in-fact, duly authorized and delivered to such successor Trustee, with notification thereof being given to the predecessor Trustee and the City.

Until such successor Trustee shall have been appointed by the Owners of the Bonds Similarly Secured, the City shall forthwith appoint a Trustee to act hereunder. Copies of any instrument of the City providing for any such appointment shall be delivered by the City to the Trustee so appointed. The City shall mail notice of any such appointment to each Owner of any Outstanding Bonds Similarly Secured within 30 days after such appointment. Any appointment of a successor Trustee made by the City immediately and without further act shall be superseded and revoked by an appointment subsequently made by the Owners of Bonds Similarly Secured.

If in a proper case no appointment of a successor Trustee shall be made within 45 days after the giving by any Trustee of any notice of resignation in accordance with Section 9.8 herein or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Owner of Bonds Similarly Secured may apply to any court of competent jurisdiction for the appointment of such a successor, and the court may thereupon, after such notice, if any, as the court may deem proper, appoint such successor and the City shall be responsible for the costs of such appointment process.

Any successor Trustee appointed under the provisions of this Section shall be a commercial bank or trust company or national banking association (i) having a capital and surplus and undivided profits aggregating at least \$50,000,000, if there be such a commercial bank or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms, and (ii) authorized by law to perform all the duties of the Trustee required by this Indenture.

Each successor Trustee shall mail, in accordance with the provisions of the Bonds Similarly Secured, notice of its appointment to the Trustee, any rating agency which, at the time of such appointment, is providing a rating on the Bonds Similarly Secured and each of the Owners of the Bonds Similarly Secured.

Section 9.11. Transfer of Rights and Property to Successor Trustee.

Any successor Trustee appointed under the provisions of Section 9.10 shall execute, acknowledge, and deliver to its predecessor and the City an instrument in writing accepting such appointment, and thereupon such successor, without any further act, deed, or conveyance, shall become fully vested with all moneys, estates, properties, rights, immunities, powers, duties, obligations, and trusts of its predecessor hereunder, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request of the City or of such successor, execute, acknowledge, and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the rights, immunities, powers, and trusts of such Trustee and all the right, title, and interest of such Trustee in and to the Trust Estate, and shall pay over, assign, and deliver to such successor any moneys or other properties subject to the trusts and conditions herein set forth. Should any deed, conveyance, or instrument in writing from the City be required by such successor for more fully and certainly vesting in and confirming to it any such moneys, estates, properties, rights, powers, duties, or obligations, any and all such deeds, conveyances, and instruments in writing, on request and so far as may be authorized by law, shall be executed, acknowledged, and delivered by the City.

Section 9.12. Merger, Conversion or Consolidation of Trustee.

Any corporation or association into which the Trustee may be merged or with which it may be consolidated or any corporation or association resulting from any merger, conversion or consolidation to which it shall be a party or any corporation or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Trustee hereunder, without any further act, deed or conveyance, provided that such corporation or association shall be a commercial bank or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 9.10, or a trust company that is a wholly-owned subsidiary of any of the foregoing.

Section 9.13. Trustee to File Continuation Statements.

If necessary, the Trustee shall file or cause to be filed, such continuation statements as are delivered to the Trustee by the City, or on behalf of the City, and which may be required by the Texas Uniform Commercial Code, as from time to time in effect (the "UCC"), in order to continue perfection of the security interest of the Trustee in such items of tangible or intangible personal property and any fixtures as may have been granted to the Trustee pursuant to this Indenture in the time, place and manner required by the UCC.

Section 9.14. Accounts, Periodic Reports and Certificates.

The Trustee shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Funds and Accounts established under the terms of the 2016 Indenture and confirmed by this Indenture and which shall at all times be subject to inspection by the City, and the Owner or Owners of not less than 10% in principal amount of any Bonds Similarly Secured then Outstanding or their representatives duly authorized in writing.

Section 9.15. Construction of Indenture.

The Trustee may construe any of the provisions of this Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provision hereof, and any construction of any such provisions hereof by the Trustee in good faith shall be binding upon the Owners of the Bonds Similarly Secured.

ARTICLE X

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 10.1. Amendments Permitted.

This Indenture and the rights and obligations of the City and of the Owners of the Bonds Similarly Secured may be modified or amended at any time by a Supplemental Indenture, except as provided below, pursuant to the affirmative vote at a meeting of Owners of the Bonds Similarly Secured, or with the written consent without a meeting, of the Owners of at least fifty-one percent (51%) of the aggregate principal amount of the Bonds Similarly Secured then Outstanding. No such modification or amendment shall (i) extend the maturity of any Bonds Similarly Secured or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bonds Similarly Secured, without the express consent of the Owner of such Bonds Similarly Secured, or (ii) permit the creation by the City of any pledge or lien upon the Pledged Revenues superior to or on a parity with the pledge and lien created for the benefit of the Bonds Similarly Secured (except as otherwise permitted by Applicable Laws or this Indenture), or reduce the percentage of Bonds Similarly Secured required for the amendment hereof. Any such amendment may not modify any of the rights or obligations of the Trustee without its written consent.

This Indenture and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Indenture, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(i) to add to the covenants and agreements of the City in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

(ii) to make modifications not adversely affecting any Outstanding Bonds Similarly Secured in any material respect;

(iii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in regard to questions arising under this Indenture, as the City and the Trustee may deem necessary or desirable and not inconsistent with this Indenture, and that shall not adversely affect the rights of the Owners of the Bonds Similarly Secured;

(iv) to provide for the issuance of Additional Bonds and/or Refunding Bonds as set forth in Section 13.2 herein; and

(v) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds Similarly Secured.

Any modification or amendment made pursuant to this paragraph of Section 10.1 shall not be subject to the notice procedures specified in Section 10.3 below.

Section 10.2. Owners' Meetings.

The City may at any time call a meeting of the Owners of the Bonds Similarly Secured. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof, and to fix and adopt rules and regulations for the conduct of said meeting.

Section 10.3. Procedure for Amendment with Written Consent of Owners.

The City and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds Similarly Secured or of this Indenture, to the extent that such amendment is permitted by Section 10.1 herein, to take effect when and as provided in this Section. A copy of such Supplemental Indenture, together with a request to Owners for their consent thereto, shall be mailed by first class mail, by the Trustee to each Owner of Bonds Similarly Secured from whom consent is required under this Indenture, but failure to mail copies of such Supplemental Indenture and request shall not affect the validity of the Supplemental Indenture when assented to as in this Section provided.

Such Supplemental Indenture requiring the consent of the Owners shall not become effective unless there shall be filed with the Trustee the written consents of the Owners as required by this Indenture and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds Similarly Secured for which such consent is given, which proof shall be such as is permitted by Section 11.6 herein. Any such consent shall be binding upon the Owner of the Bonds Similarly Secured giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof), unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Bonds Similarly Secured shall have filed their consents to the Supplemental Indenture, the City shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Indenture, stating in substance that the Supplemental Indenture has been consented to by the Owners of the required percentage of Bonds Similarly Secured and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Indenture or consents thereto). Proof of the mailing of such notice shall be filed with the Trustee. A record, consisting of the papers required by this Section 10.3 to be filed with the Trustee, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Indenture shall become effective upon the filing with the Trustee of the proof of mailing of such notice, and the Supplemental Indenture shall be deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article) upon the City and the Owners of all Bonds Similarly Secured at the expiration of ninety (90) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such ninety-day period.

Section 10.4. Effect of Supplemental Indenture.

From and after the time any Supplemental Indenture becomes effective pursuant to this Article X, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties, and obligations under this Indenture of the City, the Trustee and all Owners of Outstanding Bonds Similarly Secured shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.5. Endorsement or Replacement of Bonds Issued After Amendments.

The City may determine that Bonds Similarly Secured issued and delivered after the effective date of any action taken as provided in this Article X shall bear a notation, by endorsement or otherwise, in form approved by the City, as to such action. In that case, upon demand of the Owner of any Outstanding Bonds Similarly Secured at such effective date and presentation of his Bond Similarly Secured for that purpose at the designated office of the Trustee or at such other office as the City may select and designate for that purpose, a suitable notation shall be made on such Bond Similarly Secured. The City may determine that new Bonds Similarly Secured, so modified as in the opinion of the City is necessary to conform to such Owners' action, shall be prepared, executed, and delivered. In that case, upon demand of the Owner of any Bonds Similarly Secured then Outstanding, such new Bonds Similarly Secured shall be exchanged at the designated office of the Trustee without cost to any Owner, for Bonds Similarly Secured then Outstanding, upon surrender of such Bonds Similarly Secured.

Section 10.6. Amendatory Endorsement of Bonds Similarly Secured.

The provisions of this Article X shall not prevent any Owner from accepting any amendment as to the particular Bonds Similarly Secured held by such Owner, provided that due notation thereof is made on such Bonds Similarly Secured.

Section 10.7. Waiver of Default.

With the written consent of at least fifty-one percent (51%) in aggregate principal amount of the Bonds Similarly Secured then Outstanding, the Owners may waive compliance by the City with certain past defaults under the Indenture and their consequences. Any such consent shall be conclusive and binding upon the Owners and upon all future Owners.

Section 10.8. Execution of Supplemental Indenture.

In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall receive, and shall be fully protected in relying upon, an opinion of counsel addressed and delivered to the Trustee and the City stating that the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's own rights, duties and immunities under this Indenture or otherwise.

ARTICLE XI

DEFAULT AND REMEDIES

Section 11.1. Events of Default.

Each of the following occurrences or events shall be and is hereby declared to be an "Event of Default," to wit:

- (i) The failure of the City to deposit the Pledged Revenues to the Bond Pledged Revenue Account of the Pledged Revenue Fund;
- (ii) The failure of the City to enforce the collection of the Phase #1 Assessments including the prosecution of foreclosure proceedings;
- (iii) The failure to make payment of the principal of or interest on any of the Bonds Similarly Secured when the same becomes due and payable and such failure is not remedied within thirty (30) days; and
- (iv) Default in the performance or observance of any covenant, agreement or obligation of the City under this Indenture and the continuation thereof for a period of ninety (90) days after written notice to the City by the Trustee, or by the Owners of at least 25% of the aggregate outstanding principal of the Bonds Similarly Secured with a copy to the Trustee, specifying such default by the Owners of at least 25% of the Bonds Similarly Secured at the time Outstanding requesting that the failure be remedied.

Section 11.2. Immediate Remedies for Default.

(a) Subject to Article VIII, upon the happening and continuance of any of the Events of Default described in Section 11.1, the Owners of at least 25% of the Bonds Similarly Secured then Outstanding, may proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Indenture, by action seeking mandamus or by other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained herein, or injunction;

provided, however, that no action for money damages against the City may be sought or shall be permitted.

(b) THE PRINCIPAL OF THE BONDS SIMILARLY SECURED SHALL NOT BE SUBJECT TO ACCELERATION UNDER ANY CIRCUMSTANCES.

(c) If the assets of the Trust Estate are sufficient to pay all amounts due with respect to all Outstanding Bonds Similarly Secured, in the selection of Trust Estate assets to be used in the payment of Bonds Similarly Secured due under this Article, the City shall determine, in its absolute discretion, and shall instruct the Trustee by City Order, which Trust Estate assets shall be applied to such payment and shall not be liable to any Owner or other Person by reason of such selection and application. In the event that the City shall fail to deliver to the Trustee such City Order, the Trustee shall select and liquidate or sell Trust Estate assets as provided in the following paragraph, and shall not be liable to any Owner, or other Person, or the City by reason of such selection, liquidation or sale.

(d) Whenever moneys are to be applied pursuant to this Article XI, irrespective of and whether other remedies authorized under this Indenture shall have been pursued in whole or in part, the Trustee may cause any or all of the assets of the Trust Estate, including Investment Securities, to be sold. The Trustee may so sell the assets of the Trust Estate and all right, title, interest, claim and demand thereto and the right of redemption thereof, in one or more parts, at any such place or places, and at such time or times and upon such notice and terms as the Trustee may deem appropriate and as may be required by law and apply the proceeds thereof in accordance with the provisions of this Section. Upon such sale, the Trustee may make and deliver to the purchaser or purchasers a good and sufficient assignment or conveyance for the same, which sale shall be a perpetual bar both at law and in equity against the City, and all other Persons claiming such properties. No purchaser at any sale shall be bound to see to the application of the purchase money proceeds thereof or to inquire as to the authorization, necessity, expediency, or regularity of any such sale. Nevertheless, if so requested by the Trustee, the City shall ratify and confirm any sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be necessary or, in the judgment of the Trustee, proper for the purpose which may be designated in such request.

Section 11.3. Restriction on Owner's Action.

(a) No Owner shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of this Indenture or for the execution of any trust thereof or any other remedy hereunder, unless (i) a default has occurred and is continuing of which the Trustee has been notified in writing, (ii) such default has become an Event of Default and the Owners of 25% of the aggregate principal amount of the Bonds Similarly Secured then Outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (iii) the Owners have furnished to the Trustee indemnity as provided in Section 9.2 herein, (iv) the Trustee has for ninety (90) days after such notice failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name, (v) no direction inconsistent with such written request has been given to the Trustee during such 90-day period by the Owners of a majority of the aggregate principal amount of the Bonds Similarly Secured then Outstanding, and (vi) notice of such action, suit, or proceeding is given to the Trustee; however, no one or more Owners of the Bonds Similarly Secured shall have any right in any manner whatsoever to affect, disturb, or

prejudice this Indenture by its, his or their action or to enforce any right hereunder except in the manner provided herein, and that all proceedings at law or in equity shall be instituted and maintained in the manner provided herein and for the equal benefit of the Owners of all Bonds Similarly Secured then Outstanding. The notification, request and furnishing of indemnity set forth above shall, at the option of the Trustee, be conditions precedent to the execution of the powers and trusts of this Indenture and to any action or cause of action for the enforcement of this Indenture or for any other remedy hereunder.

(b) Subject to Article VIII, nothing in this Indenture shall affect or impair the right of any Owner to enforce, by action at law, payment of any Bond Similarly Secured at and after the maturity thereof, or on the date fixed for redemption or the obligation of the City to pay each Bond Similarly Secured issued hereunder to the respective Owners thereof at the time and place, from the source and in the manner expressed herein and in the Bonds Similarly Secured.

(c) In case the Trustee or any Owners shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or any Owners, then and in every such case the City, the Trustee and the Owners shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 11.4. Application of Revenues and Other Moneys After Default.

(a) All moneys, securities, funds and Pledged Revenues and the income therefrom received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the cost and expenses of the proceedings resulting in the collection of such amounts, the expenses (including its counsel), liabilities, and advances incurred or made by the Trustee and the fees of the Trustee in carrying out this Indenture, during the continuance of an Event of Default, notwithstanding Section 11.2 hereof, shall be applied by the Trustee, on behalf of the City, to the payment of interest and principal or Redemption Price then due on Bonds Similarly Secured, as follows:

FIRST: To the payment to the registered owners entitled thereto all installments of interest then due in the direct order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the registered owners entitled thereto, without any discrimination or preference; and

SECOND: To the payment to the registered owners entitled thereto of the unpaid principal of Outstanding Bonds Similarly Secured, or Redemption Price of any Bonds Similarly Secured which shall have become due, whether at maturity or by call for redemption, in the direct order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Bonds Similarly Secured due on any date, then to the payment thereof ratably, according to the amounts of principal due and to the registered owners entitled thereto, without any discrimination or preference.

Within ten (10) days of receipt of such good and available funds, the Trustee may fix a record and payment date for any payment to be made to Owners pursuant to this Section 11.4.

(b) In the event funds are not adequate to cure any of the Events of Default described in Section 11.1, the available funds shall be allocated to the Bonds Similarly Secured that are Outstanding in proportion to the quantity of Bonds Similarly Secured that are currently due and in default under the terms of this Indenture.

(c) The restoration of the City to its prior position after any and all defaults have been cured, as provided in Section 11.3, shall not extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

Section 11.5. Effect of Waiver.

(a) No delay or omission of the Trustee, or any Owner, to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee or the Owners, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 11.6. Evidence of Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Owners of Bonds Similarly Secured may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys duly appointed in writing. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, or the holding by any Person of the Bonds Similarly Secured shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner:

(i) The fact and date of the execution of such instruments by any Owner of Bonds Similarly Secured or the duly appointed attorney authorized to act on behalf of such Owner may be provided by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate, or affidavit shall also constitute sufficient proof of his authority.

(ii) The ownership of Bonds Similarly Secured and the amount, numbers and other identification and date of holding the same shall be proved by the Register.

(b) Except as otherwise provided in this Indenture with respect to revocation of a consent, any request or consent by an Owner of Bonds Similarly Secured shall bind all future Owners of the same Bonds Similarly Secured in respect of anything done or suffered to be done by the City or the Trustee in accordance therewith.

Section 11.7. No Acceleration.

In the event of the occurrence of an Event of Default under Section 11.1 hereof, the right of acceleration of any Stated Maturity is not granted as a remedy hereunder and the right of acceleration under this Indenture is expressly denied.

Section 11.8. Mailing of Notice.

Any provision in this Article for the mailing of a notice or other document to Owners shall be fully complied with if it is mailed, first class postage prepaid, only to each Owner at the address appearing upon the Register.

Section 11.9. Exclusion of Bonds Similarly Secured.

Bonds Similarly Secured owned or held by or for the account of the City will not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds Similarly Secured provided for in this Indenture, and the City shall not be entitled with respect to such Bonds Similarly Secured to give any consent or take any other action provided for in this Indenture.

ARTICLE XII

GENERAL COVENANTS AND REPRESENTATIONS

Section 12.1. Representations as to Pledged Revenues.

(a) The City represents and warrants that it is authorized by Applicable Laws to authorize and issue the Bonds Similarly Secured, to execute and deliver this Indenture and to pledge the Pledged Revenues in the manner and to the extent provided in this Indenture, and that the Pledged Revenues are and will be and remain free and clear of any pledge, lien, charge, or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge and lien created in or authorized by this Indenture except as expressly provided in this Indenture.

(b) The City shall at all times, to the extent permitted by Applicable Laws, defend, preserve and protect the pledge of the Pledged Revenues and all the rights of the Owners and the Trustee, under this Indenture against all claims and demands of all Persons whomsoever.

(c) The City will take all steps reasonably necessary and appropriate, and will direct the Trustee to take all steps reasonably necessary and appropriate, to collect all delinquencies in the collection of the Phase #1 Assessments and any other amounts pledged to the payment of the Bonds Similarly Secured to the fullest extent permitted by the PID Act and other Applicable Laws.

(d) To the extent permitted by law, notice of the Annual Installments shall be sent by, or on behalf of the City, to the affected property owners on the same statement or such other mechanism that is used by the City, so that such Annual Installments are collected simultaneously with ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City.

Section 12.2. Accounts, Periodic Reports and Certificates.

The Trustee shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Funds and Accounts established pursuant to the terms of the 2016 Indenture or confirmed by this Indenture and which shall at all times be subject to

inspection by the City, and the Owner or Owners of not less than 10% in principal amount of any Bond Similarly Secured then Outstanding or their representatives duly authorized in writing.

Section 12.3. General.

The City shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the City under the provisions of this Indenture.

ARTICLE XIII

SPECIAL COVENANTS

Section 13.1. Further Assurances; Due Performance.

(a) At any and all times the City will duly execute, acknowledge and deliver, or will cause to be done, executed and delivered, all and every such further acts, conveyances, transfers, and assurances in a manner as the Trustee shall reasonably require for better conveying, transferring, pledging, and confirming unto the Trustee, all and singular, the revenues, Funds, Accounts and properties constituting the Pledged Revenues, and the Trust Estate transferred and pledged, or intended so to be transferred and pledged.

(b) The City will duly and punctually keep, observe and perform each and every term, covenant and condition on its part to be kept, observed and performed, contained in this Indenture.

Section 13.2. Additional Obligations or Other Liens; Additional Bonds.

(a) The City reserves the right, subject to the provisions contained in this Section 13.2, to issue Additional Obligations under other indentures, assessment ordinances, or similar agreements or other obligations which do not constitute or create a lien on the Trust Estate and are not payable from Pledged Revenues.

(b) Other than bonds issued to refund all or a portion of the Bonds Similarly Secured, the City will not create or voluntarily permit to be created any debt, lien or charge on the Trust Estate, and will not do or omit to do or suffer to be or omitted to be done any matter or things whatsoever whereby the lien of this Indenture or the priority hereof might or could be lost or impaired; and further covenants that it will pay or cause to be paid or will make adequate provisions for the satisfaction and discharge of all lawful claims and demands which if unpaid might by law be given precedence over or any equality with this Indenture as a lien or charge upon the Pledged Revenues or Pledged Funds; provided, however, that nothing in this Section shall require the City to apply, discharge, or make provision for any such lien, charge, claim, or demand so long as the validity thereof shall be contested by it in good faith, unless thereby, in the opinion of Bond Counsel or counsel to the Trustee, the same would endanger the security for the Bonds Similarly Secured.

(c) The City reserves the right to issue the 2018 Bonds as Additional Bonds for any purpose permitted by the PID Act and in accordance with the conditions set forth below (unless otherwise waived by the Owners of the 2016 Bonds):

(i) the City Representative shall certify that the City is not in default in the performance and observance of any of the terms, provisions and conditions applicable to the City contained in the Indenture;

(ii) the Developer, through an authorized representative, shall certify that the Developer is not in default in the performance and observance of any of the terms, provisions and conditions applicable to the Developer in the Amended Development Agreement;

(iii) the PID Administrator, through an authorized representative, shall certify as to the then-current compliance with the terms and provisions of the Disclosure Agreement of the Developer;

(iv) the Developer, through an authorized representative, shall certify that (A) a minimum of fifty (50) certificates of occupancy have been issued for single-family homes constructed within Phase #1; and (B) the average gross sales price (which is the gross amount including escalations and reimbursements due to the seller of the lots) for each lot type based on the actual lot closings in the District allocated to every Phase #1 Assessed Parcel within Phase #1 or an appraisal of the average retail value of the remaining unsold lots within Phase #1 on individual lot basis by lot type is at least 2.08 times the portion of the total principal amount of any outstanding Bond Similarly Secured (including both the Bonds outstanding and the Additional Bonds proposed to be issued), that is allocated to each Assessed Property on a Parcel-by-Parcel basis for each individual lot;

(v) the principal of and interest on the Additional Bonds must be scheduled to be paid or mature on March 1 or September 1, or both, of the years in which each principal or interest are scheduled to be paid or mature; and

(vi) there shall be deposited to the Reserve Account an amount equal to the Reserve Account Requirement taking into account the outstanding Bonds Similarly Secured, and the Additional Bonds then proposed to be issued.

Section 13.3. Books of Record.

(a) The City shall cause to be kept full and proper books of record and accounts, in which full, true and proper entries will be made of all dealing, business and affairs of the City, which relate to the Pledged Revenues, the Pledged Funds, and the Bonds Similarly Secured.

(b) The Trustee shall have no responsibility with respect to the financial and other information received by it pursuant to this Section 13.3 except to receive and retain same, subject to the Trustee's document retention policies, and to distribute the same in accordance with the provisions of this Indenture. Specifically, but without limitation, the Trustee shall have no duty to review such information, is not considered to have notice of the contents of such information or a default based on such contents, and has no duty to verify the accuracy of such information.

ARTICLE XIV

PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE
INDENTURESection 14.1. Trust Irrevocable.

The trust created by the terms and provisions of this Indenture is irrevocable until the Bonds Similarly Secured which are secured hereby are fully paid or provision is made for their payment as provided in this Article.

Section 14.2. Satisfaction of Indenture.

If the City shall pay or cause to be paid, or there shall otherwise be paid to the Owners, principal of and interest on all of the Bonds Similarly Secured, at the times and in the manner stipulated in this Indenture, and all amounts due and owing with respect to the Bonds Similarly Secured have been paid or provided for, then the pledge of the Trust Estate and all covenants, agreements, and other obligations of the City to the Owners of such Bonds Similarly Secured, shall thereupon cease, terminate, and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the City copies of all such documents as it may have evidencing that principal of and interest on all of the Bonds Similarly Secured has been paid so that the City may determine if this Indenture is satisfied; if so, the Trustee shall pay over or deliver all moneys held by it in the in Funds and Accounts held hereunder to the Person entitled to receive such amounts, or, if no Person is entitled to receive such amounts, then to the City.

Section 14.3. Bonds Similarly Secured Deemed Paid.

All Outstanding Bonds Similarly Secured of any series shall, prior to the Stated Maturity or redemption date thereof, be deemed to have been paid and to no longer be deemed Outstanding if (i) in case any such series of Bonds Similarly Secured are to be redeemed on any date prior to their Stated Maturity, the Trustee shall have given notice of redemption on said date as provided herein, (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Securities the principal of and the interest on which when due will provide moneys which, together with any moneys deposited with the Trustee at the same time, shall be sufficient to pay when due the principal of and interest on such series of the Bonds Similarly Secured to become due on such series of Bonds Similarly Secured on and prior to the redemption date or maturity date thereof, as the case may be, (iii) the Trustee shall have received a report by an independent certified public accountant selected by the City verifying the sufficiency of the moneys or Defeasance Securities deposited with the Trustee to pay when due the principal of and interest on the series of Bonds Similarly Secured to become due on such Bonds Similarly Secured on and prior to the redemption date or maturity date thereof, as the case may be, and (iv) if the series of Bonds Similarly Secured are then rated, the Trustee shall have received written confirmation from each rating agency that such deposit will not result in the reduction or withdrawal of the rating on such series of Bonds Similarly Secured. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds Similarly Secured. Any cash received from such principal of and interest on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, be reinvested in Defeasance Securities as directed in writing by the City maturing at times and in amounts sufficient to pay when due the principal of

and interest on the Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Any payment for Defeasance Securities purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Defeasance Securities.

ARTICLE XV

MISCELLANEOUS

Section 15.1. Benefits of Indenture Limited to Parties.

Nothing in this Indenture, expressed or implied, is intended to give to any Person other than the City, the Trustee and the Owners, any right, remedy, or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture by and on behalf of the City shall be for the sole and exclusive benefit of the Owners and the Trustee.

Section 15.2. Successor is Deemed Included in All References to Predecessor.

Whenever in this Indenture or any Supplemental Indenture either the City or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the City or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 15.3. Execution of Documents and Proof of Ownership by Owners.

Any request, declaration, or other instrument which this Indenture may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys duly appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration, or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the Person signing such request, declaration, or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds Similarly Secured and the amount, maturity, number, and date of holding the same shall be proved by the Register.

Any request, declaration or other instrument or writing of the Owner of any series of Bond Similarly Secured shall bind all future Owners of such series of Bond Similarly Secured in respect of anything done or suffered to be done by the City or the Trustee in good faith and in accordance therewith.

Section 15.4. Waiver of Personal Liability.

No member, officer, agent, or employee of the City shall be individually or personally liable for the payment of the principal of, or interest or any premium on, the Bonds Similarly

Secured; but nothing herein contained shall relieve any such member, officer, agent, or employee from the performance of any official duty provided by law.

Section 15.5. Notices to and Demands on City and Trustee.

(a) Except as otherwise expressly provided in this Indenture, all notices or other instruments required or permitted under this Indenture, including any City Certificate or City Order, shall be in writing and shall be delivered by hand, mailed by first class mail, postage prepaid, or transmitted by facsimile or e-mail and addressed as follows:

If to the City: City of Celina, Texas
142 North Ohio
Celina, Texas 75009
Attn: Director of Finance

If to the Trustee
or the Paying Agent/Registrar: U.S. Bank National Association
Attention: Bond Operations
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402

Any such notice, demand, or request may also be transmitted to the appropriate party by telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

Any of such addresses may be changed at any time upon written notice of such change given to the other party by the party effecting the change. Notices and consents given by mail in accordance with this Section shall be deemed to have been given five Business Days after the date of dispatch; notices and consents given by any other means shall be deemed to have been given when received.

(b) The Trustee shall mail to each Owner of a Bond Similarly Secured notice of (i) any substitution of the Trustee; or (ii) the redemption or defeasance of all Bonds Similarly Secured Outstanding.

(c) The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the City shall provide to the Trustee an incumbency certificate listing designated persons authorized to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The City agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 15.6. Partial Invalidity.

If any Section, paragraph, sentence, clause, or phrase of this Indenture shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The City hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause, or phrase hereof and authorized the issue of the Bonds Similarly Secured pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid, or unenforceable.

Section 15.7. Applicable Laws.

This Indenture shall be governed by and enforced in accordance with the laws of the State of Texas applicable to contracts made and performed in the State of Texas.

Section 15.8. Payment on Business Day.

In any case where the date of the maturity of interest or of principal (and premium, if any) of any series of the Bonds Similarly Secured or the date fixed for redemption of any Bonds Similarly Secured of such series or the date any action is to be taken pursuant to this Indenture is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day that is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

Section 15.9. Counterparts.

This Indenture may be executed in counterparts, each of which shall be deemed an original.

Section 15.10. No Boycott of Israel.

The Trustee hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Indenture is a contract for goods or services, will not boycott Israel during the term of this Indenture. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Trustee understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Trustee and exists to make a profit."

Section 15.11. Iran, Sudan, and Foreign Terrorist Organizations.

The Trustee represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made

solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Trustee and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Trustee understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Trustee and exists to make a profit.

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EXHIBIT A(a) Form of Bond.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE CITY, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION OR AGENCY THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND.

REGISTERED

REGISTERED

No. _____

\$ _____

United States of America
State of Texas

CITY OF CELINA, TEXAS
SPECIAL ASSESSMENT REVENUE BOND, SERIES 2016
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1 PROJECT)

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF DELIVERY</u>	<u>CUSIP NUMBER</u>
_____ %	September 1, 20__	_____	_____

The City of Celina, Texas (the "City"), for value received, hereby promises to pay, solely from the Trust Estate, to

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

_____ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of the Date of Delivery, as specified above, or the most recent Interest Payment Date to which interest has been paid or provided for until such principal amount shall have 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 March 1 and September 1 of each year, commencing March 1, 2017, until maturity or prior redemption.

Capitalized terms appearing herein that are defined terms in the Indenture defined below, have the meanings assigned to them in the Indenture. Reference is made to the Indenture for such definitions and for all other purposes.

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 St. Paul, Minnesota (the "Designated Payment/Transfer Office"), of U.S. Bank National Association, Dallas, Texas, as trustee and paying agent/registrar (the "Trustee", which term includes any successor trustee under the Indenture), or, with respect to a

successor trustee and 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 Trustee to the registered owner at the address shown on the registration books kept by the Trustee or by such other customary banking arrangements acceptable to the Trustee, requested by, and at the risk and expense of, the Person to whom interest is to be paid. 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 fifteenth day of the month next preceding such Interest Payment Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 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 Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, 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 duly authorized issue of assessment revenue bonds of the City having the designation specified in its title (herein referred to as the "Bonds"), dated August 1, 2016 and issued in the aggregate principal amount of \$3,550,000 and issued, with the limitations described herein, pursuant to an Indenture of Trust, dated as of August 1, 2016 (the "Indenture"), by and between the City and the Trustee, to which Indenture reference is hereby made for a description of the amounts thereby pledged and assigned, the nature and extent of the lien and security, the respective rights thereunder to the holders of the Bonds, the Trustee, and the City, and the terms upon which the Bonds are, and are to be, authenticated and delivered and by this reference to the terms of which each holder of this Bond hereby consents. All Bonds issued under the Indenture are equally and ratably secured by the amounts thereby pledged and assigned. The Bonds are being issued for the purpose of (i) paying a portion of the Actual Costs of the Phase #1 Improvements, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #1 Improvements, (ii) funding a reserve fund for payment of principal and interest on Bonds, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying the costs of issuance of the Bonds.

The Bonds are limited obligations of the City payable solely from the Trust Estate as defined in the Indenture. Reference is hereby made to the Indenture, copies of which are on file with and available upon request from the Trustee, for the provisions, among others, with respect to the nature and extent of the duties and obligations of the City, the Trustee and the Owners. The Owner of this Bond, by the acceptance hereof, is deemed to have agreed and consented to the terms, conditions and provisions of the Indenture.

Notwithstanding any provision hereof, the Indenture may be released and the obligation of the City to make money available to pay this Bond may be defeased by the deposit of money and/or certain direct or indirect Defeasance Securities sufficient for such purpose as described in the Indenture.

The Bonds are issuable as fully registered bonds only in Authorized Denominations, subject to the provisions of the Indenture authorizing redemption in denominations of \$25,000 and any multiple of \$5,000 in excess thereof.

The Bonds are subject to sinking fund redemption prior to their respective maturities and will be redeemed by the City in part at a price equal to the principal amount thereof plus accrued and unpaid interest thereon to the date set for redemption from moneys available for such purpose in the Redemption Fund pursuant to Article VI of the Indenture, on the dates and in the Sinking Fund Installment amounts as set forth in the following schedule:

Term Bonds Maturing September 1, 2020

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
September 1, 2018	\$65,000
September 1, 2019	\$65,000
September 1, 2020*	\$65,000

Term Bonds Maturing September 1, 2027

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
September 1, 2021	\$70,000
September 1, 2022	\$75,000
September 1, 2023	\$75,000
September 1, 2024	\$80,000
September 1, 2025	\$80,000
September 1, 2026	\$85,000
September 1, 2027*	\$90,000

Term Bonds Maturing September 1, 2037

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
September 1, 2028	\$95,000
September 1, 2029	\$95,000
September 1, 2030	\$100,000
September 1, 2031	\$105,000
September 1, 2032	\$110,000
September 1, 2033	\$115,000
September 1, 2034	\$125,000
September 1, 2035	\$130,000
September 1, 2036	\$135,000
September 1, 2037*	\$140,000
* maturity	

Term Bonds Maturing September 1, 2046

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
September 1, 2038	\$150,000
September 1, 2039	\$155,000
September 1, 2040	\$165,000
September 1, 2041	\$175,000
September 1, 2042	\$180,000
September 1, 2043	\$190,000
September 1, 2044	\$200,000
September 1, 2045	\$210,000
September 1, 2046*	\$225,000

At least forty-five (45) days prior to each sinking fund redemption date, the Trustee shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Bonds of such maturity equal to the Sinking Fund Installments of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.9 of the Indenture.

The principal amount of Bonds required to be redeemed on any sinking fund redemption date shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least 45 days prior to the sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued and unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption and not previously credited to a sinking fund redemption.

The City reserves the right and option to redeem Bonds before their scheduled maturity dates, in whole or in part, on any date on or after September 1, 2026, at par plus accrued interest to the date of redemption.

Bonds are subject to extraordinary optional redemption prior to maturity in whole or in part, on the first day of any month, at a Redemption Price equal to the principal amount of the Bonds called for redemption, plus accrued and unpaid interest to the date fixed for redemption from amounts on deposit in the Redemption Fund as a result of Prepayments, other transfers to the Redemption Fund pursuant to the Indenture, or as a result of unexpended amounts transferred from the Project Fund as provided in the Indenture.

The Trustee 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 part thereof) to be redeemed, at the address shown on the Register. 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. Any notice so given shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

With respect to any optional redemption of the Bonds, unless the Trustee has received funds sufficient to pay the Redemption Price of the Bonds to be redeemed before giving of a notice of redemption, the notice may state the City may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the City and the rights of the holders of the Bonds under the Indenture at any time Outstanding affected by such modification. The Indenture also contains provisions permitting the holders of specified percentages in aggregate principal amount of the Bonds at the time Outstanding, on behalf of the holders of all the Bonds, to waive compliance by the City with certain past defaults under the Bond Ordinance or the Indenture and their consequences. Any such consent or waiver by the holder of this Bond or any predecessor Bond evidencing the same debt shall be conclusive and binding upon such holder and upon all future holders thereof and of any Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, whether or not notation of such consent or waiver is made upon this Bond.

As provided in the Indenture, 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 Trustee, and upon delivery to the Trustee of such certifications and/or opinion of counsel as may be required under the Indenture for the transfer of this Bond. Upon satisfaction of such requirements, 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 City nor the Trustee shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar

days of 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 City, the Trustee, 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 City nor the Trustee shall be affected by notice to the contrary.

The City has reserved the right to issue Additional Bonds on the terms and conditions specified in the Indenture.

NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE CITY OF CELINA, TEXAS, COLLIN COUNTY, TEXAS, THE STATE OF TEXAS, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE BONDS.

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 in 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; and that the total indebtedness of the City, including the Bonds, does not exceed any Constitutional or statutory limitation.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be executed under the official seal of the City.

Mayor, City of Celina, Texas

City Secretary, City of Celina, Texas

[City Seal]

(b) Form of Comptroller's Registration Certificate.

The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond:

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER	§	
OF PUBLIC ACCOUNTS	§	REGISTER NO. _____
	§	
THE STATE OF TEXAS	§	

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has approved this Bond, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____

Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Trustee.

CERTIFICATE OF TRUSTEE

It is hereby certified that this is one of the Bonds of the series of Bonds referred to in the within mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
Dallas, Texas, as Trustee

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.

Date: _____

Signature Guaranteed By:

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 Trustee.

Authorized Signatory

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

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

(ii) in the first paragraph of the Bond, the words "on the Maturity Date specified above, the sum of _____ DOLLARS" shall be deleted and the following will be inserted: "on September 1 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Installments</u>	<u>Interest Rates</u>
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(Information to be inserted from Section 3.3(c) hereof); and

the Initial Bond shall be numbered T-1.

EXHIBIT B(f) Form of Bond.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE CITY, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION OR AGENCY THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND.

REGISTERED

REGISTERED

No. _____

\$ _____

United States of America
State of Texas

CITY OF CELINA, TEXAS
SPECIAL ASSESSMENT REVENUE BOND, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1B PROJECT)

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF DELIVERY</u>	<u>CUSIP NUMBER</u>
_____ %	September 1, 20__	_____	_____

The City of Celina, Texas (the "City"), for value received, hereby promises to pay, solely from the Trust Estate, to

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

_____ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of the Date of Delivery, as specified above, or the most recent Interest Payment Date to which interest has been paid or provided for until such principal amount shall have 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 March 1 and September 1 of each year, commencing March 1, 2019, until maturity or prior redemption.

Capitalized terms appearing herein that are defined terms in the Indenture defined below, have the meanings assigned to them in the Indenture. Reference is made to the Indenture for such definitions and for all other purposes.

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 St. Paul, Minnesota (the "Designated Payment/Transfer Office"), of U.S. Bank National Association, Dallas, Texas, as trustee and paying agent/registrant (the "Trustee", which term includes any successor trustee under the Indenture), or, with respect to a successor trustee and paying agent/registrant, 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 Trustee to the registered owner at the address shown on the registration books kept by the Trustee or by such other customary banking arrangements acceptable to the Trustee, requested by, and at the risk and expense of, the Person to whom interest is to be paid. 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 fifteenth day of the month next preceding such Interest Payment Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 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 Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, 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 duly authorized issue of assessment revenue bonds of the City having the designation specified in its title (herein referred to as the "Bonds"), dated November 1, 2018 and issued in the aggregate principal amount of \$_____ and issued, with the limitations described herein, pursuant to an Amended and Restated Indenture of Trust, dated as of November 1, 2018 (the "Indenture"), by and between the City and the Trustee, to which Indenture reference is hereby made for a description of the amounts thereby pledged and assigned, the nature and extent of the lien and security, the respective rights thereunder to the holders of the Bonds, the Trustee, and the City, and the terms upon which the Bonds are, and are to be, authenticated and delivered and by this reference to the terms of which each holder of this Bond hereby consents. All Bonds issued under the Indenture are equally and ratably secured by the amounts thereby pledged and assigned. The Bonds are being issued for the purpose of (i) paying a portion of the Actual Costs of the Phase #1 Improvements, (ii) funding a reserve fund for payment of principal and interest on Bonds, and (iii) paying the costs of issuance of the Bonds.

The Bonds are limited obligations of the City payable solely from the Trust Estate as defined in the Indenture. Reference is hereby made to the Indenture, copies of which are on file with and available upon request from the Trustee, for the provisions, among others, with respect to the nature and extent of the duties and obligations of the City, the Trustee and the Owners. The Owner of this Bond, by the acceptance hereof, is deemed to have agreed and consented to the terms, conditions and provisions of the Indenture.

Notwithstanding any provision hereof, the Indenture may be released and the obligation of the City to make money available to pay this Bond may be defeased by the deposit of money

and/or certain direct or indirect Defeasance Securities sufficient for such purpose as described in the Indenture.

The Bonds are issuable as fully registered bonds only in Authorized Denominations, subject to the provisions of the Indenture authorizing redemption in denominations of \$25,000 and any multiple of \$1,000 in excess thereof.

The Bonds are subject to sinking fund redemption prior to their respective maturities and will be redeemed by the City in part at a price equal to the principal amount thereof plus accrued and unpaid interest thereon to the date set for redemption from moneys available for such purpose in the Redemption Fund pursuant to Article VI of the Indenture, on the dates and in the Sinking Fund Installment amounts as set forth in the following schedule:

Term Bonds Maturing September 1, 20

Term Bonds Maturing September 1, 20

Redemption Date

Sinking Fund
Installment

Redemption Date

Sinking Fund
Installment

* maturity

At least forty-five (45) days prior to each sinking fund redemption date, the Trustee shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Bonds of such maturity equal to the Sinking Fund Installments of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.9 of the Indenture.

The principal amount of Bonds required to be redeemed on any sinking fund redemption date shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least 45 days prior to the sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued and unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption and not previously credited to a sinking fund redemption.

The City reserves the right and option to redeem Bonds before their scheduled maturity dates, in whole or in part, on any date on or after September 1, 20__, at par plus accrued interest to the date of redemption.

Bonds are subject to extraordinary optional redemption prior to maturity in whole or in part, on the first day of any month, at a Redemption Price equal to the principal amount of the Bonds called for redemption, plus accrued and unpaid interest to the date fixed for redemption from amounts on deposit in the Redemption Fund as a result of Prepayments, other transfers to the Redemption Fund pursuant to the Indenture, or as a result of unexpended amounts transferred from the Project Fund as provided in the Indenture.

The Trustee 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 part thereof) to be redeemed, at the address shown on the Register. 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. Any notice so given shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

With respect to any optional redemption of the Bonds, unless the Trustee has received funds sufficient to pay the Redemption Price of the Bonds to be redeemed before giving of a notice of redemption, the notice may state the City may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the City and the rights of the holders of the Bonds under the Indenture at any time Outstanding affected by such modification. The Indenture also contains provisions permitting the holders of specified percentages in aggregate principal amount of the Bonds at the time Outstanding, on behalf of the holders of all the Bonds, to waive compliance by the City with certain past defaults under the Bond Ordinance or the Indenture and their consequences. Any such consent or waiver by the holder of this Bond or any predecessor Bond evidencing the same debt shall be conclusive and binding upon such holder and upon all future holders thereof and of any Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, whether or not notation of such consent or waiver is made upon this Bond.

As provided in the Indenture, 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 Trustee, and upon delivery to the Trustee of such certifications and/or opinion of counsel as may be required under the Indenture for the transfer of this Bond. Upon satisfaction of such requirements, 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 City nor the Trustee shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar days of 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 City, the Trustee, 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 City nor the Trustee shall be affected by notice to the contrary.

The City has reserved the right to issue Additional Obligations on the terms and conditions specified in the Indenture.

NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE CITY OF CELINA, TEXAS, COLLIN COUNTY, TEXAS, THE STATE OF TEXAS, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE BONDS.

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 in 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; and that the total indebtedness of the City, including the Bonds, does not exceed any Constitutional or statutory limitation.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be executed under the official seal of the City.

Mayor, City of Celina, Texas

City Secretary, City of Celina, Texas

[City Seal]

(g) Form of Comptroller's Registration Certificate.

The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond:

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER	§	
OF PUBLIC ACCOUNTS	§	REGISTER NO. _____
	§	
THE STATE OF TEXAS	§	

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has approved this Bond, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____

Comptroller of Public Accounts
of the State of Texas

[SEAL]

(h) Form of Certificate of Trustee.

CERTIFICATE OF TRUSTEE

It is hereby certified that this is one of the Bonds of the series of Bonds referred to in the within mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
Dallas, Texas, as Trustee

DATED: _____

By: _____
Authorized Signatory

(i) 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.

Date: _____

Signature Guaranteed By:

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
Trustee.

Authorized Signatory

(j) The Initial Bond shall be in the form set forth in paragraphs (a) through (d) of this
Exhibit A, except for the following alterations:

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

(ii) in the first paragraph of the Bond, the words "on the Maturity Date
specified above, the sum of _____ DOLLARS" shall be deleted and the following

will be inserted: “on September 1 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Installments</u>	<u>Interest Rates</u> ”
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(Information to be inserted from Section 3.4(c) hereof); and

the Initial Bond shall be numbered T-1.

SECTION 2: 2016 Indenture. Except as hereby amended and restated, all of the provisions of the 2016 Indenture are hereby ratified and confirmed.

IN WITNESS WHEREOF, the City and the Trustee have caused this Indenture of Trust to be executed all as of the date hereof.

CITY OF CELINA, TEXAS

By: _____,
Mayor

Attest:

_____,
City Secretary

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Officer

EXHIBIT B
BOND PURCHASE AGREEMENT

Attachment: Celina - Glen Crossing Phase #1B 2018 - Bond Ordinance (with attachments) (2018 - 58 : Glen Crossing PID Phase 1B Bond

**§[PRINCIPAL]
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1B PROJECT)**

BOND PURCHASE AGREEMENT

November 13, 2018

City of Celina, Texas
142 N. Ohio Street
Celina, Texas 76201

Ladies and Gentlemen:

The undersigned, FMSbonds, Inc. (the “Underwriter”), offers to enter into this Bond Purchase Agreement (this “Agreement”) with the City of Celina, Texas (the “City”), which will be binding upon the City and the Underwriter upon the acceptance of this Agreement by the City. This offer is made subject to its acceptance by the City by execution of this Agreement and its delivery to the Underwriter on or before 10:00 p.m., Central Time, on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the City at any time prior to the acceptance hereof by the City. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Indenture (defined herein) between the City and U.S. Bank National Association, as trustee (the “Trustee”), authorizing the issuance of the Bonds (defined herein), and in the Limited Offering Memorandum (defined herein).

1. Purchase and Sale of Bonds. Upon the terms and conditions and upon the basis of representations, warranties, and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the §[PRINCIPAL] aggregate principal amount of the “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #1B Project)” (the “Bonds”), at a purchase price of \$_____ (representing the aggregate principal amount of the Bonds, [plus a premium of \$_____, and] less an Underwriter’s discount of \$_____).

Inasmuch as this purchase and sale represents a negotiated transaction, the City understands, and hereby confirms, that the Underwriter is not acting as a municipal advisor or fiduciary of the City (including, without limitation, a “municipal advisor” (as such term is defined in Section 975(e) of the Dodd Frank Wall Street Reform and Consumer Protection Act)), but rather is acting solely in its capacity as Underwriter for its own account. The City acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement

is an arm's length commercial transaction between the City and the Underwriter and the Underwriter has financial and other interests that differ from any other party to this Agreement, (ii) in connection with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, municipal advisor, financial advisor, or fiduciary of the City, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering described herein or the discussions, undertakings, and procedures leading thereto (regardless of whether the Underwriter has provided other services or is currently providing other services to the City on other matters) and the Underwriter has no obligation to the City with respect to the offering described herein except the obligations expressly set forth in this Agreement, (iv) the City has consulted its own legal, financial and other advisors to the extent it has deemed appropriate, (v) the Underwriter has financial and other interests that differ from those of the City, and (vi) the Underwriter has provided to the City prior disclosures under Rule G-17 of the Municipal Securities Rulemaking Board ("MSRB"), which have been received by the City. The City further acknowledges and agrees that following the issuance and delivery of the Bonds, the Underwriter has indicated that it may have periodic discussions with the City regarding the expenditure of Bond proceeds and the construction of the Phase #1 Improvements (as defined herein) financed with the Bonds and, in connection with such discussions, the Underwriter shall be acting solely as a principal and will not be acting as the agent or fiduciary of, and will not be assuming an advisory or fiduciary responsibility in favor of, the City.

The Bonds shall be dated November 1, 2018 and shall have the maturities and redemption features, if any, and bear interest at the rates per annum shown on Schedule I hereto. Payment for and delivery of the Bonds, and the other actions described herein, shall take place on December 6, 2018 (or such other date as may be agreed to by the City and the Underwriter) (the "Closing Date").

2. Authorization Instruments and Law. The Bonds were authorized by Ordinance No. _____ enacted by the City Council of the City (the "City Council") on November 13, 2018 (the "Bond Ordinance") and shall be issued pursuant to the provisions of Subchapter A of Chapter 372, Texas Local Government Code, as amended (the "Act"), and the Amended and Restated Indenture of Trust, dated as of November 1, 2018, between the City and the Trustee, authorizing the issuance of the Bonds (the "Indenture"). The Bonds shall be substantially in the form described in, and shall be secured under the provisions of, the Indenture.

The Bonds and interest thereon shall be secured by the proceeds of special assessments (the "Phase #1 Assessments") levied on the assessable parcels within Phase #1 (consisting of approximately 41.5 acres) of Glen Crossing Public Improvement District (the "District"). The District was established by Resolution No. 2016-24R (the "Creation Resolution"), enacted by the City Council on April 12, 2016, in accordance with the Act. A Service and Assessment Plan (as subsequently updated and amended, the "Service and Assessment Plan") was adopted by the City Council on July 12, 2016, pursuant to Ordinance No. _____, which sets forth the costs of the Phase #1 Improvements and the method of payment of the Phase #1 Assessments (the "Assessment Ordinance"), and was updated on October 9, 2018 and November 13, 2018. On July 12, 2016, the City Council adopted Ordinance No. 2016-48 (the "TIRZ Ordinance," and, together with the Creation Resolution, the Indenture, the Bond Ordinance and the Assessment Ordinance, the "Authorizing Documents"), creating a tax increment reinvestment zone known as

“Reinvestment Zone No. 6, City of Celina” covering Phase #1 of the District (as subsequently expanded, the “TIRZ”). Pursuant to the TIRZ Ordinance, the TIRZ Board of Directors approved a project and financing plan (as subsequently amended and restated, the “Project and Financing Plan”) which dedicates a portion of the tax increment revenues generated from the property in the TIRZ as an offset or credit against the Annual Installment of Phase #1 Assessments. The Bonds shall be further secured by certain applicable funds and accounts created under the Indenture.

The Bonds shall be as described in Schedule I, the Indenture, and the Limited Offering Memorandum. The proceeds of the Bonds shall be used for (i) paying a portion of the costs of certain public improvements to serve Phase #1 of the District (“the Phase #1 Improvements”), (ii) funding a reserve fund for the payment of principal of and interest on the Bonds Similarly Secured (as defined in the Indenture), and (iii) paying the costs of issuance of the Bonds.

3. Limited Public Offering. The Underwriter agrees to make a bona fide limited public offering of all of the Bonds. On or before the third (3rd) business day prior to the Closing Date, the Underwriter shall execute and deliver to Bond Counsel the Issue Price Certificate, in substantially the form attached hereto as Appendix B.

4. Establishment of Issue Price.

a. The Underwriter agrees to assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City on or before the third (3rd) business day prior to Closing (as defined herein) an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Appendix B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the City and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the City under this Section to establish the issue price of the Bonds may be taken on behalf of the City by the City’s Financial Advisor identified herein and any notice or report to be provided to the City may be provided to the City’s Financial Advisor.

b. The Underwriter confirms that it has offered all the Bonds of each maturity to the public on or before the date of this Agreement at the respective offering price (the “initial offering price”), or at the corresponding yield or yields, set forth in Schedule I attached hereto, except as otherwise set forth therein. The City will treat the first price at which 10% of each maturity of the Bonds is sold to the public as of the sale date as the issue price of that maturity (the “10% test”). At or promptly after the execution of this Agreement, the Underwriter shall report to the City on Schedule A to the issue price certificate the first price at which the Underwriter has sold to the public each maturity of Bonds, and shall identify to the City on Schedule A to the issue price certificate those maturities of the Bonds for which the 10% test has not been satisfied. If different interest coupons apply within a maturity, each separate CUSIP number within that maturity will be treated as a separate maturity for this purpose.

c. The City and the Underwriter agree that the restrictions set forth in the next sentence shall apply to those maturities of the Bonds for which the 10% test has not been met as of the date of this Agreement, which will allow the City to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the City when the Underwriter has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if such sale occurs prior to the close of the fifth (5th) business day after the sale date.

d. The Underwriter confirms that any selling group agreement and each third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter and as set forth in the related pricing wires, (B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public, and (C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public. The City acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

e. The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date of execution of this Agreement by all parties.

5. Limited Offering Memorandum.

a. Delivery of Limited Offering Memorandum. The City previously has delivered, or caused to be delivered, to the Underwriter the Preliminary Limited Offering Memorandum for the Bonds dated November 2, 2018 (the “Preliminary Limited Offering Memorandum”), in a “designated electronic format,” as defined in the Municipal Securities Rulemaking Board (“MSRB”) Rule G-32 (“Rule G-32”). The City will prepare, or cause to be prepared, a final Limited Offering Memorandum relating to the Bonds (the “Limited Offering Memorandum”) which will be (i) dated the date of this Agreement, (ii) complete within the meaning of the United States Securities and Exchange Commission’s Rule 15c2-12, as amended (“Rule 15c2-12”), (iii) in a “designated electronic format,” and (iv) substantially in the form of the most recent version of the Preliminary Limited Offering Memorandum provided to the Underwriter before the execution hereof. The Limited Offering Memorandum, including the cover page thereto, all exhibits, schedules, appendices, maps, charts, pictures, diagrams, reports, and statements included or incorporated therein or attached thereto, and all amendments and supplements thereto that may be authorized for use with respect to the

Bonds are collectively referred to herein as the “Limited Offering Memorandum.” Until the Limited Offering Memorandum has been prepared and is available for distribution, the City shall provide to the Underwriter sufficient quantities (which may be in electronic format) of the Preliminary Limited Offering Memorandum as the Underwriter reasonably deems necessary to satisfy the obligation of the Underwriter under Rule 15c2-12 with respect to distribution to each potential customer, upon request, of a copy of the Preliminary Limited Offering Memorandum.

b. Preliminary Limited Offering Memorandum Deemed Final. The Preliminary Limited Offering Memorandum has been prepared for use by the Underwriter in connection with the public offering, sale, and distribution of the Bonds. The City hereby represents and warrants that the Preliminary Limited Offering Memorandum has been deemed “final” (within the meaning of Rule 15c2-12) by the City as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12.

c. Use of Limited Offering Memorandum in Offering and Sale. The City hereby authorizes the Limited Offering Memorandum and the information therein contained to be used by the Underwriter in connection with the public offering and the sale of the Bonds. The City consents to the use by the Underwriter prior to the date hereof of the Preliminary Limited Offering Memorandum in connection with the public offering of the Bonds. The City shall provide, or cause to be provided, to the Underwriter as soon as practicable after the date of the City’s acceptance of this Agreement (but, in any event, not later than the earlier of the Closing Date or seven (7) business days after the City’s acceptance of this Agreement) copies of the Limited Offering Memorandum which is complete as of the date of its delivery to the Underwriter. The City shall provide the Limited Offering Memorandum, or cause the Limited Offering Memorandum to be provided, (i) in a “designated electronic format” consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall reasonably request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

d. Updating of Limited Offering Memorandum. If, after the date of this Agreement, up to and including the date the Underwriter is no longer required to provide a Limited Offering Memorandum to potential customers who request the same pursuant to Rule 15c2-12 (the earlier of (i) ninety (90) days from the “end of the underwriting period” (as defined in Rule 15c2-12) and (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB, but in no case less than the 25th day after the “end of the underwriting period” for the Bonds), the City becomes aware of any fact or event which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Limited Offering Memorandum to comply with law, the City will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from

time to time reasonably request), and if, in the reasonable judgment of the Underwriter, such fact or event requires preparation and publication of a supplement or amendment to the Limited Offering Memorandum, the City will forthwith prepare and furnish, at no expense to the Underwriter (in a form and manner approved by the Underwriter), either an amendment or a supplement to the Limited Offering Memorandum so that the statements therein as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading or so that the Limited Offering Memorandum will comply with law; provided, however, that for all purposes of this Agreement and any certificate delivered by the City in accordance herewith, (i) the City makes no representations with respect to the descriptions in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum of The Depository Trust Company, New York, New York (“DTC”), or its book-entry-only system, and (ii) the City makes no representation with respect to the information in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum under the captions and subcaptions “PLAN OF FINANCE — Development Plan” and “– Status of Builder Contracts,” “BOOK-ENTRY ONLY SYSTEM,” “THE IMPROVEMENTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #1 Improvements and the Development, as defined in the Limited Offering Memorandum), “THE PID ADMINISTRATOR,” “LEGAL MATTERS — Litigation – The Developer,” “CONTINUING DISCLOSURE — The Developer” and “ — The Developer’s Compliance with Prior Undertakings,” and “INFORMATION RELATING TO THE TRUSTEE.” If such notification shall be subsequent to the Closing, the City, at no expense to the Underwriter, shall furnish such legal opinions, certificates, instruments, and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Limited Offering Memorandum. The City shall provide any such amendment or supplement, or cause any such amendment or supplement to be provided, (i) in a “designated electronic format” consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall reasonably request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

e. Filing with MSRB. The Underwriter hereby agrees to timely file the Limited Offering Memorandum with the MSRB through its Electronic Municipal Market Access (“EMMA”) system within one business day after receipt but no later than the Closing Date. Unless otherwise notified in writing by the Underwriter, the City can assume that the “end of the underwriting period” for purposes of Rule 15c2-12 is the Closing Date.

f. Limited Offering. The Underwriter hereby represents, warrants and covenants that the Bonds were initially sold pursuant to a limited offering. The Bonds were sold to not more than thirty-five persons that qualify as “Accredited Investors” (as defined in Rule 501 of Regulation D under the Securities Act (as defined herein)) or “Qualified Institutional Buyers” (within the meaning of Rule 144A under the Securities Act).

6. City Representations, Warranties and Covenants. The City represents, warrants and covenants that:

a. Due Organization, Existence and Authority. The City is a political subdivision of the State of Texas (the “State”), and has, and at the Closing Date will have, full legal right, power and authority:

(i) to enter into:

(1) this Agreement;

(2) the Indenture;

(3) the PID Reimbursement Agreement Glen Crossing effective July 12, 2016 executed and delivered by the City and W/J CR 55 LP, a Texas limited partnership (the “Developer”), and any addenda thereto, including the Phase #1 Addendum (the “PID Reimbursement Agreement”);

(4) the Amended Development Agreement, effective as of June 14, 2016, executed and delivered by the City and Wynne/Jackson, Inc., and assigned to and assumed by the Developer on June 17, 2016 (the “Development Agreement”); and

(5) the Continuing Disclosure Agreement of Issuer with respect to the Bonds, dated as of November 1, 2018 (the “Continuing Disclosure Agreement of Issuer”), executed and delivered by the City and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as Dissemination Agent.

(ii) to issue, sell, and deliver the Bonds to the Underwriter as provided herein; and

(iii) to carry out and consummate the transactions on its part described in (1) the Authorizing Documents, (2) this Agreement, (3) the PID Reimbursement Agreement, (4) the Development Agreement, (5) the Continuing Disclosure Agreement of Issuer, (6) the Limited Offering Memorandum, and (7) any other documents and certificates described in any of the foregoing (the documents described by subclauses (1) through (7) being referred to collectively herein as the “City Documents”).

b. Due Authorization and Approval of City. By all necessary official action of the City, the City has duly authorized and approved the adoption or execution and delivery by the City of, and the performance by the City of the obligations on its part contained in, the City Documents and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded, except as may have been approved by the Underwriter. When validly executed and delivered by the other parties thereto, the City Documents will constitute the legally valid

and binding obligations of the City enforceable upon the City in accordance with their respective terms, except insofar as enforcement may be limited by principles of sovereign immunity, bankruptcy, insolvency, reorganization, moratorium, or similar laws or equitable principles relating to or affecting creditors' rights generally. The City has complied, and will at the Closing be in compliance, in all material respects, with the obligations on its part to be performed on or prior to the Closing Date under the City Documents.

c. Due Authorization for Issuance of the Bonds. The City has duly authorized the issuance and sale of the Bonds pursuant to the Bond Ordinance, the Indenture, and the Act. The City has, and at the Closing Date will have, full legal right, power and authority (i) to enter into, execute, deliver, and perform its obligations under this Agreement and the other City Documents, (ii) to issue, sell, and deliver the Bonds to the Underwriter pursuant to the Indenture, the Bond Ordinance, the Act, and as provided herein, and (iii) to carry out, give effect to and consummate the transactions on the part of the City described by the City Documents and the Bond Ordinance.

d. No Breach or Default. As of the time of acceptance hereof, and to the best of its knowledge, the City is not, and as of the Closing Date the City will not be, in breach of or in default in any material respect under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument related to the Bonds and to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have a material adverse effect on the City's ability to perform its obligations under the Bonds or the City Documents; and, as of such times, the authorization, execution and delivery of the Bonds and the City Documents and compliance by the City with obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the City (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties are bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be permitted by the City Documents.

e. No Litigation. At the time of acceptance hereof there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "Action") pending against the City with respect to which the City has been served with process, nor to the knowledge of the City is any Action threatened against the City, in which any such Action (i) in any way questions the existence of the City or the rights of the members of

the City Council to hold their respective positions, (ii) in any way questions the formation or existence of the District, (iii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the City Documents or the consummation of the transactions on the part of the City described therein, or contests the exclusion of the interest on the Bonds from federal income taxation, or (iv) which may result in any material adverse change in the financial condition of the City; and, as of the time of acceptance hereof, to the City's knowledge, there is no basis for any action, suit, proceeding, inquiry, or investigation of the nature described in clauses (i) through (iv) of this sentence.

f. Bonds Issued Pursuant to Indenture. The City represents that the Bonds, when issued, executed, and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the City subject to the terms of the Indenture, entitled to the benefits of the Indenture and the security of the pledge of the proceeds of the levy of the Phase #1 Assessments received by the City, all to the extent provided for in the Indenture. The Indenture creates a valid pledge of the monies in certain funds and accounts established pursuant to the Indenture to the extent provided for in the Indenture, including the investments thereof, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

g. Assessments. The Phase #1 Assessments constituting the security for the Bonds have been levied by the City in accordance with the Act on those parcels of land identified in the Phase #1 Assessment Roll (as defined in the Service and Assessment Plan). According to the Act, such Phase #1 Assessments constitute a valid and legally binding first and prior lien against the properties assessed, superior to all other liens and claims, except liens or claims for state, county, school district, or municipality ad valorem taxes.

h. Consents and Approvals. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency, or commission having jurisdiction in the matters which are required by the Closing Date for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the City of, its obligations in connection with the City Documents have been duly obtained or made and are in full force and effect, except the approval of the Bonds by the Attorney General of the State, registration of the Bonds by the Comptroller of Public Accounts of the State, and the approvals, consents and orders as may be required under Blue Sky or securities laws of any jurisdiction.

i. Public Debt. Prior to the Closing, the City will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by a pledge of the Phase #1 Assessments which secure the Bonds without the prior approval of the Underwriter.

j. Preliminary Limited Offering Memorandum. The information contained in the Preliminary Limited Offering Memorandum is true and correct in all material respects, and such information does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the City makes no representations with respect to (i) the descriptions in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum of DTC, or its book-entry-only system, and (ii) the City makes no representation with respect to the information in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum under the captions and subcaptions “PLAN OF FINANCE — Development Plan” and “ — Status of Builder Contracts,” “BOOK-ENTRY ONLY SYSTEM,” “THE IMPROVEMENTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #1 Improvements and the Development, as defined in the Limited Offering Memorandum), “THE PID ADMINISTRATOR,” “LEGAL MATTERS — Litigation – The Developer,” “CONTINUING DISCLOSURE — The Developer” and “ — The Developer’s Compliance with Prior Undertakings,” and “INFORMATION RELATING TO THE TRUSTEE.”

k. Limited Offering Memorandum. At the time of the City’s acceptance hereof and (unless the Limited Offering Memorandum is amended or supplemented pursuant to paragraph (d) of Section 5 of this Agreement) at all times subsequent thereto during the period up to and including the 25th day subsequent to the “end of the underwriting period,” the information contained in the Limited Offering Memorandum does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the City makes no representations with respect to (i) the descriptions in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum of the DTC, or its book-entry-only system, and (ii) the City makes no representation with respect to the information in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum under the captions and subcaptions “PLAN OF FINANCE — Development Plan” and “ — Status of Builder Contracts,” “BOOK-ENTRY ONLY SYSTEM,” “THE IMPROVEMENTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #1 Improvements and the Development, as defined in the Limited Offering Memorandum), “THE PID ADMINISTRATOR,” “LEGAL MATTERS — Litigation – The Developer,” “CONTINUING DISCLOSURE — The Developer” and “ — The Developer’s Compliance with Prior Undertakings,” and “INFORMATION RELATING TO THE TRUSTEE;” and further provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 5(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Limited Offering Memorandum, then the Limited Offering Memorandum in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

l. Supplements or Amendments to Limited Offering Memorandum. If the Limited Offering Memorandum is supplemented or amended pursuant to paragraph (d) of Section 5 of this Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the 25th day subsequent to the “end of the underwriting period,” the Limited Offering Memorandum as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 5(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Limited Offering Memorandum, then the Limited Offering Memorandum in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

m. Compliance with Rule 15c2-12. During the past five years, the City has complied in all material respects with its previous continuing disclosure undertaking made by it in accordance with Rule 15c2-12, except as described in the Limited Offering Memorandum.

n. Use of Bond Proceeds. The City will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Indenture and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

o. Blue Sky and Securities Laws and Regulations. The City will furnish such information and execute such instruments and take such action in cooperation with the Underwriter as the Underwriter may reasonably request, at no expense to the City, (i) to (y) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriter may designate and (z) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and (ii) to continue such qualifications in effect so long as required for the initial distribution of the Bonds by the Underwriter (provided, however, that the City will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Underwriter immediately of receipt by the City of any notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose.

p. Certificates of the City. Any certificate signed by any official of the City authorized to do so in connection with the transactions described in this Agreement shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein and can be relied upon by the Underwriter as to the statements made therein.

q. Intentional Actions Regarding Representations and Warranties. The City covenants that between the date hereof and the Closing it will not intentionally take actions which will cause the representations and warranties made in this Section to be untrue as of the Closing.

r. Financial Advisor. The City has engaged Hilltop Securities Inc. as its Financial Advisor in connection with its offering and issuance of the Bonds.

By delivering the Limited Offering Memorandum to the Underwriter, the City shall be deemed to have reaffirmed, with respect to the Limited Offering Memorandum, the representations, warranties and covenants set forth above.

7. Developer Letter of Representations. At the signing of this Agreement, the City and Underwriter shall receive from the Developer, an executed Developer Letter of Representations (the “Developer Letter of Representations”) in the form of Appendix A hereto, and at the Closing, a certificate signed by the Developer as set forth in Section 10(f) hereof.

8. The Closing. At 10:00 a.m., Central time, on the Closing Date, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the City and the Underwriter, (i) the City will deliver or cause to be delivered to DTC through its “FAST” System, the Bonds in the form of one fully registered Bond for each maturity, registered in the name of Cede & Co., as nominee for DTC, duly executed by the City and authenticated by the Trustee as provided in the Indenture, and (ii) the City will deliver the closing documents hereinafter mentioned to Norton Rose Fulbright US LLP (“Bond Counsel”), or a place to be mutually agreed upon by the City and the Underwriter. Settlement will be through the facilities of DTC. The Underwriter will accept delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer in federal funds payable to the order of the City or its designee. These payments and deliveries, together with the delivery of the aforementioned documents, are herein called the “Closing.” The Bonds will be made available to the Underwriter for inspection not less than twenty-four (24) hours prior to the Closing.

9. Underwriter’s Closing Conditions. The Underwriter has entered into this Agreement in reliance upon the representations and covenants herein and in the Developer Letter of Representations and the performance by the City of its obligations under this Agreement, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter’s obligations under this Agreement to purchase, accept delivery of, and pay for the Bonds shall be conditioned upon the performance by the City of its obligations to be performed hereunder at or prior to Closing and shall also be subject to the following additional conditions:

a. Bring-Down Representations of the City. The representations and covenants of the City contained in this Agreement shall be true and correct in all material respects as of the date hereof and at the time of the Closing, as if made on the Closing Date.

b. Executed Agreements and Performance Thereunder. At the time of the Closing (i) the City Documents shall be in full force and effect, and shall not have been amended, modified, or supplemented except with the written consent of the Underwriter;

(ii) the Authorizing Documents shall be in full force and effect; (iii) there shall be in full force and effect such other resolutions or actions of the City as, in the opinion of Bond Counsel and Counsel to the Underwriter, shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the City described in this Agreement and the City Documents; (iv) there shall be in full force and effect such other resolutions or actions of the Developer, in the opinions of Owens, Campbell & Aiken, L.L.P., counsel to the Developer (“Developer’s General Counsel”) and Shupe Ventura, PLLC, special counsel to the Developer (“Developer’s Special Counsel”), shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the Developer described in the PID Reimbursement Agreement, the Development Agreement, the Developer Letter of Representations, and the Continuing Disclosure Agreement of the Developer with respect to the Bonds, dated as of November 1, 2018, executed and delivered by the Developer, MuniCap, Inc., (the “PID Administrator”), and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as dissemination agent (the “Continuing Disclosure Agreement of Developer,” and, together with the PID Reimbursement Agreement, the Development Agreement, and the Developer Letter of Representations, the “Developer Documents”); and (v) the City shall perform or have performed its obligations required or specified in the City Documents to be performed at or prior to Closing.

c. No Default. At the time of the Closing, no default shall have occurred or be existing and no circumstances or occurrences that, with the passage of time or giving of notice, shall constitute an event of default under this Agreement, the Indenture, the City Documents, the Developer Documents or other documents relating to the financing and construction of the Phase #1 Improvements and the Development, and the Developer shall not be in default in the payment of principal or interest on any of its indebtedness which default shall materially adversely impact the ability of the Developer to pay the Phase #1 Assessments when due.

d. Concurrent Closing of the Phase #2 Bonds. The City shall issue concurrently with the issuance of the Bonds its “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project),” dated November 13, 2018.

e. Closing Documents. At or prior to the Closing, the Underwriter shall have received each of the documents required under Section 10 below.

f. Termination Events. The Underwriter shall have the right to cancel its obligation to purchase the Bonds and to terminate this Agreement without liability therefor by written notification to the City if, between the date of this Agreement and the Closing, in the Underwriter’s sole and reasonable judgment, any of the following shall have occurred:

(i) the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall be materially adversely affected by the occurrence of any of the following:

(1) legislation shall have been introduced in or enacted by the Congress of the United States or adopted by either House thereof, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice, or otherwise) by the President of the United States, the Treasury Department of the United States, or the Internal Revenue Service or legislation shall have been proposed for consideration by either the U.S. Senate Committee on Finance or the U.S. House of Representatives Committee on Ways and Means or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision by a court of the United States or the Tax Court of the United States shall be rendered or a ruling, regulation, or official statement (final, temporary, or proposed) by or on behalf of the Treasury Department of the United States, the Internal Revenue Service, or other federal agency shall be made, which would result in federal taxation of revenues or other income of the general character expected to be derived by the City or upon interest on securities of the general character of the Bonds or which would have the effect of changing, directly or indirectly, the federal income tax consequences of receipt of interest on securities of the general character of the Bonds in the hands of the holders thereof, and which in either case, makes it, in the reasonable judgment of the Underwriter, impracticable or inadvisable to proceed with the offer, sale, or delivery of the Bonds on the terms and in the manner described in the Limited Offering Memorandum; or

(2) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as described herein or by the Limited Offering Memorandum, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect (the "Securities Act"), or that the Indenture need to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect (the "Trust Indenture Act"); or

(3) a general suspension of trading in securities on the New York Stock Exchange, the establishment of minimum prices on such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental

authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so; or

(4) there shall have occurred any outbreak of hostilities (including, without limitation, an act of terrorism) or other national or international calamity or crisis, including, but not limited to, an escalation of hostilities that existed prior to the date hereof, and the effect of any such event on the financial markets of the United States shall be such as would make it impracticable, in the reasonable judgment of the Underwriter, for it to sell the Bonds on the terms and in the manner contemplated by the Limited Offering Memorandum; or

(5) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the City, except as disclosed in or contemplated by the Limited Offering Memorandum; or

(6) any state blue sky or securities commission or other governmental agency or body in any state in which more than 10% of the Bonds have been offered and sold shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto; or

(7) any amendment to the federal or state Constitution or action by any federal or state court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the City, its property, income, securities (or interest thereon), or the validity or enforceability of the Phase #1 Assessments to pay principal of and interest on the Bonds; or

(ii) the New York Stock Exchange or other national securities exchange or any governmental authority shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; or

(iii) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Limited Offering Memorandum, or has the effect that the Limited Offering Memorandum contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, which change shall occur subsequent to the date of this Agreement and shall not be due to the malfeasance, misfeasance or nonfeasance of the Underwriter; or

(iv) any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to Limited Offering Memorandum; or

(v) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

(vi) a material disruption in securities settlement, payment or clearance services shall have occurred; or

(vii) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Agreement or by the Limited Offering Memorandum, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws on the Closing Date, including the Securities Act, the Securities Exchange Act of 1934 (the "Securities Exchange Act") and the Trust Indenture Act; or

(viii) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission, which prohibition shall occur subsequent to the date hereof and shall not be due to the malfeasance, misfeasance, or nonfeasance of the Underwriter.

With respect to the conditions described in subparagraphs (ii), (vii) and (viii) above, the Underwriter is not aware of any current, pending or proposed law or government inquiry or investigation as of the date of execution of this Agreement which would permit the Underwriter to invoke its termination rights hereunder.

10. Closing Documents. At or prior to the Closing, the Underwriter shall receive the following documents:

a. Bond Opinion. The approving opinion of Bond Counsel, dated the Closing Date and substantially in the form included as Appendix D to the Limited Offering Memorandum, together with a reliance letter from Bond Counsel, dated the Closing Date and addressed to the Underwriter, which may be included in the supplemental opinion required by Section 10(b), to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

b. Supplemental Opinion. A supplemental opinion of Bond Counsel dated the Closing Date and addressed to the City and the Underwriter, in form and substance acceptable to counsel for the Underwriter, to the following effect:

(i) Except to the extent noted therein, Bond Counsel has not verified and is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the statements and information contained in the Limited Offering Memorandum but that Bond Counsel has reviewed the statements and information appearing under the captions and subcaptions “PLAN OF FINANCE — The Bonds,” “DESCRIPTION OF THE BONDS,” “SECURITY FOR THE BONDS SIMILARLY SECURED,” “ASSESSMENT PROCEDURES” (except for the subcaptions “Assessment Methodology” and “Assessment Amounts”), “THE DISTRICT” (except for the subcaption “District Collection and Delinquency History of Phase #1 Assessments”), “TAX MATTERS,” “LEGAL MATTERS — Legal Proceedings,” “LEGAL MATTERS — Legal Opinions,” “SUITABILITY FOR INVESTMENT,” “CONTINUING DISCLOSURE – The City,” “REGISTRATION AND QUALIFICATION OF BONDS FOR SALE,” “LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS” and “APPENDIX B” and Bond Counsel is of the opinion that the information relating to the Bonds and legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Ordinance, the Assessment Ordinance, the TIRZ Ordinance, the Project and Financing Plan, the Service and Assessment Plan and Indenture;

(ii) The Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act;

(iii) The City has or at the time of the adoption thereof had full power and authority to adopt the Creation Resolution, the Assessment Ordinance, the TIRZ Ordinance, the Project and Financing Plan, the Service and Assessment Plan and the Bond Ordinance (collectively, the foregoing documents are referred to herein as the “City Actions”) and perform its obligations thereunder and the City Actions have been duly adopted, are in full force and effect and have not been modified, amended or rescinded; and

(iv) The Indenture, the PID Reimbursement Agreement, the Development Agreement, the Continuing Disclosure Agreement of Issuer, and this Agreement have been duly authorized, executed and delivered by the City and, assuming the due authorization, execution and delivery of such instruments, documents, and agreements by the other parties thereto, constitute the legal, valid, and binding agreements of the City, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting enforcement of creditors’ rights, or by the application of equitable principles if equitable remedies are sought and to the application of Texas law relating to governmental immunity applicable to governmental entities.

c. City Legal Opinion. An opinion of an attorney for the City, dated the Closing Date and addressed to the Underwriter, the City and the Trustee, with respect to

matters relating to the City, substantially in the form of Appendix C hereto or in form otherwise agreed upon by the Underwriter and the attorney for the City.

d. [Reserved.]

e. Opinion of Developer's Counsels. (i) An opinion of Developer's General Counsel, substantially in the form of Appendix E-1 hereto, dated the Closing Date and addressed to the City, Bond Counsel, the attorney for the City, Developer's Special Counsel, the Underwriter and the Trustee, and (ii) an opinion of Developer's Special Counsel, substantially in the form of Appendix E-2 hereto, dated the Closing Date and addressed to the City, Bond Counsel, the attorney for the City, the Underwriter and the Trustee.

f. Developer Certificate. The certificate of the Developer dated as of the Closing Date, signed by authorized officers of Developer in substantially the form of Appendix F hereto.

g. City Certificate. A certificate of the City, dated the Closing Date, to the effect that:

(i) the representations and warranties of the City contained herein and in the City Documents are true and correct in all material respects on and as of the Closing Date as if made on the date thereof;

(ii) the Authorizing Documents and City Documents are in full force and effect and have not been amended, modified, or supplemented;

(iii) except as disclosed in the Limited Offering Memorandum, no litigation or proceeding against the City is pending or, to the best of the knowledge of such person, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the members or officials of the City to hold and exercise their respective positions, (b) contest the due organization and valid existence of the City or the establishment of the District, (c) contest the validity, due authorization and execution of the Bonds or the City Documents, or (d) attempt to limit, enjoin or otherwise restrict or prevent the City from levying and collecting the Phase #1 Assessments pledged to pay the principal of and interest on the Bonds, or the pledge thereof; and

(iv) the City has, to the best of such person's knowledge, complied with all agreements and covenants and satisfied all conditions set forth in the City Documents, on its part to be complied with or satisfied hereunder at or prior to the Closing.

h. Trustee's Counsel Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, the City and Bond Counsel, in form and substance acceptable to counsel for the Underwriter, the City and Bond Counsel to the following effect:

(i) The Trustee is organized, validly existing and in good standing as a national banking association organized under the laws of the United States of America, with full corporate power and authority to conduct its business and affairs as Trustee;

(ii) The Trustee has full right, power, and authority to enter into the Indenture, to perform its obligations under, and to carry out and consummate all of the transactions involving the Trustee contemplated by, the Indenture;

(iii) The Indenture has been duly authorized, executed and delivered by the Trustee and is valid and enforceable against the Trustee in accordance with its terms; and

(iv) No consent, approval, authorization or other action by any governmental authority having jurisdiction over the Trustee that has not been obtained is or will be required for the authentication of the Bonds or the consummation by the Trustee of the other transactions contemplated to be performed by the Trustee in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Indenture.

i. Trustee's Certificate. A customary authorization and incumbency certificate dated as of Closing, signed by authorized officers of the Trustee in form and substance acceptable to the Underwriter and Underwriter's Counsel.

j. Underwriter Counsel's Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, of Orrick, Herrington & Sutcliffe LLP, counsel to the Underwriter, to the effect that:

(i) The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

(ii) Such counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Limited Offering Memorandum or in the Limited Offering Memorandum and makes no representation that it has independently verified the accuracy, completeness or fairness of any such statements. In its capacity as counsel to the Underwriter, to assist the Underwriter in part of its responsibility with respect to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, such counsel has participated in conferences with representatives of the Underwriter, representatives of the City, and its counsel, Norton Rose Fulbright US LLP, as bond counsel, Hilltop Securities Inc., as financial advisor, the public improvement district administrator, the Developer, and their engineers and others, during which the contents of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum and related matters were discussed. Based on such counsel's participation in the above-mentioned conferences (which did not extend beyond the date of the Limited

Offering Memorandum), and in reliance thereon, on oral and written statements and representations of the City, the Developers and others and on the records, documents, certificates, opinions and matters herein mentioned, such counsel advises the Underwriter as a matter of fact and not opinion that, during the course of such counsel's representation of the Underwriter on this matter, (a) as of the date of the Preliminary Limited Offering Memorandum and as of November 13, 2018, no facts had come to the attention of the attorneys in such counsel's firm rendering legal services to the Underwriter in connection with the Preliminary Limited Offering Memorandum which caused such counsel to believe that the Preliminary Limited Offering Memorandum contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and (b) as of the date of the Limited Offering Memorandum and as of the date hereof, no facts had come to the attention of the attorneys in such counsel's firm rendering legal service to the Underwriter in connection with the Limited Offering Memorandum which caused such counsel to believe that the Limited Offering Memorandum contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, such counsel expressly excludes from the scope of this paragraph and expresses no view or opinion about (i) with respect to the Preliminary Limited Offering Memorandum, any difference in information contained therein compared to what is contained in the Limited Offering Memorandum, whether or not related to pricing or sale of the Bonds, and whether any such difference is material and should have been included in the Preliminary Limited Offering Memorandum, and (ii) with respect to both the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, any CUSIP numbers, financial, accounting, statistical or economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about verification, feasibility, valuation, appraisals, absorption, real estate or environmental matters, relationship among the parties, or any information about book-entry, DTC, Tax Matters, included or referred to therein or omitted therefrom. No responsibility is undertaken or view expressed with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum; and

(iii) The Continuing Disclosure Agreement of Issuer satisfies the requirements contained in S.E.C. Rule 15c2-12(b)(5) for an undertaking for the benefit of the holders of the Bonds to provide the information at the times and in the manner required by said Rule; provided that, for purposes of this opinion, such counsel is not expressing any view regarding the content of the Limited Offering Memorandum that is not expressly stated in numbered paragraph ii, above.

k. Limited Offering Memorandum. The Limited Offering Memorandum and each supplement or amendment, if any, thereto.

l. Delivery of City Documents and Developer Documents. The City Documents and Developer Documents shall have been executed and delivered in form and content satisfactory to the Underwriter.

m. Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing.

n. Federal Tax Certificate. A certificate of the City in form and substance satisfactory to Bond Counsel and counsel to the Underwriter setting forth the facts, estimates and circumstances in existence on the Closing Date, which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and any applicable regulations (whether final, temporary or proposed), issued pursuant to the Code.

o. Attorney General Opinion and Comptroller Registration. The approving opinion of the Attorney General of the State regarding the Bonds and the Comptroller of the State’s Certificate of Registration for the Initial Bond.

p. Continuing Disclosure Agreements. The Continuing Disclosure Agreement of Issuer and the Continuing Disclosure Agreement of Developer, shall have been executed by the parties thereto in substantially the forms attached to the Preliminary Limited Offering Memorandum as Appendix E-1 and Appendix E-2.

q. Letter of Representation of PID Administrator. Letter of Representation of PID Administrator, substantially in the form of Appendix G hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

r. Evidence of Filing of Creation Resolution and Assessment Ordinance. Evidence that (i) the Creation Resolution, including legal description of the District by metes and bounds, and (ii) the Assessment Ordinance, including the assessment rolls and a statement indicating the contact for and address of where a copy of the Service and Assessment Plan, and any updates thereto may be obtained or viewed, have been filed of record in the real property records of Collin County, Texas.

s. Lender Consent Certificate. Lender Consent Certificate of American Bank of Texas and any other lienholder on land in the District, in recordable form, consenting to and acknowledging the creation of the District, the adoption of the Assessment Ordinance, the levy of the Phase #1 Assessments, and the subordination of their respective liens to the lien created by the Phase #1 Assessments, in form and substance acceptable to the Underwriter, Underwriter’s Counsel and Bond Counsel.

t. Evidence of Ownership of Property. Evidence that on the date that the Assessment Ordinance was adopted all of the Phase #1 Assessed Property (as defined in

the Service and Assessment Plan) was owned by the Developer or other development entities and that such landowners are not entities that may claim a homestead right under Texas law.

u. Rule 15c2-12 Certification. A resolution, an ordinance or certificate of the City whereby the City has deemed the Preliminary Limited Offering Memorandum “final” as of its date, except for permitted omissions, as contemplated by Rule 15c2-12 in connection with the offering of the Bonds, which certification, if made in the form of a certificate, may be included in the City Certificate required by Section 10(g) hereof.

v. Dissemination Agent. Evidence acceptable to the Underwriter in its sole discretion that the City has engaged a dissemination agent acceptable to the Underwriter for the Bonds, with the execution of the Continuing Disclosure Agreement of Issuer and the Continuing Disclosure Agreement of Developer by other parties thereto being conclusive evidence of such acceptance by the Underwriter.

w. BLOR. A copy of the Blanket Letter of Representation to DTC relating to the Bonds and signed by the City.

x. Additional Documents. Such additional legal opinions, certificates, instruments, and other documents as the Underwriter or their counsel may reasonably deem necessary.

11. City’s Closing Conditions. The obligation of the City hereunder to deliver the Bonds shall be subject to receipt on or before the Closing Date of the purchase price set forth in Section 1 hereof, the Attorney General Opinion and the opinion of Bond Counsel described in Section 10(a) hereof.

12. Consequences of Termination. If the City shall be unable to satisfy the conditions contained in this Agreement or if the obligations of the Underwriter shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and the Underwriter and the City shall have no further obligation hereunder, except as further set forth in Sections 13, 15 and 16 hereof.

13. Costs and Expenses.

a. The Underwriter shall be under no obligation to pay, and the City shall cause to be paid from proceeds of the Bonds the following expenses incident to the issuance of the Bonds and performance of the City’s obligations hereunder: (i) the costs of the preparation and printing of the Bonds; (ii) the cost of preparation, printing, and mailing of the Preliminary Limited Offering Memorandum, the final Limited Offering Memorandum and any supplements and amendments thereto; (iii) the fees and disbursements of the City’s financial advisor, the Trustee’s counsel, Bond Counsel, Developer’s General Counsel, Developer’s Special Counsel, and the Trustee relating to the issuance of the Bonds; (iv) the Attorney General’s review fees; (v) the fees and disbursements of accountants, advisers and any other experts or consultants retained by the City or the Developer, including but not limited to the fees and expenses of the Appraiser and the PID Administrator; and (vi) the expenses incurred by or on behalf of

City employees and representatives that are incidental to the issuance of the Bonds and the performance by the City of its obligations under this Agreement.

b. The Underwriter shall pay the following expenses: (i) all advertising expenses in connection with the limited offering of the Bonds; (ii) fees of Underwriter's Counsel; and (iii) all other expenses, including CUSIP fees (including out-of-pocket expenses and related regulatory expenses), incurred by it in connection with its public offering and distribution of the Bonds, except as noted in Subsection 13(a) above.

c. The City acknowledges that the Underwriter will pay from the Underwriter's expense allocation of the underwriting discount the applicable per bond assessment charged by the Municipal Advisory Council of Texas, a nonprofit corporation ("Texas MAC") whose purpose is to collect, maintain and distribute information relating to issuing entities of municipal securities. The estimated Texas MAC fee for this financing is \$[_____].

14. Notice. Any notice or other communication to be given to the City under this Agreement may be given by delivering the same in writing to: City of Celina, Texas, 142 N. Ohio St., Celina, Texas 76201, Attention: City Manager.

Any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to: FMSbonds, Inc., 100 Crescent Court, Suite 700, Dallas, Texas 75201, Attention: Tripp Davenport, Director.

15. Entire Agreement. This Agreement is made solely for the benefit of the City and the Underwriter (including their respective successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. All of the City's representations, warranties, and agreements contained in this Agreement shall remain operative and in full force and effect regardless of: (i) any investigations made by or on behalf of the Underwriter, provided the City shall have no liability with respect to any matter of which the Underwriter has actual knowledge prior to the purchase of the Bonds; or (ii) delivery of any payment for the Bonds pursuant to this Agreement. The agreements contained in this Section and in Section 16 shall survive any termination of this Agreement.

16. Survival of Representations and Warranties. All representations and warranties of the parties made in, pursuant to or in connection with this Agreement shall survive the execution and delivery of this Agreement, notwithstanding any investigation by the parties. All statements contained in any certificate, instrument, or other writing delivered by a party to this Agreement or in connection with the transactions described in or by this Agreement constitute representations and warranties by such party under this Agreement to the extent such statement is set forth as a representation and warranty in the instrument in question.

17. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

18. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

19. State Law Governs. The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State of Texas.

20. No Assignment. The rights and obligations created by this Agreement shall not be subject to assignment by the Underwriter or the City without the prior written consent of the other parties hereto.

21. No Personal Liability. None of the members of the City Council, nor any officer, representative, agent, or employee of the City, shall be charged personally by the Underwriter with any liability, or be held liable to the Underwriter under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach of this Agreement.

22. Anti-Boycott Verification. The Underwriter hereby verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, ‘boycott Israel’ means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Underwriter understand ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Underwriter and exists to make a profit.

23. Iran, Sudan and Foreign Terrorist Organizations. The Underwriter represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer’s internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Underwriter and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Underwriter understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Underwriter and exists to make a profit.

24. Form 1295. Submitted herewith is a completed Form 1295 in connection with the Underwriter's participation in the execution of this Agreement generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The City hereby confirms receipt of the Form 1295 from the Underwriter, and the City agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after the receipt of such form. The Underwriter and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Underwriter; and, neither the City nor its consultants have verified such information.

25. Indemnification. The Underwriter will indemnify and hold harmless the City against any losses, claims, damages or liabilities to which any of them may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the caption "UNDERWRITING," or any amendment or supplement to the Limited Offering Memorandum amending or supplementing the information contained under the aforementioned caption, or arise out of or are based upon the omission or alleged untrue statement or omission to state therein a material fact necessary to make the statements under the aforementioned caption not misleading under the circumstances under which they were made and will reimburse the City for any reasonable legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first set forth above.

FMSbonds, Inc.,
as Underwriter

By: _____
Name: Theodore A. Swinarski
Title: Senior Vice President - Trading

Accepted at _____ a.m./p.m. central time on the
date first stated above.

City of Celina, Texas

By: _____
Mayor

SCHEDULE I

\$[PRINCIPAL]

CITY OF CELINA, TEXAS

(a municipal corporation of the State of Texas located in Denton County)

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018

(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1B PROJECT)

Interest Accrues From: Date of Delivery

\$ _____ % Term Bonds, Due _____, 20__, Priced to Yield _____% (a) [(b)] (c)

\$ _____ % Term Bonds, Due _____, 20__, Priced to Yield _____% (a) (b) (c)

\$ _____ % Term Bonds, Due _____, 20__, Priced to Yield _____% (a) (b) (c)

\$ _____ % Term Bonds, Due _____, 20__, Priced to Yield _____% (a) (b) (c)

- (a) The initial reoffering prices or yields of the Bonds have been determined in accordance with the 10% test.
- (b) The Bonds are subject to optional redemption, in whole or in part, prior to stated maturity, at the option of the City, on any date on or after _____, 20__, at the redemption price of par plus accrued interest to date of redemption:
- (c) The Bonds are also subject to extraordinary optional redemption as described in the Limited Offering Memorandum under "DESCRIPTION OF THE BONDS — Redemption Provisions."
- The Term Bonds maturing _____, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installments as set forth in the following schedule.

\$ _____	Term Bonds Maturing	_____, 20__
<u>Redemption Date</u>		<u>Sinking Fund</u>
		<u>Installment</u>

The Term Bonds maturing _____, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installments as set forth in the following schedule.

\$ _____	Term Bonds Maturing	_____, 20__
<u>Redemption Date</u>		<u>Sinking Fund</u>
		<u>Installment</u>

The Term Bonds maturing _____, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installments as set forth in the following schedule.

Schedule I-1

\$	<u>Term Bonds Maturing</u>	<u>, 20</u>
<u>Redemption Date</u>		<u>Sinking Fund</u>
		<u>Installment</u>

The Term Bonds maturing _____, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installments as set forth in the following schedule.

\$	<u>Term Bonds Maturing</u>	<u>, 20</u>
<u>Redemption Date</u>		<u>Sinking Fund</u>
		<u>Installment</u>

APPENDIX A

FORM OF DEVELOPER LETTER OF REPRESENTATIONS

**§[PRINCIPAL]
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1B PROJECT)**

DEVELOPER LETTER OF REPRESENTATIONS

November 13, 2018

City of Celina, Texas
142 N. Ohio St.
Celina, Texas 76201

FMSbonds, Inc.
100 Crescent Court, Suite 700
Dallas, Texas 75201

Ladies and Gentlemen:

This letter is being delivered to the City of Celina, Texas (the “City”) and FMSbonds, Inc. (the “Underwriter”), in consideration for your entering into the Bond Purchase Agreement dated the date hereof (the “Bond Purchase Agreement”) for the sale and purchase of the §[PRINCIPAL] “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #1B Project)” (the “Bonds”). Pursuant to the Bond Purchase Agreement, the Underwriter has agreed to purchase from the City, and the City has agreed to sell to the Underwriter the Bonds. In order to induce the City to enter into the Bond Purchase Agreement and as consideration for the execution, delivery, and sale of the Bonds by the City and the purchase of them by the Underwriter, the undersigned, W/J CR 55 LP, a Texas limited partnership (the “Developer”), makes the representations, warranties, and covenants contained in this Developer Letter of Representations. Unless the context clearly indicates otherwise, each capitalized term used in this Developer Letter of Representations will have the meaning set forth in the Bond Purchase Agreement.

1. Purchase and Sale of Bonds. Inasmuch as the purchase and sale of the Bonds represents a negotiated transaction, the Developer understands, and hereby confirms, that the Underwriter is not acting as a fiduciary of the Developer, but rather is acting solely in its capacity as Underwriter of the Bonds for its own account.

2. Updating of the Limited Offering Memorandum. If, after the date of this Developer Letter of Representations, up to and including the date the Underwriter is no longer required to provide a Limited Offering Memorandum to potential customers who request the same pursuant to Rule 15c2-12 (the earlier of (i) ninety (90) days from the “end of the underwriting period” (as defined in Rule 15c2-12) and (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB, but in no case less than twenty-five (25) days after the “end of the underwriting period” for the Bonds), the Developer becomes aware of any fact or event which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Limited Offering Memorandum to comply with law, the Developer will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from time to time request); however, that for the purposes of this Developer Letter of Representations and any certificate delivered by the Developer in accordance the Bond Purchase Agreement, the Developer makes no representations with respect to the information appearing in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum except the information set forth under the captions “PLAN OF FINANCE — Development Plan” and “ — Status of Builder Contracts,” “THE IMPROVEMENTS,” “THE DEVELOPMENT,” “THE DEVELOPER” and, to the best of the Developer’s knowledge after due inquiry, under the captions “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #1 Improvements and the Development, as defined in the Limited Offering Memorandum), “LEGAL MATTERS — Litigation — The Developer” and “CONTINUING DISCLOSURE — The Developer” and “ — The Developer’s Compliance with Prior Undertakings.”

3. Developer Documents. Developer has executed and delivered each of the below listed documents (individually, a “Developer Document” and collectively, the “Developer Documents”) in the capacity provided for in each such Developer Document, and each such Developer Document constitutes a valid and binding obligation of Developer, enforceable against Developer in accordance with its terms:

- a. this Developer Letter of Representation;
- b. that certain PID Reimbursement Agreement Glen Crossing effective July 12, 2016 executed and delivered by the City and the Developer, and any addenda thereto, including the Phase #1 Addendum (the “PID Reimbursement Agreement”);
- c. that certain Amended Development Agreement, effective as of June 14, 2016, executed and delivered by the City and Wynne/Jackson, Inc., and assigned to and assumed by the Developer on June 17, 2016 (the “Development Agreement”); and
- d. that certain Continuing Disclosure Agreement of the Developer, dated as of November 1, 2018 made by and among the Developer, MuniCap, Inc., and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as dissemination agent.

The Developer has complied in all material respects with all of the Developer's agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer under the Developer Documents on or prior to the date hereof.

4. Developer Representations, Warranties and Covenants. The Developer represents, warrants, and covenants to the City and the Underwriter that:

a. Due Organization and Existence. The Developer is duly formed and validly existing as a limited partnership under the laws of the State of Texas.

b. Organizational Documents. The copies of the organizational documents of the Developer provided by the Developer (the "Developer Organizational Documents") to the City and the Underwriter are fully executed, true, correct, and complete copies of such documents and such documents have not been amended or supplemented and are in full force and effect as of the date hereof.

c. No Breach. The execution and delivery of the Developer Documents by Developer does not violate any judgment, order, writ, injunction or decree binding on Developer or any indenture, agreement, or other instrument to which Developer is a party.

d. No Litigation. Other than as described in the Preliminary Limited Offering Memorandum, there are no proceedings pending or threatened in writing before any court or administrative agency against Developer that is either not covered by insurance or which singularly or collectively would have a material, adverse effect on such the ability of Developer to perform its obligations under the Developer Documents in all material respects or that would reasonably be expected to prevent or prohibit the development of the Development in accordance with the description thereof in the Preliminary Limited Offering Memorandum.

e. Information. The information prepared and submitted by the Developer to the City or the Underwriter in connection with the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum was, and is, as of this date, true and correct in all material respects.

f. Preliminary Limited Offering Memorandum. The Developer represents and warrants that the information set forth in the Preliminary Limited Offering Memorandum under the captions "PLAN OF FINANCE — Development Plan" and " — Status of Builder Contracts," "THE IMPROVEMENTS," "THE DEVELOPMENT," "THE DEVELOPER" and, to the best of the Developer's knowledge after due inquiry, under the captions "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Phase #1 Improvements and the Development, as defined in the Limited Offering Memorandum), "LEGAL MATTERS — Litigation — The Developer" and "CONTINUING DISCLOSURE — The Developer" and " — The Developer's Compliance with Prior Undertakings" is true and correct and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not

misleading. The Developer agrees to provide a certificate dated the Closing Date affirming, as of such date, the representations contained in this subsection (f) with respect to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

g. Events of Default. No “Event of Default” or “event of default” by the Developer under any of the Developer Documents, any documents to which Developer is a party described in the Preliminary Limited Offering Memorandum, or under any material documents relating to the financing and construction of the Phase #1 Improvements to which the Developer is a party, or event that, with the passage of time or the giving of notice or both, would constitute such “Event of Default” or “event of default,” by the Developer has occurred and is continuing.

5. Indemnification.

a. The Developer will indemnify and hold harmless the City and the Underwriter and each of their officers, directors, employees and agents against any losses, claims, damages or liabilities to which any of them may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the captions “PLAN OF FINANCE — Development Plan” and “ – Status of Builder Contracts,” “THE IMPROVEMENTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #1 Improvements, and the Development), “LEGAL MATTERS — Litigation – The Developer” and “CONTINUING DISCLOSURE — The Developer” and “ — The Developer’s Compliance with Prior Undertakings,” or any amendment or supplement to the Limited Offering Memorandum amending or supplementing the information contained under the aforementioned captions (as qualified above), or arise out of or are based upon the omission or alleged untrue statement or omission to state therein a material fact necessary to make the statements under the aforementioned captions (as qualified above) not misleading under the circumstances under which they were made and will reimburse any indemnified party for any reasonable legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred.

b. Promptly after receipt by an indemnified party under subsection (a) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve the indemnifying party from any liability which it may have to the indemnified party otherwise than under such subsection, unless such indemnifying party was prejudiced by such delay or lack of notice. In case any such action shall be brought against an indemnified party, it shall promptly notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense

thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. The indemnifying party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the indemnifying party or if there is a final judgment for the plaintiff in any such action, the indemnifying party will indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment. The indemnity herein shall survive delivery of the Bonds and shall survive any investigation made by or on behalf of the City, the Developer or the Underwriter.

6. Survival of Representations, Warranties and Covenants. All representations, warranties, and agreements in this Developer Letter of Representations will survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of any payment by the Underwriter for the Bonds hereunder, and (c) any termination of the Bond Purchase Agreement.

7. Binding on Successors and Assigns. This Developer Letter of Representations will be binding upon the Developer and its successors and assigns and inure solely to the benefit of the Underwriter and the City, and no other person or firm or entity will acquire or have any right under or by virtue of this Developer Letter of Representations.

W/J CR 55 LP
a Texas limited partnership

By: _____
 Name: _____

APPENDIX B

CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1B PROJECT)

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of FMSbonds, Inc. (“FMS”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”) of the City of Celina, Texas (the “Issuer”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) FMS offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, FMS agreed in writing on or prior to the Sale Date that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which FMS sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(e) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [Sale Date].

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents FMS’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Certificate as to Tax Exemption with respect to the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Norton Rose Fulbright US LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

FMSbonds, Inc.,
as Underwriter

By: _____
Name: Theodore A. Swinarski
Title: Senior Vice President - Trading

Dated: _____

SCHEDULE A

SALE PRICES OF THE GENERAL RULE MATURITIES [AND INITIAL OFFERING
PRICES OF THE HOLD-THE-MATURITY-OFFERING-PRICE MATURITIES]

SCHEDULE B
PRICING WIRE AND EQUIVALENT COMMUNICATIONS

Attachment: Celina - Glen Crossing Phase #1B 2018 - Bond Ordinance (with attachments) (2018 - 58 : Glen Crossing PID Phase 1B Bond

APPENDIX C

[LETTERHEAD OF MESSER, ROCKEFELLER & FORT]

[CLOSING DATE]

FMSbonds, Inc.
100 Crescent Court, Suite 700
Dallas, Texas 75201

U.S. Bank National Association
111 Fillmore Avenue East
St. Paul, Minnesota 55107

\$[PRINCIPAL]
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1B PROJECT)

Ladies and Gentlemen:

We are the Attorney for the City of Celina, Texas (the “City”) for limited purposes, and are rendering this opinion in connection with the issuance and sale of \$[PRINCIPAL] “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #1B Project)” (the “Bonds”), by the City, a political subdivision of the State of Texas.

The Bonds are authorized pursuant to Ordinance No. _____ and enacted by the City Council of the City (the “City Council”) on November 13, 2018 (the “Bond Ordinance”) and shall be issued pursuant to the provisions of Subchapter A of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the “Act”) and the Amended and Restated Indenture of Trust dated as of November 1, 2018 (the “Indenture”) by and between the City and U.S. Bank National Association, as trustee (the “Trustee”). Capitalized terms not defined herein shall have the same meanings as in the Indenture, unless otherwise stated herein.

In connection with rendering this opinion, we have reviewed the:

(a) The Resolution No. 2016-24R (the “Creation Resolution”) enacted by the City Council on April 12, 2016;

(b) The Ordinance No. _____ accepted and approved by City Council on November 13, 2018, and the Service and Assessment Plan attached as an exhibit thereto (the “Assessment Ordinance”), as such Service and Assessment Plan was updated by the Bond Ordinance;

(c) the Ordinance No. 2016-48 accepted and approved by City Council on July 12, 2016, (the “TIRZ Ordinance”) creating a tax increment reinvestment zone known as “Reinvestment Zone Number 6, City of Celina” (the “TIRZ”);

(d) The Bond Ordinance;

(e) The Indenture;

(f) The PID Reimbursement Agreement Glen Crossing effective July 12, 2016 executed and delivered by the City and W/J CR 55 LP, a Texas limited partnership (the “Developer”), and any addenda thereto, including the Phase #1 Addendum (the “PID Reimbursement Agreement”);

(g) The Amended Development Agreement, effective as of June 14, 2016, executed and delivered by the City and Wynne/Jackson, Inc., and assigned to and assumed by the Developer on June 17, 2016, (the “Development Agreement”);

(h) the Reinvestment Zone Number 6, City of Celina, Texas, Final Project and Financing Plan approved by the City Council on July 12 2016 and amended and restated on November 13, 2018 (as amended and restated, the "Project and Finance Plan"); and

(i) The Continuing Disclosure Agreement of the Issuer, dated as of November 1, 2018, executed and delivered by the City and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (the “Dissemination Agent”) (the “Continuing Disclosure Agreement of Issuer”).

The Creation Resolution, the Assessment Ordinance, the TIRZ Ordinance and Bond Ordinance shall herein after be referred to as the “Authorizing Documents” and the remaining documents shall herein after be collectively referred to as the “City Documents.”

In all such examinations, we have assumed that all signatures on documents and instruments executed by the City are genuine and that all documents submitted to me as copies conform to the originals. In addition, for purposes of this opinion, we have assumed the due authorization, execution and delivery of the City Documents by all parties other than the City.

Based upon and subject to the foregoing and the additional qualifications and assumptions set forth herein, we are of the opinion that:

1. The City is a Texas political subdivision and has all necessary power and authority to enter into and perform its obligations under the Authorizing Documents and the City Documents. The City has taken or obtained all actions, approvals, consents and authorizations required of it by applicable laws in connection with the execution of the Authorizing Documents and the City Documents and the performance of its obligations thereunder.

2. To the best of our knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, public board or body, pending, or threatened against the City: (a) affecting the existence of the City or the titles of its officers to their respective offices, (b) in any way questioning the formation or existence of the District, (c)

affecting, contesting or seeking to prohibit, restrain or enjoin the delivery of any of the Bonds, or the payment, collection or application of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, including the Phase #1 Assessments in the District pursuant to the provisions of the Assessment Ordinance and the Service and Assessment Plan referenced therein, (d) contesting or affecting the validity or enforceability or the City's performance of the City Documents, (e) contesting the exclusion of the interest on the Bonds from federal income taxation, or (f) which may result in any material adverse change relating to the financial condition of the City.

3. The Authorizing Documents were duly enacted by the City and remain in full force and effect on the date hereof.

4. The City Documents have been duly authorized, executed and delivered by the City and remain legal, valid and binding obligations of the City enforceable against the City in accordance with their terms. However, the enforceability of the obligations of the City under such City Documents may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally, (b) principles of equity, whether considered at law or in equity, and (c) the application of Texas law relating to action by future councils and relating to governmental immunity applicable to governmental entities.

5. The performance by the City of the obligations under the Authorizing Documents and the City Documents will not violate any provision of any Federal or Texas constitutional or statutory provision.

6. No further consent, approval, authorization, or order of any court or governmental agency or body or official is required to be obtained by the City as a condition precedent to the performance by the City of its obligations under the Authorizing Documents and the City Documents.

7. The City has duly authorized and delivered the Preliminary Limited Offering Memorandum.

8. Based upon our limited participation in the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum (collectively, the "Limited Offering Memorandum"), the statements and information contained in the Limited Offering Memorandum with respect to the City under the captions and subcaptions "ASSESSMENT PROCEDURES —Assessment Methodology" and "—Assessment Amounts," "THE CITY," "THE DISTRICT," "LEGAL MATTERS — Litigation — The City" and "APPENDIX A" is a fair and accurate summary of the law relating to collection and enforcement of Phase #1 Assessments and the documents and facts summarized therein.

9. The adoption of the Authorizing Documents and the execution and delivery of the City Documents and the compliance with the provisions of the Authorizing Documents and the City Documents under the circumstances contemplated thereby, to the best of our knowledge: (a) do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement to which the City is a party or by which it is bound,

and (b) do not and will not in any material respect conflict with or constitute on the part of the City a violation, breach of or default under any existing law, regulation, court order or consent decree to which the City is subject.

This opinion may not be relied upon by any other person except those specifically addressed in this letter.

Very truly yours,

Julie Fort
MESSER, ROCKEFELLER & FORT
ATTORNEY

Cc:

City of Celina, Texas
Attn: City Manager
142 N. Ohio St.
Celina, Texas 76201

APPENDIX D

[RESERVED]

APPENDIX E-1

[LETTERHEAD OF OWENS, CAMPBELL & AIKEN, L.L.P.
GENERAL COUNSEL TO THE DEVELOPER]

[CLOSING DATE]

FMSbonds, Inc.
100 Crescent Court, Suite 700
Dallas, Texas 75201

U.S. Bank National Association
111 Fillmore Avenue East
St. Paul, Minnesota 55107

City of Celina, Texas
142 N. Ohio St.
Celina, Texas 76201

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201

Messer Rockefeller & Fort
63351 Preston Road, Suite 350
Frisco, Texas 75034

Shupe Ventura, PLLC
9406 Biscayne Blvd.
Dallas, Texas 75218

[TO BE PROVIDED]

APPENDIX E-2

[LETTERHEAD OF SHUPE VENTURA
SPECIAL COUNSEL TO THE DEVELOPER]

[CLOSING DATE]

FMSbonds, Inc.
100 Crescent Court, Suite 700
Dallas, Texas 75201

U.S. Bank National Association
111 Fillmore Avenue East
St. Paul, Minnesota 55107

City of Celina, Texas
142 N. Ohio St.
Celina, Texas 76201

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201

Messer Rockefeller & Fort
63351 Preston Road, Suite 350
Frisco, Texas 75034

Ladies & Gentlemen:

We have acted as special counsel to W/J CR 55 LP, a Texas limited partnership (the “**Developer**”) in connection with the issuance and sale by the City of Celina, Texas (the “**City**”), of \$ _____ City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #1B Project) (the “**Bonds**”), pursuant to that certain Indenture of Trust dated as of November 1, 2018 (the “**Indenture**”), by and between the City and U.S. Bank, National Association, a national banking association, as trustee (the “**Trustee**”). Proceeds from the sale of the Bonds will be used, in part, to fund certain public infrastructure improvements in the development known as “Glen Crossing” (the “**Development**”) located in the City.

The Bonds are being sold to FMSbonds, Inc. (the “**Underwriter**”), pursuant to that certain Bond Purchase Agreement dated November 13, 2018 (the “**Bond Purchase Agreement**”), between the City and the Underwriter. This opinion is being delivered pursuant to Section 10(e) of the Bond Purchase Agreement.

All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Purchase Agreement.

In our capacity as special counsel to the Developer, and for purposes of rendering the opinions set forth herein, we have examined originals or copies, certified or otherwise identified to our satisfaction, of:

- (a) The following documents to which the Developer is a party (collectively, the “**Reviewed Documents**”):

- (1) the *Amended Development Agreement*, effective as of June 14, 2016, between the City and Wynne/Jackson, Inc. and assigned to and assumed by the Developer on June 17, 2016 as amended by that *First Amendment to Amended Development*

Agreement – Glen Crossing, entered into by the City and the Developer effective February 13, 2018; and

- (2) the *Developer Letter of Representations* executed by the Developer as of November 13, 2018; and
 - (3) the *PID Reimbursement Agreement - Glen Crossing*, executed by the Developer and the City to be effective as of July 12, 2016; and
 - (4) the *Continuing Disclosure Agreement of the Developer*, dated as of November 1, 2018 made by and among the Developer, MuniCap, Inc., and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as Dissemination Agent.
- (b) The *Preliminary Limited Offering Memorandum*, dated November 2, 2018 relating to the issuance of the Bonds; and
 - (c) The final *Limited Offering Memorandum* dated November 13, 2018 relating to the issuance of the Bonds; and
 - (d) Such other documents, records, agreements and certificates of the Developer as we have deemed necessary or appropriate to render the opinions expressed below.

In rendering the opinions expressed below, we have, with your concurrence and without any inquiry or other investigation, made and relied upon the following assumptions: (a) the due authorization, execution and delivery of each of the Reviewed Documents by all parties thereto other than the Developer; (b) the genuineness of all signatures to the Reviewed Documents; (c) the correctness and truthfulness of all the statements of fact contained in the Reviewed Documents; (d) the authenticity of the Reviewed Documents; (e) the conformity to original documents of the Reviewed Documents submitted to us as copies; and (f) the additional assumptions set forth on **Exhibit A** attached to this letter and the exclusions set forth on **Exhibit B** attached to this letter. Our opinions are limited to matters expressly stated herein and no opinion is to be inferred or may be implied beyond the matters expressly stated.

In rendering the opinions set forth below, we have also relied upon: (a) the representations and warranties contained in the Reviewed Documents; (b) the resolutions and other documents of the parties to the Reviewed Documents authorizing or approving the Reviewed Documents; (c) the Closing Certificate of the Developer delivered pursuant to the Bond Purchase Agreement; (d) the legal opinion delivered pursuant to the Bond Purchase Agreement by Owens, Campbell, & Aiken, L.L.P., counsel to the Developer, and (e) the legal opinion delivered pursuant to the Bond Purchase Agreement by Messer Rockefeller & Fort, special counsel to the City (collectively, the “**Reliance Materials**”). We have not made any independent or other investigation, review, analysis, or inquiry as to any of the facts, matters, circumstances or legal opinions or conclusions contained in the Reviewed Documents or Reliance Materials or the accuracy or completeness thereof. Additionally, we have assumed that none of the Reviewed Documents or Reliance Materials contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in light of the circumstances in which they are made, not misleading. We have not made any examination of any accounting or financial matters, and we express no opinion with respect thereto.

The opinions expressed herein are subject to the correctness in understanding that no beneficiary to this opinion letter may rely on this opinion letter to the extent that such beneficiary or its counsel has actual knowledge of any applicable laws, facts, or circumstances which would make

any opinion expressed herein incorrect, subject to question, or require further investigation of any laws, facts or circumstances.

Whenever our opinion or advice with respect to the existence or absence of facts is indicated to be based on our knowledge, we are referring to the actual knowledge of the Shupe Ventura, PLLC attorneys who have given substantive attention to matters concerning the Developer during the course of our representation of the Developer in connection with the Reviewed Documents, which knowledge has been obtained by such attorneys in their capacity as such. In particular, our response does not include matters known to any attorney of our firm in a capacity other than as special counsel to the Developer. Further, the words “our knowledge,” “our actual knowledge” and similar expressions used in this opinion letter are intended to be limited to the actual knowledge of Misty Ventura and Corey Admire of our firm who have been directly involved in representing the Developer. We have not undertaken any independent investigation to determine the existence or absence of such facts, and no inference as to our knowledge concerning such facts should be drawn from the fact that such limited representation has been undertaken by us.

Based upon the foregoing, but subject to the assumptions, qualifications, and limitations set forth both above and below, and having due regard for such legal considerations as we deem relevant, we are of the opinion that:

1. The Reviewed Documents constitute legal, valid, and binding obligations of and are enforceable against the Developer in accordance with their respective terms.
2. The execution, delivery, and performance by the Developer of its obligations under the Reviewed Documents do not violate any existing laws of the State of Texas applicable to the Developer or any ordinances of the City applicable to the Developer.
3. No consents or approvals are required from the City, the State of Texas, or any other political subdivision or agency of the State of Texas in connection with the execution, delivery, and performance by the Developer of its obligations under the Reviewed Documents except those consents and approvals: (i) already obtained; (ii) required or described in the express terms of the Reviewed Documents; and (iii) that are necessary for the Developer to perform its obligations under the Reviewed Documents and are ordinarily and customarily required to develop land within the City and to operate the businesses of the Developer that are described in the Reviewed Documents.

The foregoing opinions are, with your concurrence, predicated on, limited by and qualified in their entirety by the following:

- (a) The foregoing opinions are based on and limited to the laws of the State of Texas, and we render no opinion with respect to the federal laws of the United States or to the laws of any other jurisdiction.
- (b) We express no opinion with respect to the enforceability of provisions of the Reviewed Documents that relate to (i) mediation or arbitration; (ii) limitations or restrictions on, or waiver of, legal or equitable remedies; (iii) indemnity or release; (iv) limitations or restrictions on assignment or transfer of rights, interests or property; (v) the rights or obligations of third parties; (vi) evidentiary standards; (vii) waiver of rights to notice or the obligations of good faith, fair, dealing, diligence or reasonableness; (viii) self-help, subrogation, delay or omission to enforce rights or remedies, contribution or severability; (ix) the availability of specific performance, injunctive relief or any other equitable remedy (regardless of whether such question is considered in a proceeding in equity or at law);

(x) fixed, stipulated or liquidated damages; (xi) the making of determinations in the sole and absolute (or similarly described) discretion of a party to the Reviewed Documents; (xii) authorizing any party to exercise any rights other than in accordance with applicable law; (xiii) liability of any party for payment of any amount payable under the Reviewed Documents to the extent such amounts (A) accrue, or are attributable to any period of time, after the termination of any of the Reviewed Documents, (B) allow any other party to recover more than the “benefit of its bargain” or (C) exceed the amount of any party’s actual damages; (xiv) rendering inapplicable any otherwise applicable law (other than those laws which by their terms may be rendered inapplicable); (xv) requiring all amendments, waivers and terminations be in writing or requiring disregard of any course of dealing between the parties; (xvi) establishing any obligation of the parties as absolute or unconditional regardless of the occurrence or non-occurrence or existence or non-existence of any event or other state of facts; (xvii) obligations of the parties by reference to and/or incorporation of any provision of any agreement other than the Reviewed Documents, or that consist of or employ provisions (whether operative or definitional) contained in any such other agreement; (xviii) obligating any party to take action it has no legal right to take, or to take or not take an action if taking or failing to take the same would constitute, or aid or abet, a violation of applicable law; (xix) certain agreements of non-signatories, or obligations of signatories with respect to non-signatories or other persons or entities, whether or not signatories, not under the control of such signatories; (xx) selection of venue; (xxi) modifying the time at which any applicable statute of limitation begins to run or at which any cause of action begins to accrue; (xxii) an exemption from any sales or other taxes; (xxiii) disclaiming or limiting warranties implied by or required pursuant to law; (xxiv) waiving the defense that an adequate remedy at law exists; and (xxv) waiving any suretyship defenses.

(c) The validity, binding effect, and enforceability of the Reviewed Documents may be limited by (i) applicable bankruptcy, insolvency, reorganization, receivership, moratorium, liquidation, redemption, conservatorship, rearrangement, fraudulent conveyance, or other similar statutes, regulations or laws affecting creditor’s rights and remedies generally; (ii) general principles of equity; (iii) judicial discretion; (iv) the exercise by political subdivisions or governmental authorities or corporations acting on their behalf of sovereign or governmental immunity, legislative or governmental powers, police powers, taxing powers, or rights of appropriation; and (v) applicable court decisions relating to a duty or obligation to mitigate damages.

(d) We express no opinion regarding the effect of the laws of usury or similar laws regarding interest rate limitations on the provisions of the Reviewed Documents.

(e) We express no opinion with respect to the matters described on Exhibit B attached to this letter.

(f) The opinions set forth herein are also subject to the qualification that enforceability of the Reviewed Documents may be limited by (i) the provisions of Section 130.002 of the Texas Civil Practice and Remedies Code regarding limitations on indemnifications; (ii) Section 28 of the Texas Property Code regarding prompt payment to contractors and subcontractors; (iii) Section 16.071 of the Texas Civil Practice and Remedies Code regarding the time period for a claimant to give notice of a claim for damages as a condition precedent to the right to sue on a contract; (iv) Section 16.070 of the Texas Civil Practice and Remedies Code regarding permitted contractual limitations on when a claimant may bring suit on a

contract; (v) Section 38.02 of the Texas Civil Practice and Remedies Code providing for the notice time period in order for a claimant to recover attorneys' fees; (vi) the "express negligence" and "clear and conspicuous" rules adopted by the Texas Supreme Court, as applied to any indemnity or release provisions in the Reviewed Documents; (vii) Section 35.52 of the Texas Business and Commerce Code; (viii) Section 162.001 et seq. of the Texas Property Code; (ix) Section 302.002 of the Texas Finance Code; (x) Section 28.009 of the Texas Property Code; and (xi) claims of sovereign or governmental immunity by political subdivisions or governmental authorities or corporations acting on their behalf.

(g) The opinions expressed herein are based on our consideration of laws of the State of Texas which, in our experience, are normally applicable to transactions of the type described in the Reviewed Documents.

This opinion letter has been rendered solely for the benefit of the addressees named above in connection with the Bond Purchase Agreement and the transactions described therein, and may not be used, circulated, quoted, relied upon or otherwise referred to for any other purpose or by any other person without our prior written consent. A copy of this opinion letter may be delivered by the Underwriter in connection with the issuance of the Bonds, and the Underwriter may rely on the opinions expressed above. This opinion letter does not constitute a warranty or guarantee or an opinion as to matters of fact, and should not be construed or relied upon as such. This opinion letter is as of the date hereof only, and we undertake no, and hereby disclaim any, obligation to advise you of any change in any matter set forth herein.

Very truly yours,

EXHIBIT A TO OPINION LETTER**ADDITIONAL ASSUMPTIONS**

In addition to the assumptions contained in the letter to which this Exhibit A is attached, we have, with your concurrence and without any inquiry or other investigation, made and relied upon the following additional assumptions:

1. The legal capacity of all natural persons executing the Reviewed Documents;
2. No undue influence, duress, fraud, or deceit exists with respect to the transactions described in the Reviewed Documents, and there has not been any mutual mistake of fact or misunderstanding with respect to the same;
3. The conduct of the parties to the Reviewed Documents has complied, and will comply, with any requirement of good faith, fair dealing, and conscionability;
4. There are no agreements or understandings, written or oral, among the parties to the Reviewed Documents, and there is no usage or trade or course of prior dealing among the parties to the Reviewed Documents that would, in either case, define, supplement, or qualify the terms of the Reviewed Documents;
5. All statutes and ordinances enacted by an official legislative body were validly enacted and are constitutional, and all rules and regulations promulgated or issued by an official administrative body and not adjudicated invalid or unenforceable are valid and enforceable;
6. All parties to the Reviewed Documents have complied with all legal requirements that are applicable to them to the extent necessary to authorize such parties to enter into the Reviewed Documents and, except as to the Developer, the Reviewed Documents are enforceable against the other parties thereto;
7. There has been no modification of any provision of the Reviewed Documents, and no waiver or release of any right or remedy thereunder;
8. All parties to the Reviewed Documents will act in accordance with, and will refrain from taking any action that is forbidden by, the terms and conditions of the Reviewed Documents; and
9. All parties to the Reviewed Documents will obtain all permits and governmental approvals required in the future, and take all actions similarly required, relevant to subsequent consummation of the transactions evidenced by the Reviewed Documents or performance of the Reviewed Documents.
10. There are no material misstatements in the legal opinions delivered pursuant to the Bond Purchase Agreement by: (i) Norton Rose Fulbright US LLP Bond Counsel to the City; (ii) Messer Rockefeller & Fort., special counsel to the City; (iii) Orrick, Herrington & Sutcliffe, LLP counsel to the Underwriter; or (iv) Owens, Campbell, & Aiken, L.L.P., counsel to the Developer.

Exhibit A

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EXHIBIT B TO OPINION LETTER

ADDITIONAL EXCLUSIONS

None of the opinions expressed in the letter to which this Exhibit B is attached include any implied opinion unless such implied opinion is both (a) essential to the legal conclusion reached by the express opinions set forth in this letter and (b) based upon prevailing norms and expectations among experienced lawyers in the State of Texas, reasonable in the circumstances. Moreover, unless explicitly addressed in the letter to which this Exhibit B is attached, our opinions do not address any of the following legal issues or the effects thereof on the transactions evidenced by the Bond Purchase Agreement or any other documents prepared, delivered, or executed in connection with the Bonds (the “**Bond Documents**”), and we specifically express no opinion with respect to the Bond Documents:

1. Federal and State securities laws and regulations administered by the Securities and Exchange Commission and state “**Blue Sky**” laws and regulations.
2. The compliance or noncompliance by the Underwriter, the Trustee, the City, any party to the Bond Documents, or the purchasers of the Bonds with any federal and state laws or regulations applicable to the transactions evidenced by the Bond Documents;
3. Compliance with fiduciary duty requirements;
4. Decisions, orders, rules, policies, and regulations of any political subdivision, department, agency, organization, or entity of any kind created under or pursuant to federal law and judicial decisions to the extent they deal with any of the foregoing.
5. Title to any asset or property described or referred to in the Bond Documents or the accuracy or sufficiency of its description;
6. The creation, attachment, perfection, priority or enforcement of any lien, security interest or right of offset purported to be granted under the Bond Documents or created by operation of law;
7. The recordation or filing of any Bond Documents or related documents;
8. Federal and state environmental laws and regulations;
9. Federal and state land use and subdivision laws and regulations;
10. Federal and state tax laws and regulations;
11. Federal patent, copyright and trademark, state trademark, and other federal and state intellectual property laws and regulations;
12. Federal and state racketeering laws and regulations (e.g., RICO);
13. Federal and state health and safety laws and regulations (e.g., OSHA);
14. Federal and state labor laws and regulations;
15. Federal and state laws, regulations and policies concerning (i) national and local emergency, (ii) possible judicial deference to acts of sovereign states, and (iii) criminal and civil forfeiture laws;
16. Other federal and state statutes of general application to the extent they provide for criminal prosecution (e.g., mail fraud and wire fraud statutes); and

17. The Bond Purchase Agreement, Indenture, Preliminary Limited Offering Memorandum, final Limited Offering Memorandum, and any other Bond Documents.

EXHIBIT F**CLOSING CERTIFICATE OF DEVELOPER**

W/J CR 55 LP, a Texas limited partnership (the “Developer”), DOES HEREBY CERTIFY the following as of the date hereof. All capitalized terms not otherwise defined herein shall have the meaning given to such term in the Limited Offering Memorandum.

1. The Developer is a limited partnership organized, validly existing and in good standing under the laws of the State of Texas.

2. Representatives of the Developer have provided information to the City of Celina, Texas (the “City”) and FMSbonds, Inc. (the “Underwriter”) to be used in connection with the offering by the City of its \$[PRINCIPAL] aggregate principal amount of Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #1B Project) (the “Bonds”), pursuant to the Preliminary Limited Offering Memorandum, dated November 2, 2018, and Limited Offering Memorandum dated November 13, 2018 (together, the “Limited Offering Memorandum”).

3. The Developer has delivered to the Underwriter and the City true, correct, complete and fully executed copies of the Developer’s organizational documents, and such documents have not been amended or supplemented and are in full force and effect as of the date hereof.

4. The Developer has delivered to the Underwriter and the City a (i) Certificate of Status from the Texas Secretary of State and (ii) verification of franchise tax account status from the Texas Comptroller of Public Accounts for the Developer.

5. The Developer has executed and delivered each of the below listed documents (individually, a “Developer Document” and collectively, the “Developer Documents”) in the capacity provided for in each such Developer Document, and each such Developer Document constitutes a valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms:

(a) that certain Developer Letter of Representations dated November 13, 2018;

(b) that certain PID Reimbursement Agreement Glen Crossing effective July 12, 2016 executed and delivered by the City and the Developer, and any addenda thereto, including the Phase #1 Addendum (the “PID Reimbursement Agreement”);

(c) that certain Amended Development Agreement, effective as of June 14, 2016, executed and delivered by the City and Wynne/Jackson, Inc., and assigned to and assumed by the Developer on June 17, 2016, (the “Development Agreement”); and

(d) that certain Continuing Disclosure Agreement of the Developer, dated as of November 1, 2018 made by and among the Developer, MuniCap, Inc., and HTS

Continuing Disclosure Services, a division of Hilltop Securities Inc., as dissemination agent.

6. The Developer has complied in all material respects with all of the Developer's agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer under the Developer Documents on or prior to the date hereof.

7. The execution and delivery of the Developer Documents by the Developer does not violate any judgment, order, writ, injunction or decree binding on the Developer or any indenture, agreement, or other instrument to which the Developer is a party. There are no proceedings pending or threatened in writing before any court or administrative agency against the Developer that is either not covered by insurance or which singularly or collectively would have a material, adverse effect on such ability of the Developer to perform its obligations under the Developer Documents in all material respects or that would reasonably be expected to prevent or prohibit the development of the Development in accordance with the description thereof in the Limited Offering Memorandum.

8. The Developer has reviewed and approved the information contained in the Limited Offering Memorandum under the captions "PLAN OF FINANCE – Development Plan" and " – Status of Builder Contracts," "THE IMPROVEMENTS," "THE DEVELOPMENT," "THE DEVELOPER," "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Phase #1 Improvements, and the Development), "LEGAL MATTERS — Litigation — The Developer," and "CONTINUING DISCLOSURE — The Developer" and "— The Developer's Compliance with Prior Undertakings", and certifies that the same does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading respecting the Developer and the portion of the Development owned by the Developer, provided, however, that the foregoing certification is not a certification as to the accuracy, completeness or fairness of any of the other statements contained in the Limited Offering Memorandum.

9. To the best of our knowledge, the Developer is in compliance in all material respects with all provisions of applicable law in all material respects relating to the Developer in connection with the Development. Except as otherwise described in the Limited Offering Memorandum: (a) to the best of our knowledge, there is no default of any zoning condition, land use permit or development agreement binding upon the Developer or any portion of the Development that would materially and adversely affect the Developer's ability to complete or cause to be completed the development of such portion of the Development as described in the Limited Offering Memorandum; and (b) we have no reason to believe that any additional permits, consents and licenses required to complete the Development as and in the manner described in the Limited Offering Memorandum will not be reasonably obtainable in due course.

10. The Developer is not insolvent and has not made an assignment for the benefit of creditors, filed or consented to a petition in bankruptcy, petitioned or applied (or consented to any third party petition or application) to any tribunal for the appointment of a custodian, receiver or any trustee or commenced any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction.

11. The levy of the Phase #1 Assessments (as defined in the Limited Offering Memorandum) on Phase #1 of the District owned by the Developer will not conflict with or constitute a breach of or default under any agreement, mortgage, deed of trust, indenture or other instrument to which the Developer is a party or to which the Developer or any of its property or assets is subject.

12. The Developer is not in default under any mortgage, trust indenture, lease or other instrument to which it or any of its assets is subject, which default would have a material and adverse effect on the Bonds or the development of the Development.

Dated: _____, 2018

DEVELOPER:

W/J CR 55 LP
a Texas limited partnership

By: _____

Name: _____

APPENDIX G

[LETTERHEAD OF MUNICAP, INC.]

[CLOSING DATE]

City of Celina, Texas
142 N. Ohio St.
Celina, Texas 76201

FMSbonds, Inc.
100 Crescent Court, Suite 700
Dallas, Texas 75201

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201

U.S. Bank National Association
111 Fillmore Avenue East
St. Paul, Minnesota 55107

Re: City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #1B Project) (the “Bonds”)

Ladies and Gentlemen:

The undersigned, _____, representative of MuniCap, Inc. (“MuniCap”), consultant in connection with the creation by the City of Celina, Texas (the “City”), of Glen Crossing Public Improvement District (the “District”), does hereby represent the following:

1. MuniCap has supplied certain information contained in the Preliminary Limited Offering Memorandum, dated November 2, 2018 (the “Preliminary Limited Offering Memorandum”), and the final Limited Offering Memorandum, dated November 13, 2018 (the “Limited Offering Memorandum”), both in connection with the Bonds, relating to the issuance of the Bonds by the City, as described above. The information MuniCap provided for the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum is located (a) under the caption “ASSESSMENT PROCEDURES — Assessment Methodology” and “ — Assessment Amounts,” (b) under the caption “THE DISTRICT — District Collection and Delinquency History of Phase #1 Assessments,” (c) under the caption “THE PID ADMINISTRATOR” and (d) in the Service and Assessment Plan (the “SAP”) for the City located in APPENDIX C to the Limited Offering Memorandum.

2. To the best of my professional knowledge and belief, the portions of the Limited Offering Memorandum described above do not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. MuniCap agrees to the inclusion of the SAP in the Limited Offering Memorandum and to the use of its name in the Limited Offering Memorandum for the Bonds.

4. MuniCap agrees that, to the best of its ability, it will inform you immediately should it learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about December 6, 2018) which would render any such information in the Limited Offering Memorandum untrue, incomplete, or incorrect, in any material fact or render any such information materially misleading.

5. The undersigned hereby represents that he has been duly authorized to execute this letter of representation.

Sincerely yours,

MuniCap, Inc.

By: _____
Its: _____

EXHIBIT C
CONTINUING DISCLOSURE AGREEMENT

Attachment: Celina - Glen Crossing Phase #1B 2018 - Bond Ordinance (with attachments) (2018 - 58 : Glen Crossing PID Phase 1B Bond

**CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1B PROJECT)**

CONTINUING DISCLOSURE AGREEMENT OF THE ISSUER

This Continuing Disclosure Agreement of the Issuer dated as of November 1, 2018 (this “Disclosure Agreement”) is executed and delivered by and between the City of Celina, Texas (the “Issuer”) and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (the “Dissemination Agent”) with respect to the Issuer’s “Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #1B Project)” (the “Bonds”). The Issuer and the Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer and the Dissemination Agent for the benefit of the Owners (defined below) and beneficial owners of the Bonds. Unless and until a different filing location is designated by the MSRB (defined below) or the SEC (defined below), all filings made by the Dissemination Agent pursuant to this Agreement shall be filed with the MSRB through EMMA (defined below).

SECTION 2. Definitions. In addition to the definitions set forth above and in the Amended and Restated Indenture of Trust dated as of November 1, 2018, relating to the Bonds (the “Indenture”), which apply to any capitalized term used in this Disclosure Agreement, including the Appendices hereto, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Administrator” shall mean MuniCap, Inc. or any other public finance consulting firm providing services related to the administration of special tax or special assessment districts, as designated by the Issuer.

“Annual Collection Costs” shall have the meaning assigned to such term in the Indenture.

“Annual Installment” shall have the meaning assigned to such term in the Indenture.

“Annual Issuer Report” shall mean any Annual Issuer Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Business Day” shall mean any day other than a Saturday, Sunday or legal holiday in the State of Texas observed as such by the Issuer or the Trustee.

“Developer” shall mean W/J CR 55 LP, a Texas limited partnership, its successors and assigns.

“Disclosure Agreement of Developer” shall mean the Continuing Disclosure Agreement of the Developer, relating to the Bonds, dated as of November 1, 2018 executed and delivered by the Developer, MuniCap, Inc., and the Dissemination Agent.

“Disclosure Representative” shall mean the Director of Finance of the Issuer or his or her designee, or such other officer or employee as the Issuer, may designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” shall mean HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee a written acceptance of such designation.

“District” shall mean Glen Crossing Public Improvement District.

“EMMA” shall mean the Electronic Municipal Market Access System available on the internet at <http://emma.msrb.org>.

“Fiscal Year” shall mean the calendar year from October 1 through September 30.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule.

“Outstanding” shall mean, as of any particular date when used with reference to Bonds, all Bonds authenticated and delivered under the Indenture except (i) any Bond that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii) any Bond for which the payment of the principal or Redemption Price of and interest on such Bond shall have been made as provided in the Indenture, and (iii) any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to the Indenture.

“Owner” shall mean the registered owner of any Bonds.

“Participating Underwriter” means FMSbonds, Inc. and its successors and assigns.

“Phase #1” shall mean the first phase of the development within the District.

“Phase #1 Assessments” shall have the meaning assigned to such term in the Indenture.

“Rule” shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the United States Securities and Exchange Commission.

“Service and Assessment Plan” shall have the meaning assigned to such term in the Indenture.

“Tax-exempt” shall mean that interest on the Bonds is excluded from gross income for federal income tax purposes, whether or not such interest is includable as an item of tax

preference or otherwise includable directly or indirectly for purposes of calculating any other tax liability, including any alternative minimum tax liability.

“Trustee” shall mean U.S. Bank National Association or any successor trustee pursuant to the Indenture.

SECTION 3. Provision of Annual Issuer Reports.

(a) The Issuer shall cause and hereby directs the Dissemination Agent to provide or cause to be provided to the MSRB, in the electronic or other form required by the MSRB, commencing with the Fiscal Year ending September 30, 2018, an Annual Issuer Report provided to the Dissemination Agent which is consistent with the requirements of and within the time periods specified in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Issuer, if prepared and when available, may be submitted separately from the Annual Issuer Report, and later than the date required in this paragraph for the filing of the Annual Issuer Report, if audited financial statements are not available by that date; provided, however, if the audited financial statements are not complete within such period, then the Issuer shall provide unaudited financial statements within such period. In each case, the Annual Issuer Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Agreement. If the Issuer’s Fiscal Year changes, it shall file notice of such change (and of the date of the new Fiscal Year) with the MSRB prior to the next date by which the Issuer otherwise would be required to provide the Annual Issuer Report pursuant to this paragraph. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

Not later than ten (10) days prior to the date specified in Section 4 of this Disclosure Agreement for providing the Annual Issuer Report to the MSRB, the Issuer shall provide the Annual Issuer Report to the Dissemination Agent. The Dissemination Agent shall provide such Annual Issuer Report to the MSRB not later than ten (10) days from receipt of such Annual Issuer Report from the Issuer.

If by the fifth (5th) day before the filing date required under Section 4 of this Disclosure Agreement, the Dissemination Agent has not received a copy of the Annual Issuer Report, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide Annual Issuer Report pursuant to this subsection (a). Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Issuer Report no later than two (2) Business Days prior to the filing date required under Section 4 of this Disclosure Agreement; or (ii) instruct the Dissemination Agent in writing that the Issuer will not be able to provide the Annual Issuer Report within the time required under this Disclosure Agreement, state the date by which the Annual Issuer Report for such year will be provided and instruct the Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit A; provided, however, that in the event the Disclosure Representative is required to act under either (i) or (ii) described above, the Dissemination Agent still must file the Annual Issuer Report or the notice of failure to file, as applicable, to the MSRB, no later than six months after the end of each Fiscal Year; provided further, however, that in the event the Disclosure Representative fails to act under either (i) or (ii) described above, the Dissemination Agent shall file a notice of failure to file no later than on the last Business Day of the six month period after the end of the Fiscal Year.

- (b) The Issuer shall or shall cause the Dissemination Agent to:
- (i) determine the filing address or other filing location of the MSRB each year prior to filing the Annual Issuer Report on the date required in subsection (a);
 - (ii) file the Annual Issuer Report containing or incorporating by reference the information set forth in Section 4 hereof; and
 - (iii) if the Issuer has provided the Dissemination Agent with the completed Annual Issuer Report and the Dissemination Agent has filed such Annual Issuer Report with the MSRB, then the Dissemination Agent shall file a report with the Issuer certifying that the Annual Issuer Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided and that it was filed with the MSRB.

SECTION 4. Content and Timing of Annual Issuer Reports. The Annual Issuer Report for the Bonds shall contain or incorporate by reference, and the Issuer agrees to provide or cause to be provided to the Dissemination Agent to file, the following:

- (a) Within six months after the end of each Fiscal Year (any or all of which may be unaudited):
- (i) Tables setting forth the following information, as of the end of such Fiscal Year:
 - (A) For the Bonds, the maturity date or dates, the interest rate or rates, the original aggregate principal amount and principal amount remaining Outstanding; and
 - (B) The amounts in the funds and accounts securing the Bonds.
 - (ii) Updates to the information in the Service and Assessment Plan as most recently amended or supplemented (a "SAP Update"), including any changes to the methodology for levying the Phase #1 Assessments in Phase #1.
 - (iii) Updates to the information in the Project and Financing Plan (the "TIRZ Plan") for "Reinvestment Zone Number Six, City of Celina, Texas" (the "TIRZ").
 - (iv) The individual and aggregate taxable assessed valuation for parcels or lots within Phase #1 based on the most recent certified tax roll available to the Issuer.
 - (v) Until building permits have been issued for parcels or lots representing, in the aggregate, 95% of the total Phase #1 Assessments levied within Phase #1, such SAP Update shall include, the number of new homes completed in Phase #1 during such Fiscal Year and the aggregate number of new homes completed within Phase #1 since filing the initial Annual Issuer Report for Fiscal Year ended September 30, 2018.
 - (vi) Listing of any property or property owners in the District representing more than five percent (5%) of the levy of Phase #1 Assessments, the amount of the levy of Phase #1 Assessments against such landowners, and the percentage of such Phase #1 Assessments relative

to the entire levy of Phase #1 Assessments within the District, all as of the October 1 billing date for the succeeding Fiscal Year.

(vii) The current or delinquent status of the payment of the Assessment for each parcel or lot in Phase #1 as of February 15 of the calendar year immediately succeeding such Fiscal Year.

(viii) The total amount of:

(1) Annual Installments invoiced;

(2) Annual Installments collected (as reported by the County Tax Assessor Collector or the Administrator);

(3) Delinquent Annual Installments;

(4) Foreclosure Proceeds collected; and

(5) Prepaid Phase #1 Assessments collected, as of the February 15 of the calendar year immediately succeeding such Fiscal Year, in each case with respect to the most recent billing period (generally, October 1 of the preceding calendar year through January 31 of the current calendar year).

(ix) If the total amount of delinquencies greater than 150 days equals or exceeds ten percent (10%) of the amount of Phase #1 Assessments due in any fiscal year, a list of delinquent property owners.

(x) The amount of delinquent Phase #1 Assessments by Fiscal Year:

(1) Which are subject to institution of foreclosure proceedings (but as to which such proceedings have not been instituted);

(2) Which are currently subject to foreclosure proceedings which have not been concluded;

(3) Which have been reduced to judgment but not collected;

(4) Which have been reduced to judgment and collected; and

(5) The result of any foreclosure sales of assessed property within the District if the assessed property represents more than one percent (1%) of the total amount of Phase #1 Assessments.

(xi) The principal and interest paid on the Bonds during the most recent Fiscal Year and the minimum scheduled principal and interest required to be paid on the Bonds in the next Fiscal Year.

(xii) Any changes to the land use designation for the property in the District that might negatively impact its development for those purposes identified in the final Service and Assessment Plan, as the same may be amended and supplemented from time to time.

(xiii) A description of any amendment to this Disclosure Agreement and a copy of any restatements to the Issuer's audited financial statements during such Fiscal Year.

(b) If not provided with the financial information provided under subsection 4(a) above, if prepared and when available, the audited financial statements of the Issuer for the most recently ended Fiscal Year, prepared in accordance with generally accepted accounting principles applicable from time to time to the Issuer. If audited financial statements are not included with the financial information provided under subsection 4(a) above, unaudited financial statements shall be included with such financial information within the time period specified.

See Exhibit B hereto for a form for submitting the information set forth in the preceding paragraphs. The Issuer has designated MuniCap, Inc. as the initial Administrator. The Administrator, and if no Administrator is designated, Issuer's staff, shall prepare the Annual Issuer Report.

Any or all of the items listed above may be included by specific reference to other documents, including disclosure documents of debt issues of the Issuer, which have been submitted to and are publicly accessible from the MSRB. If the document included by reference is a final offering document, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, each of the following is a Listed Event with respect to the Bonds:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
7. Modifications to rights of Owners, if material.
8. Bond calls, if material.

9. Defeasances.
10. Release, substitution, or sale of property securing repayment of the bonds, if material.
11. Rating changes.
12. Bankruptcy, insolvency, receivership or similar event of the Issuer.
13. The consummation of a merger, consolidation, or acquisition of the Issuer, or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
14. Appointment of a successor or additional trustee under the Indenture or the change of name of a trustee, if material.

The term “material” when used in this Section 5 has the meaning ascribed to it under the applicable federal securities laws. For these purposes, any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall promptly notify the Dissemination Agent in writing and the Issuer shall direct the Dissemination Agent to immediately file a notice of such occurrence with the MSRB. The Dissemination Agent shall file such notice no later than the Business Day immediately following the day on which it receives written notice of such occurrence from the Issuer. Any such notice is required to be filed within ten (10) Business Days of the occurrence of such Listed Event.

Any notice under the preceding paragraphs shall be accompanied with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Dissemination Agent to disseminate such information as provided herein, and the date the Issuer desires for the Dissemination Agent to disseminate the information (which date shall not be more than ten (10) Business Days after the occurrence of the Listed Event or failure to file).

In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures. In addition, the Issuer shall have the sole responsibility to ensure that any notice required to be filed under this Section 5 is filed within ten (10) Business Days of the occurrence of the Listed Event.

(b) The Dissemination Agent shall, within one (1) Business Day of obtaining actual knowledge of the occurrence of any Listed Event with respect to the Bonds, notify the Disclosure

Representative of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the Disclosure Representative to do so. It is agreed and understood that the duty to make or cause to be made the disclosures herein is that of the Issuer and not that of the Trustee or the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the Issuer as an accommodation to assist it in monitoring the occurrence of such event, but is under no obligation to investigate whether any such event has occurred. As used above, “actual knowledge” means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in damages or in tort to the Issuer, the Participating Underwriter, the Trustee, or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

(c) If in response to a notice from the Dissemination Agent under subsection (b), the Issuer determines that the Listed Event under number 2, 7, 8, 10, 13, or 14 of subparagraph (a) above is not material under applicable federal securities laws, the Issuer shall promptly notify the Dissemination Agent and the Trustee (if the Dissemination Agent is not the Trustee) in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (d).

(d) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall immediately file a notice of such occurrence with the MSRB.

SECTION 6. Termination of Reporting Obligations. The obligations of the Issuer and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required. So long as any of the Bonds remain Outstanding, the Dissemination Agent may assume that the Issuer is an obligated person with respect to the Bonds until it receives written notice from the Disclosure Representative stating that the Issuer is no longer an obligated person with respect to the Bonds, and the Dissemination Agent may conclusively rely upon such written notice with no duty to make investigation or inquiry into any statements contained or matters referred to in such written notice. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event with respect to such series of Bonds under Section 5(a).

SECTION 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent or successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be HTS Continuing Disclosure Services, a division of Hilltop Securities Inc.

SECTION 8. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement (and the Dissemination Agent shall not unreasonably withhold its consent to any amendment so

requested by the Issuer), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the delivery of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or beneficial owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next related Annual Issuer Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Issuer Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. No amendment which adversely affects the Dissemination Agent may be made without its prior written consent (which consent will not be unreasonably withheld or delayed).

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Issuer Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Issuer Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Issuer Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, the Dissemination Agent may (and, at the request of the Participating Underwriter or the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, upon being indemnified to its satisfaction as provided in the Indenture), or any Owner or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate to cause the Issuer, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure

Agreement shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action for mandamus or specific performance. A default under this Disclosure Agreement by the Issuer shall not be deemed a default under the Disclosure Agreement of Developer by the Developer, and a default under the Disclosure Agreement of Developer by the Developer shall not be deemed a default under this Disclosure Agreement by the Issuer.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. To the extent permitted by law, the Issuer agrees to hold harmless the Dissemination Agent, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from Phase #1 Assessments collected from the property owners in Phase #1 of the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Dissemination Agent for losses, expenses or liabilities arising from information provided to the Dissemination Agent by the Developer or the failure of the Developer to provide information to the Dissemination Agent as and when required under the Disclosure Agreement of Developer. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an "obligated person" under the Rule. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The fact that the Dissemination Agent may have a banking or other business relationship with the Issuer or any person with whom the Issuer contracts in connection with the transaction described in the Indenture, apart from the relationship created by the Indenture or this Disclosure Agreement, shall not be construed to mean that the Dissemination Agent has actual knowledge of any event described in Section 5 above, except as may be provided by written notice to the Dissemination Agent pursuant to this Disclosure Agreement.

The Dissemination Agent may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Dissemination Agent shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT OR THE ISSUER 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 ISSUER OR THE DISSEMINATION AGENT, RESPECTIVELY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS DISCLOSURE AGREEMENT, 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. THE DISSEMINATION AGENT IS UNDER NO OBLIGATION NOR IS IT REQUIRED TO BRING SUCH AN ACTION.

SECTION 12. Assessment Timeline. The basic expected timeline for the collection of Phase #1 Assessments and the anticipated procedures for pursuing the collection of delinquent Phase #1 Assessments is set forth in Exhibit C which is intended to illustrate the general procedures expected to be followed in enforcing the payment of delinquent Phase #1 Assessments.

SECTION 13. No Personal Liability. No covenant, stipulation, obligation or agreement of the Issuer or Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future council members, officer, agent or employee of the Issuer or Dissemination Agent in other than that person's official capacity.

SECTION 14. Severability. In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 15. Sovereign Immunity. The Dissemination Agent agrees that nothing in this Disclosure Agreement shall constitute or be construed as a waiver of the Issuer's sovereign or governmental immunities regarding liability or suit.

SECTION 16. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter, and the Owners and the beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity. Nothing in this Disclosure Agreement is intended or shall act to disclaim, waive or otherwise limit the duties of the Issuer under federal and state securities laws.

SECTION 17. Dissemination Agent Compensation. The fees and expenses incurred by the Dissemination Agent for its services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the annual updates to the Service and Assessment Plan. The Dissemination Agent has entered into a separate agreement with the Issuer, which agreement provides for the payment of the fees and expenses of the Dissemination Agent for its services rendered in accordance with this Disclosure Agreement.

SECTION 18. Anti-Boycott Verification. The Dissemination Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Disclosure Agreement is a contract for goods or services, will not boycott Israel during the term of this Disclosure Agreement. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to

penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Dissemination Agent understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Dissemination Agent and exists to make a profit.

SECTION 19. Iran, Sudan and Foreign Terrorist Organizations. The Dissemination Agent represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer’s internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Dissemination Agent and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Dissemination Agent understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Dissemination Agent and exists to make a profit.

SECTION 20. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas.

SECTION 21. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature pages follow.]

CITY OF CELINA, TEXAS

By: _____
Mayor

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF ISSUER
(GLEN CROSSING PHASE #1B)

HTS CONTINUING DISCLOSURE SERVICES,
A DIVISION OF HILLTOP SECURITIES INC.
(as Dissemination Agent)

By: _____
Authorized Officer

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF ISSUER
(GLEN CROSSING PHASE #1B)

EXHIBIT A**NOTICE TO MSRB OF FAILURE TO FILE
ANNUAL ISSUER REPORT**

Name of Issuer: City of Celina, Texas
 Name of Bond Issue: Special Assessment Revenue Bonds, Series 2018
 (Glen Crossing Public Improvement District Phase #1B Project)
 CUSIP Nos.: [Insert CUSIP Nos.]
 Date of Delivery: _____, 20__

NOTICE IS HEREBY GIVEN that the City of Celina, Texas, has not provided [an Annual Issuer Report][annual audited financial statements] with respect to the above-named bonds as required by the Continuing Disclosure Agreement of the Issuer dated November 1, 2018, between the Issuer and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as “Dissemination Agent.” The Issuer anticipates that [the Annual Issuer Report][annual audited financial statements] will be filed by _____.

Dated: _____

HTS Continuing Disclosure Services, a division of
 Hilltop Securities Inc.
 on behalf of the City of Celina, Texas
 (as Dissemination Agent)

By: _____

Title: _____

cc: City of Celina, Texas

EXHIBIT B

**CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT
PHASE #1B PROJECT)**

ANNUAL ISSUER REPORT*

Delivery Date: _____, 20__

CUSIP NOS: [insert CUSIP NOs.]

DISSEMINATION AGENT

Name: _____
 Address: _____
 City: _____
 Telephone: _____
 Contact Person: _____

BONDS OUTSTANDING

CUSIP Number	Maturity Date	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Outstanding Interest Amount

INVESTMENTS

Fund/ Account Name	Investment Description	Par Value	Book Value	Market Value

*Excluding Audited Financial Statements of the Issuer

ASSETS AND LIABILITIES OF PLEDGED TRUST ESTATE

Bonds (Principal Balance)	_____
Funds and Accounts [list]	_____
TOTAL ASSETS	_____

LIABILITIES

Outstanding Bond Principal	_____
Outstanding Program Expenses (if any)	_____
TOTAL LIABILITIES	_____

EQUITY

Assets Less Liabilities	_____
Debt to Value Ratio	_____

Form of Accounting ☐ Cash ☐ Accrual ☐ Modified Accrual

ITEMS REQUIRED BY SECTION 4(a)(ii) - (xiii)

[Insert a line item for each applicable listing]

EXHIBIT C

**BASIC EXPECTED TIMELINE FOR ASSESSMENT COLLECTIONS
AND PURSUIT OF DELINQUENCIES¹**

<u>Date</u>	<u>Delinquency Clock (Days)</u>	<u>Activity</u>
January 31		Phase #1 Assessments are due.
February 1	1	Phase #1 Assessments Delinquent if not received
February 15	15	Issuer forwards payment to Trustee for all collections received as of February 15, along with detailed breakdown. Subsequent payments and relevant details will follow monthly thereafter. Issuer and/or Administrator should be aware of actual and specific delinquencies Issuer and/or Administrator should be aware if Reserve Fund needs to be utilized for debt service payment on March 1. If there is to be a shortfall, the Trustee and Dissemination Agent should be immediately notified. Issuer and/or Administrator should also be aware if, based on collections, there will be a shortfall for September payment Issuer and/or Administrator should determine if previously collected surplus funds, if any, plus actual collections will be fully adequate for debt service in March and September. At this point, if total delinquencies are under 5% and if there is adequate funding for March and September payments, no further action is anticipated for collection of Phase #1 Assessments except that the Issuer or Administrator, working with the City Attorney or an appropriate designee, will begin process to cure deficiency. For properties delinquent by more than one year or if the delinquency exceeds \$10,000 the matter will be referred for commencement of foreclosure. If there are over 5% delinquencies or if there is inadequate funding in the Pledged Revenue Fund for transfer to the Principal and Interest

¹ Illustrates anticipated dates and procedures for pursuing the collection of delinquent Phase #1 Assessments, which dates and procedures are subject to adjustment by the Issuer.

March 1 28/29

Account of such amounts as shall be required for the full March and September payments, the collection-foreclosure procedure will proceed against all delinquent properties.

Trustee pays bond interest payments to bondholders.

Reserve Fund payment to Bond Fund may be required if Phase #1 Assessments are below approximately 50% collection rate.

Issuer, or the Trustee on behalf of the Issuer, to notify Dissemination Agent of the occurrence of draw on the Reserve Fund and, following receipt of such notice, Dissemination Agent to notify MSRB of such draw on the Fund for debt service.

Use of Reserve Fund for debt service payment should trigger commencement of foreclosure on delinquent properties.

Issuer determines whether or not any Annual Installments are delinquent and, if such delinquencies exist, the Issuer commences as soon as practicable appropriate and legally permissible actions to obtain such delinquent Annual Installments.

March 20 47/48

Issuer and/or Administrator to notify Dissemination Agent for disclosure to MSRB of all delinquencies.

If any property owner with ownership of property responsible for more than \$10,000 of the Phase #1 Assessments is delinquent or if a total of delinquencies is over 5%, or if it is expected that Reserve Fund moneys will need to be utilized for either the March or September bond payments, the Disclosure Representative shall work with City Attorney's office, or the appropriate designee, to satisfy payment of all delinquent Phase #1 Assessments.

April 15 74/75

Preliminary Foreclosure activity commences, and Issuer to notify Dissemination Agent of the commencement of preliminary foreclosure activity.

If Dissemination Agent has not received Foreclosure Schedule and Plan of Collections,

		Dissemination Agent to request same from the Issuer.
May 1	89/90	If the Issuer has not provided the Dissemination Agent with Foreclosure Schedule and Plan of Collections, and if instructed by the bondholders under Section 11.2 of the Indenture, Dissemination Agent requests that the Issuer commence foreclosure or provide plan for collection.
May 15	103/104	The designated lawyers or law firm will be preparing the formal foreclosure documents and will provide periodic updates to the Dissemination Agent for dissemination to those bondholders who have requested to be notified of collections progress. The goal for the foreclosure actions is a filing by no later than June 1 (day 120/121).
June 1	120/121	Foreclosure action to be filed with the court.
June 15	134/135	Issuer notifies Trustee and Dissemination Agent of Foreclosure filing status. Dissemination Agent notifies bondholders.
July 1	150/151	If bondholders and Dissemination Agent have not been notified of a foreclosure action, Dissemination Agent will notify the Issuer that it is appropriate to file action.

A committee of not less than 25% of the Owners may request a meeting with the City Manager or Director of Finance to discuss the Issuer's actions in pursuing the repayment of any delinquencies. This would also occur after day 30 if it is apparent that a Reserve Fund draw is required. Further, if delinquencies exceed 5%, Owners may also request a meeting with the Issuer at any time to discuss the Issuer's plan and progress on collection and foreclosure activity. If the Issuer is not diligently proceeding with the foreclosure process, the Owners may seek an action for mandamus or specific performance to direct the Issuer to pursue the collections of delinquent Phase #1 Assessments.



Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Paul DeBuff, Assistant to the City Manager
CC: Jason Laumer, City Manager
Date: November 13, 2018
Re: Glen Crossing PID Phase 2 Bond Ordinance

Action Requested:

Consider and act upon an ordinance approving and authorizing the issuance and sale of the City of Celina, Texas special assessment revenue bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project); approving and authorizing related agreements, and providing for an effective date. (DeBuff)

Background Information:

This ordinance approves and authorizes the sale of \$7,325,000 in bonds against Glen Crossing Public Improvement District, Phase #2.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City Attorney has reviewed this ordinance.

Supporting Documents:

- Proposed ordinance

Staff Recommendation:

Staff recommends approval.

ORDINANCE NO. 2018-__**AN ORDINANCE APPROVING AND AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF CELINA, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018 (GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #2 PROJECT); APPROVING AND AUTHORIZING RELATED AGREEMENTS, AND PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, the City of Celina, Texas (the "City"), pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the "PID Act"), has previously established the "G Bar 7 Public Improvement District", pursuant to Resolution No. 2016-24R adopted by the City Council of the City (the "City Council") on April 12, 2016; and

WHEREAS, pursuant to Resolution 2016-31R adopted by the City Council on June 14, 2016, the City changed the name of the "G Bar 7 Public Improvement District" to "Glen Crossing Public Improvement District" (the "District"); and

WHEREAS, pursuant to the PID Act, the City Council published notice of and held a public hearing on November 13, 2018 regarding the levy of special assessments against benefitted property located in Phase #2 of the District at the November 13, 2018 meeting of the City Council, and after hearing testimony at such public hearing, the City Council closed the public hearing and adopted Ordinance No. 2018-__ (the "Phase #2 Assessment Ordinance") on November 13, 2018; and

WHEREAS, in the Phase #2 Assessment Ordinance, the City Council approved and accepted the Glen Crossing Public Improvement District Service and Assessment Plan, dated July 12, 2016, as updated on November 13, 2018 (the "Service and Assessment Plan") relating to the District and levied the Phase #2 Assessments (as defined in the Phase #2 Assessment Ordinance, the "Phase #2 Assessments") against the Phase #2 Assessment Roll (as defined and described in the Service and Assessment Plan, the "Phase #2 Assessment Roll"). Capitalized terms used in this Ordinance and not otherwise defined herein shall have the meanings assigned to them in the Service and Assessment Plan; and

WHEREAS, the City is authorized by the PID Act to issue its revenue bonds payable from the Phase #2 Assessments and other revenues received for the purposes of (i) paying a portion of the Actual Costs of the Phase #2 Improvements, as defined in the Indenture (defined herein), (ii) paying a portion of the interest on the Bonds (defined herein) during and after the period of acquisition and construction of the Phase #2 Improvements, (iii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying the costs of issuing the Bonds; and

WHEREAS, the City Council hereby finds and determines that it is in the best interests of the City to issue its bonds to be designated "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project)" (the "Bonds"), such series to be payable from and secured by the Pledged Revenues, as defined in the Indenture; and

WHEREAS, the City Council hereby finds and determines to (i) approve the issuance of the Bonds to finance a portion of the costs of the Phase #2 Improvements, as identified in the Service and Assessment Plan, (ii) approve the form, terms and provisions of an indenture of

trust securing the Bonds authorized hereby, (iii) approve the form, terms and provisions of a Bond Purchase Agreement (defined below) between the City and the purchaser of the Bonds, (iv) approve a Preliminary Limited Offering Memorandum and a Limited Offering Memorandum (defined below), (v) approve the form, terms and provisions of a Continuing Disclosure Agreement (defined below), and (vi) approve, the form, terms and provisions of a Disbursement Agreement; and

WHEREAS, the meeting at which this Ordinance 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; now, therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS:

SECTION 1. Approval of Issuance of Bonds and Indenture of Trust.

(a) The issuance of the Bonds in the principal amount of \$_____ for the purpose of (i) paying a portion of the Actual Costs of the Phase #2 Improvements, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #2 Improvements, (iii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying the costs of issuance of the Bonds.

(b) The Bonds shall be issued and secured under that certain Indenture of Trust (the "Indenture") dated as of November 1, 2018, between the City and U.S. Bank National Association, as trustee (the "Trustee"), with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the City Manager and the City's land use attorney, such approval to be evidenced by the execution and delivery of the Indenture by the Mayor or Mayor Pro Tem of the City, which Indenture is hereby approved in substantially the form attached hereto as **Exhibit A** which is incorporated herein as a part hereof for all purposes. The Mayor or Mayor Pro Tem of the City is hereby authorized and directed to execute the Indenture and the City Secretary is hereby authorized and directed to attest such signature of the Mayor or Mayor Pro Tem.

(c) The Bonds shall be dated, shall mature on the date or dates and in the principal amounts, shall bear interest, shall be subject to redemption and shall have such other terms and provisions as set forth in the Indenture. The Bonds shall be in substantially the form set forth in the Indenture with such insertions, omissions and modifications as may be required to conform the form of bond to the actual terms of the Bonds. The Bonds shall be payable from and secured by the "Pledged Revenues" (as defined in the Indenture) and other assets of the "Trust Estate" (as defined in the Indenture) pledged to such series, and shall never be payable from ad valorem taxes.

SECTION 2. Sale of Bonds; Approval of Bond Purchase Agreement. The Bonds shall be sold to FMSbonds, Inc. (the "Underwriter") under that certain Bond Purchase Agreement (the "Bond Purchase Agreement"), dated the date hereof, between the City and the Underwriter, substantially in the form attached hereto as **Exhibit B** which is incorporated herein as a part hereof for all purposes, which terms of sale are declared to be in the best interests of the City at the price and on the terms and provisions set forth in the Bond Purchase Agreement. The form, terms and provisions of the Bond Purchase Agreement are hereby authorized and approved with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the City Manager and the City's land use attorney, such

approval to be evidenced by the execution and delivery of the Bond Purchase Agreement by the Mayor or Mayor Pro Tem of the City. The Mayor or Mayor Pro Tem of the City is hereby authorized and directed to execute and deliver the Bond Purchase Agreement.

SECTION 3. Limited Offering Memorandum. The form and substance of the Preliminary Limited Offering Memorandum for the Bonds and any addenda, supplement or amendment thereto and the final Limited Offering Memorandum (the "Limited Offering Memorandum") are hereby in all respects approved and adopted. The Mayor or Mayor Pro Tem is hereby authorized and directed to execute such Limited Offering Memorandum with such changes and alterations therein as the Mayor or Mayor Pro Tem may approve, such approval to be conclusively evidenced by such execution thereof. The Limited Offering Memorandum as thus approved, executed and delivered, with such appropriate variations as shall be approved by the Mayor or Mayor Pro Tem of the City and the Underwriter, may be used by the Underwriter in the offering and sale of the Bonds. The City Secretary is hereby authorized and directed to include and maintain a copy of the Preliminary Limited Offering Memorandum and Limited Offering Memorandum and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Limited Offering Memorandum in the offering of the Bonds is hereby ratified, approved and confirmed and the Preliminary Limited Offering Memorandum is hereby deemed "final" as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. Notwithstanding the execution, approval and delivery of such Preliminary Limited Offering Memorandum and Limited Offering Memorandum by the Mayor or Mayor Pro Tem, this City Council, including the Mayor and Mayor Pro Tem, are not responsible for and proclaim no specific knowledge of the information contained in the Preliminary Limited Offering Memorandum and Limited Offering Memorandum pertaining to the Development (as defined in the Limited Offering Memorandum), the Developer (as defined in the Indenture) or their financial ability, any builders, any landowners, or the appraisal of the property in the District.

SECTION 4. Continuing Disclosure Agreement. That certain Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") between the City and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (the "Dissemination Agent") is hereby authorized and approved in substantially the form attached hereto as **Exhibit C** which is incorporated herein as a part hereof for all purposes and the City Manager, Mayor and Mayor Pro Tem of the City is authorized and directed to execute and deliver such Continuing Disclosure Agreement with such changes as may be required to carry out the purpose of this Ordinance and as approved by the City Manager, Mayor or Mayor Pro Tem, such approval to be evidenced by the execution thereof.

SECTION 5. Disbursement Agreement. That certain PID Disbursement Agreement Glen Crossing Public Improvement District Phase #2 Project (the "Disbursement Agreement") between the City and the Developer is hereby authorized and approved in substantially the form attached hereto as **Exhibit D** which is incorporated herein as a part hereof for all purposes and the Mayor or Mayor Pro Tem is hereby authorized and directed to execute and deliver such Redemption Agreement with such changes as may be required to carry out the purpose of this Ordinance and then as approved by the Mayor or Mayor Pro Tem, such approval to be evidenced by the execution thereof.

SECTION 6. Additional Actions. The Mayor, Mayor Pro Tem, the City Manager, the Director of Finance, and the City Secretary are each hereby authorized and directed to take any and all actions on behalf of the City necessary or desirable to carry out the intent and purposes of this Ordinance and to issue the Bonds in accordance with the terms of this Ordinance. The Mayor, Mayor Pro Tem, the City Manager, the Director of Finance, and the City Secretary are

each hereby authorized and directed to execute and deliver any and all certificates, agreements, notices, instruction letters, requisitions, and other documents which may be necessary or advisable in connection with the sale, issuance and delivery of the Bonds and the carrying out of the purposes and intent of this Ordinance or any other certificates, agreements, or other documents subsequent to the delivery of the Bonds which may be necessary or appropriate to carry out or fulfill the purpose and intent of the Service and Assessment Plan and the acquisition and construction of the Phase #2 Improvements.

SECTION 7. Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 8. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

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

SECTION 10. Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 11. Incorporation of Findings and Determinations. The findings and determinations of the City Council contained in the preamble of this Ordinance are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 12. Effective Date. This Ordinance shall take effect and be in force immediately from and after its adoption on the date shown below in accordance with Texas Government Code, Section 1201.028, as amended.

PASSED AND ADOPTED, this November 13, 2018.

CITY OF CELINA, TEXAS

Mayor

ATTEST:

City Secretary

(City Seal)

EXHIBIT A
INDENTURE OF TRUST

Attachment: Celina - Glen Crossing Phase #2 2018 - Bond Ordinance (with attachments) (2018 - 59 : Glen Crossing PID Phase 2 Bond

INDENTURE OF TRUST

By and Between

CITY OF CELINA, TEXAS

and

U.S. BANK NATIONAL ASSOCIATION
as Trustee

DATED AS OF NOVEMBER 1, 2018

SECURING

\$ _____
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #2 PROJECT)

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST, dated as of November 1, 2018 is by and between the CITY OF CELINA, TEXAS (the "City"), and U.S. BANK NATIONAL ASSOCIATION, Dallas, Texas, as trustee (together with its successors, the "Trustee"). Capitalized terms used in the preambles, recitals and granting clauses and not otherwise defined shall have the meanings assigned thereto in Article I.

WHEREAS, a petition was submitted by the Petitioner (defined herein) and filed with the City Secretary of the City (the "City Secretary") pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "PID Act"), requesting the creation of a public improvement district located within the City to be known as the G Bar 7 Public Improvement District (later renamed the Glen Crossing Public Improvement District, as described below) (the "District"); and

WHEREAS, the petition contained the signature of the owner of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the District, as determined by the then current ad valorem tax rolls of the Collin Central Appraisal District, and the signature of the record owner of taxable real property that constitutes more than fifty percent of the area of all taxable property that is liable for assessment by the District; and

WHEREAS, on April 12, 2016, after due notice, the City Council of the City (the "City Council") held the public hearing in the manner required by law on the advisability of the improvement projects and services described in the petition as required by Section 372.009 of the PID Act and on April 12, 2016, the City Council made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 2016-24R, adopted by a majority of the members of the City Council, authorized the District in accordance with its finding as to the advisability of the improvement projects and services and also made findings and determinations relating to the estimated total costs of certain Authorized Improvements; and

WHEREAS, on April 15, 2016, the City published notice of its authorization of the District in the *Celina Record*, a newspaper of general circulation in the City; and

WHEREAS, no written protests of the District from any owners of record of property within the District were filed with the City Secretary within 20 days after April 15, 2016; and

WHEREAS, on June 14, 2016, the City adopted Resolution No. 2016-31R, changing the name of the District to Glen Crossing Public Improvement District; and

WHEREAS, on October 9, 2018, the City Council by Resolution No. 2018-__R made findings and determinations relating to the Actual Costs of certain public improvements, received and accepted a preliminary service and assessment plan and proposed assessment roll, called a public hearing for November 13, 2018, and directed City staff to (i) file said proposed assessment roll with the City Secretary and to make it available for public inspection as required by Section 372.016(b) of the PID Act, and (ii) publish such notice as required by Section 372.016(b) of the PID Act relating to the November 13, 2018 public hearing; and

WHEREAS, the City Council, pursuant to Section 372.016(b) of the PID Act, published notice of a public hearing in the *Celina Record*, a newspaper of general circulation in the City to

consider the proposed “Phase #2 Assessment Roll” and the “Service and Assessment Plan” and the levy of the “Phase #2 Assessments” on property in the District; and

WHEREAS, the City Council, pursuant to Section 372.016(c) of the PID Act, mailed notice of the public hearing to consider the proposed Phase #2 Assessment Roll and the Service and Assessment Plan and the levy of the Phase #2 Assessments on property in the District to the last known address of the owners of the property liable for the Phase #2 Assessments; and

WHEREAS, the City Council convened the hearing on November 13, 2018, and at such public hearing all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the proposed Phase #2 Assessment Roll and the Phase #2 Assessments, and to offer testimony pertinent to any issue presented on the amount of the Phase #2 Assessments, the allocation of Actual Costs, the purposes of the Phase #2 Assessments, the special benefits of the Phase #2 Improvements, and the penalties and interest on annual installments and on delinquent annual installments of the Phase #2 Assessment; and

WHEREAS, at the November 13, 2018 public hearing referenced above, there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of Actual Costs, the Phase #2 Assessment Roll, and the levy of the Phase #2 Assessments; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, and

WHEREAS, on November 13, 2018, the City approved and accepted the Service and Assessment Plan in conformity with the requirements of the PID Act and adopted the Assessment Ordinance and therein levied the Phase #2 Assessments; and

WHEREAS, the City Council hereby finds and determines that the Phase #2 Assessment Roll and the Service and Assessment Plan should be approved and that the Phase #2 Assessments should be levied as provided in the Service and Assessment Plan and the Phase #2 Assessment Roll; and

WHEREAS, the City Council is authorized by the PID Act to issue its revenue bonds payable from the Phase #2 Assessments for the purpose of (i) paying a portion of the Actual Costs of the Phase #2 Improvements, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #2 Improvements, (iii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying costs of issuance of the Bonds; and

WHEREAS, the City Council now desires to issue revenue bonds in accordance with this Indenture and the PID Act, such bonds to be entitled “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project)” (the “Bonds”), such Bonds being payable solely from the Pledged Revenues and other funds pledged under this Indenture to the payment of the Bonds and for the purposes set forth in the preamble of this Indenture; and

WHEREAS, the Trustee has agreed to accept the trusts herein created upon the terms set forth in this Indenture;

NOW, THEREFORE, the City, in consideration of the foregoing premises and acceptance by the Trustee of the trusts herein created, of the purchase and acceptance of the Bonds by the Owners thereof, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, CONVEY, PLEDGE, TRANSFER, ASSIGN, and DELIVER to the Trustee for the benefit of the Owners, a security interest in all of the moneys, rights and properties described in the Granting Clauses hereof, as follows (collectively, the "Trust Estate"):

FIRST GRANTING CLAUSE

The Pledged Revenues, as herein defined, but excluding any moneys held in the Developer Improvement Account of the Project Fund, and all moneys and investments held in the Pledged Funds, including any contract or any evidence of indebtedness related thereto or other rights of the City to receive any of such moneys or investments, whether now existing or hereafter coming into existence, and whether now or hereafter acquired; and

SECOND GRANTING CLAUSE

Any and all other property or money of every name and nature which is, from time to time hereafter by delivery or by writing of any kind, conveyed, pledged, assigned or transferred, to the Trustee as additional security hereunder by the City or by anyone on its behalf or with its written consent, and the Trustee is hereby authorized to receive any and all such property or money at any and all times and to hold and apply the same subject to the terms thereof;

TO HAVE AND TO HOLD the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors or assigns;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the benefit of all present and future Owners of the Bonds from time to time issued under and secured by this Indenture, and for enforcement of the payment of the Bonds in accordance with their terms, and for the performance of and compliance with the obligations, covenants, and conditions of this Indenture;

PROVIDED, HOWEVER, that if and to the extent Phase #2 Assessments have been prepaid, the lien on real property associated with such Phase #2 Assessment prepayment shall be released from the Trust Estate and shall no longer constitute a part of the Trust Estate;

PROVIDED, FURTHER, HOWEVER, if the City or its assigns shall well and truly pay, or cause to be paid, the principal or Redemption Price of and the interest on all the Bonds at the times and in the manner stated in the Bonds, according to the true intent and meaning thereof, then this Indenture and the rights hereby granted shall cease, terminate and be void; otherwise this Indenture is to be and remain in full force and effect;

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated, and delivered and the Trust Estate hereby created, assigned, and pledged is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as hereinafter expressed, and the City has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners from time to time of the Bonds as follows:

DEFINITIONS, FINDINGS AND INTERPRETATION

Section 1.1. Definitions.

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

"Account" means any of the accounts established pursuant to Section 6.1 of this Indenture.

"Actual Costs" means the costs of the Phase #2 Improvements.

"Administrative Fund" means that Fund established by Section 6.1 and administered pursuant to Section 6.9 hereof.

"Amended Development Agreement", effective as of June 14, 2016, between the City and the Wynne/Jackson, Inc. and assigned to and assumed by the Developer on June 17, 2016.

"Annual Collection Costs" mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the District, including, but not limited to, the costs of: (i) creating and organizing the District, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the District, (iii) computing, levying, billing and collecting Phase #2 Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Phase #2 Assessments and the system of registration and transfer of the Bonds, (v) issuing, paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and codes with respect to the Bonds, (viii) the Trustee's reasonable fees and expenses relating to the Bonds, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Phase #2 Improvements. Annual Collection Costs do not include payment of the actual principal of, redemption premium, if any, and interest on the Bonds. Annual Collection Costs collected and not expended for actual Annual Collection Costs shall be carried forward and applied to reduce Annual Collection Costs in subsequent years to avoid the over-collection of amounts to pay Annual Collection Costs.

"Annual Debt Service" means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled (including by reason of Sinking Fund Installments), and (ii) the principal amount of the Outstanding Bonds due in such Bond Year (including any Sinking Fund Installments due in such Bond Year).

"Annual Installment" means, with respect to each Phase #2 Assessed Parcel, each annual payment of the Phase #2 Assessments as shown on the Phase #2 Assessment Roll attached to the Service and Assessment Plan as Appendix F and related to the Bonds and the Phase #2 Improvements; which annual payment includes the 0.20% additional interest collected on each annual payment of the Phase #2 Assessments related to Bonds for the Prepayment Reserve Account and the 0.30% additional interest collected on each annual payment of the Phase #2 Assessments related to the Bonds for the Delinquency Reserve Account as described

in Section 6.7 herein and as defined and calculated in the Service and Assessment Plan or in any Annual Service Plan Update.

"Annual Service Plan Update" means the annual review and update of the Service and Assessment Plan required by the PID Act and the Service and Assessment Plan.

"Applicable Laws" means the PID Act, and all other laws or statutes, rules, or regulations, and any amendments thereto, of the State of Texas or of the United States, by which the City and its powers, securities, operations, and procedures are, or may be, governed or from which its powers may be derived.

"Assessment Ordinance" means Ordinance No. 2018-__ adopted by the City Council on November 13, 2018, that levied the Phase #2 Assessments on the Phase #2 Assessed Parcels.

"Assessment Revenue" means monies collected by or on behalf of the City from any one or more of the following: (i) a Phase #2 Assessment levied against a Phase #2 Assessed Parcel, or Annual Installment payment thereof, including any interest on such Phase #2 Assessment or Annual Installment thereof during any period of delinquency, (ii) a Prepayment, (iii) Delinquent Collection Costs, and (iv) Foreclosure Proceeds.

"Authorized Denomination" means \$25,000 and any integral multiple of \$1,000 in excess thereof; provided, however, that if the total principal amount of any Outstanding Bond is less than \$25,000, then the Authorized Denomination of such Outstanding Bond shall be the amount of the Outstanding Bond.

"Authorized Improvements" means the improvements authorized by Section 372.003 of the PID Act, including those listed in Section III of the Service and Assessment Plan.

"Bond Counsel" means Norton Rose Fulbright US LLP or any other attorney or firm of attorneys designated by the City that are nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

"Bond Date" means the date designated as the initial date of the Bonds by Section 3.2(a) of this Indenture.

"Bond Fund" means the Fund established pursuant to Section 6.1 and administered as provided in Section 6.4.

"Bond Ordinance" means Ordinance No. 2018-__ adopted by the City Council on November 13, 2018 authorizing the issuance of the Bonds pursuant to this Indenture.

"Bond Pledged Revenue Account" means the Account established pursuant to Section 6.1.

"Bond Year" means the one-year period beginning on September 1 in each year and ending on August 31 in the following year.

"Bonds" means the City's bonds authorized to be issued by Section 3.1 of this Indenture entitled "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project)".

“Business Day” means any day other than a Saturday, Sunday or legal holiday in the State of Texas observed as such by the City or the Trustee.

“Capitalized Interest Account” means the Account of such name established pursuant to Section 6.1.

“Certificate for Disbursement” means a certificate substantially in the form of Exhibit A attached to the PID Disbursement Agreement or otherwise approved by the Developer and the City Representative executed by a Person approved by the City Representative, delivered to the City Representative and the Trustee specifying the amount of work performed and the Actual Costs thereof, and requesting payment for such Actual Costs from money on deposit in the Project Fund as further described in the PID Disbursement Agreement and Section 6.5 herein.

“Certificate for Payment” means a certificate substantially in the form of Exhibit A attached to the PID Reimbursement Agreement or otherwise approved by the Developer and the City Representative executed by a Person approved by the City Representative, delivered to the City Representative and the Trustee specifying the amount of work performed and the Actual Costs thereof, and requesting payment for such Actual Costs from money on deposit in the Developer Project Fund as further described in the PID Reimbursement Agreement and Section 6.12 herein.

“City Certificate” means a certificate signed by the City Representative and delivered to the Trustee.

“City Order” means written instructions by the City, executed by a City Representative.

“City Representative” means any official or agent of the City authorized by the City Council to undertake the action referenced herein.

“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.

“Costs of Issuance Account” means the Account established pursuant to Section 6.1.

“Defeasance Securities” means Investment Securities then authorized by applicable law for the investment of funds to defease public securities.

“Delinquency Component” shall have the meaning ascribed to such term in Section 6.7 hereof.

“Delinquency Reserve Account” means the Account established pursuant to Section 6.1.

“Delinquency Reserve Requirement” means an amount equal to 4.0% of the principal amount of the Outstanding Bonds which will be funded from revenues received from the payment of Phase #2 Assessments deposited to the Pledged Revenue Fund.

"Delinquent Collection Costs" means the costs related to the foreclosure on a Phase #2 Assessed Parcel and the costs of collection of a delinquent Phase #2 Assessment, including penalties and reasonable attorney's fees actually paid, but excluding amounts representing interest and penalty interest.

"Designated Payment/Transfer Office" means (i) with respect to the initial Paying Agent/Registrar named in this Indenture, the transfer/payment office located in St. Paul, Minnesota, or 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 City and such successor.

"Developer" means W/J CR 55 LP, a Texas limited partnership (including its successors and assigns).

"Developer Improvement Account" means the Account of such name established pursuant to Section 6.1.

"Disclosure Agreement of the Developer" means that certain agreement between the Developer, the PID Administrator, and HTS Continuing Disclosure Services, a Division of Hilltop Securities Inc., which provides for the provision of certain information regarding the development and the Phase #2 Improvements by certain dates for the benefit of the Owners of the Bonds.

"District Administration Account" means the Account of such name established pursuant to Section 6.1.

"DTC" shall mean The Depository Trust Company located in 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.

"Excess Delinquency Reserve Amount" shall have the meaning ascribed to such term in Section 6.7 hereof.

"Excess Prepayment Reserve Amount" shall have the meaning ascribed to such term in Section 6.7 hereof.

"Foreclosure Proceeds" means the proceeds, including interest and penalty interest, received by the City from the enforcement of the Phase #2 Assessments against any Phase #2 Assessed Parcel or Phase #2 Assessed Parcels, whether by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Costs.

"Fund" means any of the funds established pursuant to Section 6.1 of this Indenture.

"Indenture" means this Indenture of Trust as originally executed or as it may be from time to time supplemented or amended by one or more indentures supplemental hereto and entered into pursuant to the applicable provisions hereof.

“Independent Financial Consultant” means any consultant or firm of such consultants appointed by the City who, or each of whom: (i) is judged by the City, as the case may be, to have experience in matters relating to the issuance and/or administration of the Bonds; (ii) is in fact independent and not under the domination of the City; (iii) does not have any substantial interest, direct or indirect, with or in the City, or any owner of real property in the District, or any real property in the District; and (iv) is not connected with the City as an officer or employee of the City, but who may be regularly retained to make reports to the City.

“Initial Bond” means the Initial Bond as set forth in Exhibit A to this Indenture.

“Interest Payment Date” means the date or dates upon which interest on the Bonds is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being on March 1 and September 1 of each year, commencing March 1, 2019.

“Investment Securities” means those authorized investments described in the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended; and provided that such investments are, at the time made, included in and authorized by the City’s official investment policy as approved by the City Council from time to time.

“Maximum Annual Debt Service” means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds.

“Outstanding” means, as of any particular date when used with reference to Bonds, all Bonds authenticated and delivered under this Indenture except (i) any Bond that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii) any Bond for which the payment of the principal or Redemption Price of and interest on such Bond shall have been made as provided in Article IV, and (iii) any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to Section 3.10 herein.

“Owner(s)” means the Person or Persons who is the registered owner of any Bond, as shown in the Register, which shall be Cede & Co., as nominee for DTC, so long as the Bonds are in book-entry only form and held by DTC as securities depository in accordance with Section 3.11 herein.

“Paying Agent/Registrar” means initially the Trustee, or any successor thereto as provided in this Indenture.

“Person” or “Persons” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“Petitioner” means G Bar 7, Ltd., a Texas limited partnership.

“Phase #2” means the second phase to be developed within the District and further identified and described in the Service and Assessment Plan.

“Phase #2 Assessment Roll” means the Phase #2 Assessment Roll attached as Appendix F to the Service and Assessment Plan or any other Phase #2 Assessment Roll in an amendment or supplement to the Service and Assessment Plan or in an Annual Service Plan Update, showing the total amount of the Phase #2 Assessment against each Phase #2

Assessed Parcel related to the Phase #2 Improvements, as updated, modified, or amended from time to time in accordance with the terms of the Service and Assessment Plan and the PID Act.

"Phase #2 Assessed Parcel" means each respective parcel of land located within Phase #2 of the District against which a Phase #2 Assessment is levied by the Assessment Ordinance in accordance with the Service and Assessment Plan.

"Phase #2 Assessments" means the aggregate assessments shown on the Phase #2 Assessment Roll. The singular of such term means the assessment levied against a Phase #2 Assessed Parcel as shown on the Phase #2 Assessment Roll, subject to reallocation upon the subdivision of a Phase #2 Assessed Parcel or reduction according to the provisions of the Service and Assessment Plan and the PID Act.

"Phase #2 Improvements" means the Authorized Improvements which will benefit Phase #2 Assessed Parcels and more particularly described in Section III of the Service and Assessment Plan.

"PID Act" means Texas Local Government Code, Chapter 372, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

"PID Administrator" means MuniCap, Inc. or any other public finance consulting firm providing services related to the administration of special tax or special assessment districts, as designated by the City.

"PID Disbursement Agreement" means the "PID Disbursement Agreement" between the City and the Developer, effective as of November 13, 2018.

"PID Reimbursement Agreement" means the "PID Reimbursement Agreement" between the City and the Developer, effective as of July 12, 2016, including any addendum attached thereto from time to time.

"Pledged Funds" means the Pledged Revenue Fund, the Bond Fund, the Project Fund (but excluding the Developer Improvement Account), the Reserve Fund, and the Redemption Fund.

"Pledged Revenue Fund" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.3 herein.

"Pledged Revenues" means the sum of (i) Assessment Revenue less the Annual Collection Costs, (ii) the moneys held in any of the Pledged Funds, and (iii) any additional revenues that the City may pledge to the payment of the Bonds.

"Prepayment" means the payment of all or a portion of a Phase #2 Assessment before the due date thereof.

"Prepayment Component" shall have the meaning ascribed to such term in Section 6.7 hereof.

"Prepayment Reserve Account" means the Account of such name established pursuant to Section 6.1.

“Prepayment Reserve Requirement” means an amount equal to 1.5% of the principal amount of the Outstanding Bonds which will be funded from revenues received from the payment of Phase #2 Assessments deposited to the Pledged Revenue Fund.

“Principal and Interest Account” means the Account of such name established pursuant to Section 6.1.

“Project Fund” means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.5 herein.

“Purchaser” means the initial purchaser of the Bonds.

“Rebate Amount” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Rebate Fund” means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.8 herein.

“Record Date” means the close of business on the fifteenth calendar day (whether or not a Business Day) of the month next preceding an Interest Payment Date.

“Redemption Fund” means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.6 herein.

“Redemption Price” means, when used with respect to any Bond or portion thereof, the applicable redemption price shown in Article IV of this Indenture.

“Refunding Bonds” means bonds issued pursuant to the PID Act and/or Chapter 1207 of the Texas Government Code (each as heretofore and hereinafter amended) to refund all or any portion of the then-Outstanding Bonds.

“Register” means the register specified in Article III of this Indenture.

“Reserve Account” means the Account of such name established pursuant to Section 6.1.

“Reserve Account Requirement” means the least of: (i) Maximum Annual Debt Service on the Bonds as of the date of issuance of the Bonds, (ii) 125% of average Annual Debt Service on the Bonds as of the date of issuance of the Bonds, or (iii) 10% of the proceeds of the Bonds; provided, however, that such amount shall be reduced by the amount of any transfers made pursuant to subsections (c) and (d) of Section 6.7; and provided further that as a result of an optional redemption pursuant to Section 4.3, the Reserve Account Requirement shall be reduced by a percentage equal to the pro rata principal amount of Bonds redeemed by such optional redemption divided by the total principal amount of the Outstanding prior to such redemption. As of the date of delivery of the Bonds, the Reserve Account Requirement is \$_____ which is an amount equal to [Maximum Annual Debt Service] on the as of the date of issuance of the Bonds.

“Reserve Fund” means that fund established pursuant to Section 6.1 and administered in Section 6.7 herein.

“Service and Assessment Plan” means the document, including the Phase #2 Assessment Roll, as amended, which is attached as Exhibit A to the Assessment Ordinance, including any annual updates thereto.

“Sinking Fund Installment” means the amount of money to redeem or pay at maturity the portion of the principal of Outstanding Bonds payable from such installments at the times and in the amounts provided in Section 4.2 herein.

“Stated Maturity” means the date of the Bonds, or any portion of the Bonds, as applicable, are scheduled to mature without regard to any redemption or prepayment.

“Supplemental Indenture” means an indenture which has been duly executed by the Trustee and the City Representative pursuant to an ordinance adopted by the City Council and which indenture amends or supplements this Indenture, but only if and to the extent that such indenture is specifically authorized hereunder.

“Tax Certificate” means the Certificate as to Tax Exemption delivered by the City on the Closing Date for the Bonds setting forth the facts, estimates and circumstances in existence on the Closing Date which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the interest on such Bonds to be included in the gross income of the Owners thereof for Federal income tax purposes.

“Trust Estate” means the Trust Estate described in the granting clauses of this Indenture.

“Trustee” means U.S. Bank National Association, Dallas, Texas, and its successors, and any other corporation or association that may at any time be substituted in its place, as provided in Article IX, such entity to serve as Trustee and Paying Agent/Registrar for the Bonds.

Section 1.2. Findings.

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

Section 1.3. Table of Contents, Titles and Headings.

The table of contents, titles, and headings of the Articles and Sections of this Indenture 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 Indenture or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.4. 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) Words importing persons include any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or agency or political subdivision thereof.

(c) Any reference to a particular Article or Section shall be to such Article or Section of this Indenture unless the context shall require otherwise.

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

ARTICLE II

THE BONDS

Section 2.1. Security for the Bonds.

The Bonds, as to both principal and interest, are and shall be equally and ratably secured by and payable from a first lien on and pledge of the Trust Estate.

The lien on and pledge of the Pledged Revenues shall be valid and binding and fully perfected from and after the Closing Date, without physical delivery or transfer of control of the Pledged Revenues, the filing of this Indenture or any other act; all as provided in Texas Government Code, Chapter 1208, as amended, which applies to the issuance of the Bonds and the pledge of the Pledged Revenues granted by the City under this Indenture, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while any of the Bonds are Outstanding such that the pledge of the Pledged Revenues granted by the City under this Indenture is to be subject to the filing requirements of Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business and Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said pledge to occur.

Section 2.2. Limited Obligations.

The Bonds are special and limited obligations of the City, payable solely from and secured solely by the Trust Estate, including the Pledged Revenues and the Pledged Funds; and the Bonds shall never be payable out of funds raised or to be raised by taxation or from any other revenues, properties or income of the City.

Section 2.3. Authorization for Indenture.

The terms and provisions of this Indenture and the execution and delivery hereof by the City to the Trustee have been duly authorized by official action of the City Council of the City. The City has ascertained and it is hereby determined and declared that the execution and delivery of this Indenture is necessary to carry out and effectuate the purposes set forth in the preambles of this Indenture and that each and every covenant or agreement herein contained and made is necessary, useful or convenient in order to better secure the Bonds and is a contract or agreement necessary, useful and convenient to carry out and effectuate the purposes herein described.

Section 2.4. Contract with Owners and Trustee.

(a) The purposes of this Indenture are to establish a lien and the security for, and to prescribe the minimum standards for the authorization, issuance, execution and delivery of, the Bonds and to prescribe the rights of the Owners, and the rights and duties of the City and the Trustee.

(b) In consideration of the purchase and acceptance of any or all of the Bonds by those who shall purchase and hold the same from time to time, the provisions of this Indenture shall be a part of the contract of the City with the Owners, and shall be deemed to be and shall constitute a contract among the City, the Owners, and the Trustee.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.1. Authorization.

The Bonds are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, including particularly the PID Act, as amended. The Bonds shall be issued in the aggregate principal amount of \$_____ for the purpose of (i) paying a portion of the Actual Costs of the Phase #2 Improvements, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #2 Improvements, (iii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying the costs of issuance of the Bonds.

Section 3.2. Date, Denomination, Maturities, Numbers and Interest.

(a) The Bonds shall be dated November 1, 2018 (the "Bond Date") and shall be issued in Authorized Denominations. The Bonds shall be in fully registered form, without coupons, and shall be numbered separately from R-1 upward, except the Initial Bond, which shall be numbered T-1.

(b) Interest shall accrue and be paid on each Bond from the later of the date of initial delivery of the Bonds or the most recent Interest Payment Date to which interest has been paid or provided for, at the rate per annum set forth below until the principal thereof has been paid on the maturity date specified below or otherwise provided for. Such interest shall be payable semiannually on March 1 and September 1 of each year, commencing _____ computed on the basis of a 360-day year of twelve 30-day months.

(c) The Bonds shall mature on September 1 in the years and in the principal amounts and shall bear interest as set forth below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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(d) The Bonds shall be subject to mandatory sinking fund redemption, optional redemption, and extraordinary optional redemption prior to maturity as provided in Article IV herein, and shall otherwise have the terms, tenor, denominations, details, and specifications as set forth in the form of Bond set forth in Exhibit A to this Indenture.

Section 3.3. Conditions Precedent to Delivery of Bonds.

The Bonds shall be executed by the City and delivered to the Trustee, whereupon the Trustee shall authenticate the Bonds and, upon payment of the purchase price of the Bonds, shall deliver the Bonds upon the order of the City, but only upon delivery to the Trustee of:

- (a) a certified copy of the Assessment Ordinance;
- (b) a certified copy of the Bond Ordinance;
- (c) a copy of the executed Amended Development Agreement;
- (d) a copy of the executed PID Reimbursement Agreement;
- (e) a copy of the executed PID Disbursement Agreement;
- (f) a copy of this Indenture executed by the Trustee and the City; and

(g) a City Certificate directing the authentication and delivery of the Bonds, describing the Bonds to be authenticated and delivered, designating the purchasers to whom the Bonds are to be delivered, stating the purchase price of the Bonds and stating that all items required by this Section are therewith delivered to the Trustee in form and substance satisfactory to the City.

Section 3.4. Medium, Method and Place of Payment.

(a) Principal of and interest on the Bonds shall be paid in lawful money of the United States of America, as provided in this Section.

(b) Interest on the Bonds shall be payable to the Owners thereof as shown in the Register at the close of business on the relevant Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest 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 Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled 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 (5) 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 Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

(c) Interest on the Bonds shall be paid by check, dated as of the Interest Payment Date, and sent, United States mail, first-class, postage prepaid, by the Paying Agent/Registrar to each Owner at the address of each as such appears in the Register or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the Owner; provided, however, the Owner shall bear all risk and expense of such other banking arrangement.

(d) The principal of each Bond shall be paid to the Owner of such Bond on the due date thereof, whether at the maturity date or the date of prior redemption thereof, upon presentation and surrender of such Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar.

(e) If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day that is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or authorized to close, and payment on such date shall for all purposes be deemed to have been made on the due date thereof as specified in Section 3.2 of this Indenture.

(f) Unclaimed payments of amounts due hereunder 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 such unclaimed payments pertain. Subject to any escheat, abandoned property, or similar law of the State of Texas, any such payments remaining unclaimed by the Owners entitled thereto for two (2) years after the applicable payment or redemption date shall be applied to the next payment or payments on such Bonds thereafter coming due and, to the extent any such money remains after the retirement of all Outstanding Bonds, shall be paid to the City to be used for any lawful purpose. Thereafter, none of the City, the Paying Agent/Registrar, or 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 any applicable escheat law or similar law of the State of Texas, including the provisions of Title 6 of the Texas Property Code, as amended.

Section 3.5. Execution and Registration of Bonds.

(a) The Bonds shall be executed on behalf of the City by the Mayor or Mayor Pro Tem and City Secretary, by their manual or facsimile signatures, and the official seal of the City 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 City had been manually impressed upon each of the Bonds.

(b) In the event that any officer of the City 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 Indenture unless and until there appears thereon the Certificate of Trustee substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Trustee. It shall not be required that the same officer or authorized signatory of the Trustee sign the Certificate of

Trustee on all of the Bonds. In lieu of the executed Certificate of Trustee described above, the Initial Bond delivered at 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 or her 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, is a valid and binding obligation of the City, and has been registered by the Comptroller of Public Accounts of the State of Texas, including the provisions of Title 6 of the Texas Property Code, as amended.

(d) On the Closing Date, one Initial Bond representing the entire principal amount of all of the Bonds, payable in stated installments to the Purchaser, or its designee, executed with the manual or facsimile signatures of the Mayor or Mayor Pro Tem and the City Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the Purchaser or its designee. Upon payment for the Initial Bond, the Trustee shall cancel the Initial Bond and deliver to DTC on behalf of the Purchaser one registered definitive bond for each year of maturity of the Bonds, in the aggregate principal amount of all Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC.

Section 3.6. Ownership.

(a) The City, the Trustee, the Paying Agent/Registrar and any other Person may treat the Person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment as provided herein (except interest shall be paid to the Person in whose name such Bond is registered on the relevant Record Date) and for all other purposes, whether or not such Bond is overdue, and neither the City nor the Trustee, nor the Paying Agent/Registrar, shall be bound by any notice or knowledge to the contrary.

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

Section 3.7. Registration, Transfer and Exchange.

(a) So long as any Bond remains Outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a 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 Indenture. The Paying Agent/Registrar represents and warrants that it will file and maintain a copy of the Register with the City, and shall cause the Register to be current with all registration and transfer information as from time to time may be applicable.

(b) A Bond shall be transferable only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is 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 of the Paying Agent/Registrar for a Bond or Bonds, of the same maturity and interest rate and in any Authorized Denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bond presented for

exchange. The Trustee is hereby authorized to authenticate and deliver Bonds exchanged for other Bonds in accordance with this Section.

(d) 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 Owner or his designee. Each transferred Bond delivered by the Paying Agent/Registrar in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such transferred Bond is delivered.

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

(f) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for a different Authorized 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.

(g) Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Bond or portion thereof called for redemption prior to maturity within forty-five (45) days prior to the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Bond.

Section 3.8. Cancellation.

All Bonds paid or redeemed before scheduled maturity in accordance with this Indenture, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Indenture, shall be cancelled, and proper records shall be made regarding such payment, redemption, exchange, or replacement. The Paying Agent/Registrar shall dispose of cancelled Bonds in accordance with the records retention requirements of the Trustee.

Section 3.9. Temporary Bonds.

(a) Following the delivery and registration of the Initial Bond and pending the preparation of definitive bonds, the proper officers of the City may execute and, upon the City's request, the Trustee 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 City 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 Indenture.

(c) The City, without unreasonable delay, shall prepare, execute and deliver to the Trustee 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 the Trustee shall 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 3.10. Replacement Bonds.

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Trustee shall authenticate and deliver in exchange therefor a replacement bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City 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 Trustee, 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 complies with the following requirements:

(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 Trustee to save them and the City harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Trustee and 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 City and the Trustee.

(c) After the delivery of such replacement bond, if a bona fide purchaser of the original Bond in lieu of which such replacement bond was issued presents for payment such original Bond, the City 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 City, the Paying Agent/Registrar or the Trustee 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 City and shall be entitled to the benefits and security of this Indenture to the same extent as the Bonds in lieu of which such replacement bond is delivered.

Section 3.11. Book-Entry Only System.

The Bonds shall initially be issued in book-entry-only form and shall be deposited with DTC, which is hereby appointed to act as the securities depository therefor, in accordance with the letter of representations from the City to DTC. On the Closing Date, the definitive Bonds shall be issued in the form of a single typewritten certificate for each maturity thereof registered in the name of Cede & Co., as nominee for DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City 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. Without limiting the immediately preceding sentence, the City 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, as shown on the Register, 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, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Indenture to the contrary, the City 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 principal of, premium, if any, and interest on Bonds, 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 principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners as shown in the Register, as provided in this Indenture, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No Person other than an Owner, as shown in the Register, shall receive a bond certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Indenture. 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 Indenture with respect to interest checks or drafts being mailed to the registered owner at the close of business on the relevant Record Date, the word "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

Section 3.12. Successor Securities Depository: Transfer Outside Book-Entry-Only System.

In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the letter of representations from the City to DTC, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants 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 of the

availability through DTC of certificated Bonds and cause the Paying Agent/Registrar to transfer one or more separate registered Bonds to DTC Participants having Bonds credited to their DTC accounts. 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, in accordance with the provisions of this Indenture.

Section 3.13. Payments to Cede & Co.

Notwithstanding any other provision of this Indenture 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 blanket letter of representations from the City to DTC.

ARTICLE IV

REDEMPTION OF BONDS BEFORE MATURITY

Section 4.1. Limitation on Redemption.

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

Section 4.2. Mandatory Sinking Fund Redemption.

(a) The Bonds are subject to mandatory sinking fund redemption prior to their maturity and will be redeemed by the City in part at the Redemption Price of par plus accrued and unpaid interest to the redemption date from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to Article VI, on the dates and in the respective Sinking Fund Installments as set forth in the following schedule:

Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
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Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
------------------------	-------------------------------------

Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
------------------------	-------------------------------------

Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
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(b) At least forty-five (45) days prior to each mandatory sinking fund redemption date, the Trustee shall select a principal amount of Bonds of such maturity equal to the Sinking Fund Installment amount of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.6.

(c) The principal amount of Bonds of a Stated Maturity required to be redeemed on any mandatory sinking fund redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least forty-five (45) days prior to the mandatory sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

(d) The principal amount of Bonds required to be redeemed on any mandatory sinking fund redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced on a pro rata basis among outstanding Sinking Fund Installments by the principal amount of any Bonds which, at least forty-five (45) days prior to the sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.3. Optional Redemption.

The City reserves the right and option to redeem Bonds before their scheduled maturity dates, in whole or in part, on any date on or after September 1, 20__, at par plus accrued interest to the date of redemption.

Section 4.4. Extraordinary Optional Redemption.

Notwithstanding any provision in this Indenture to the contrary, the City reserves the right and option to redeem Bonds before their respective scheduled maturity dates, in whole or in part, on the first day of any month, at the Redemption Price of 100% of the principal amount of such Bonds, or portions thereof, to be redeemed plus accrued interest to the date of redemption from amounts on deposit in the Redemption Fund as a result of Prepayments (including related transfers to the Redemption Fund as provided in Section 6.7(c)), transfers to the Redemption Fund made pursuant to Section 6.3(e), 6.3(f), 6.7(a), 6.7(c), 6.7(e), or 6.7(i) hereof, or as a result of unexpended amounts transferred from the Project Fund as provided in Section 6.5(c).

Section 4.5. Partial Redemption.

(a) If less than all of the Bonds are to be redeemed pursuant to either Sections 4.2 or 4.3, Bonds shall be redeemed in minimum principal amounts of \$25,000 or any integral of \$1,000 in excess thereof by any method selected by the Trustee that results in a pro rata

selection. Each Bond shall be treated as representing the number of Bonds that is obtained by dividing the principal amount of such Bond by the smallest Authorized Denomination for such Bond.

(b) If less than all of the Bonds are to be redeemed pursuant to Section 4.4, Bonds shall be redeemed in minimum principal amounts of \$5,000 or any integral of \$1,000 in excess thereof by any method selected by the Trustee that results in a pro rata selection. Each Bond shall be treated as representing the number of Bonds that is obtained by dividing the principal amount of such Bond by \$5,000 for such Bond.

(c) A portion of a single Bond of a denomination greater than an Authorized Denomination may be redeemed, but only in a principal amount equal to integral multiples of \$1,000. The Trustee shall treat each \$1,000 portion of such Bond as though it were a single bond for purposes of selection for redemption. No redemption shall result in a Bond in a denomination of less than the Authorized Denomination in effect at that time; provided, however, if the amount of the Outstanding Bond is less than an Authorized Denomination after giving effect to such partial redemption, a Bond in the principal amount equal to the unredeemed portion, but not less than \$1,000, may be issued.

(d) Upon surrender of any Bond for redemption in part, the Trustee in accordance with Section 3.7 of this Indenture, shall authenticate and deliver and exchange the Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, such exchange being without charge.

Section 4.6. Notice of Redemption to Owners.

(a) The Trustee shall give notice of any redemption of Bonds by sending notice by United States mail, first-class, 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 in 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, and subject to Section 4.5 hereof, an identification of the Bonds or portions thereof to be redeemed, any conditions to such redemption and that on the redemption date, if all conditions, if any, to such redemption have been satisfied, such Bond shall become due and payable.

(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.

(d) The City has the right to rescind any optional redemption or extraordinary optional redemption described in Section 4.3 or 4.4 by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The Trustee shall mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

(e) With respect to any optional redemption of the Bonds, unless the Trustee has received funds sufficient to pay the Redemption Price of the Bonds to be redeemed before

giving of a notice of redemption, the notice may state the City may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

Section 4.7. Payment Upon Redemption.

(a) The Trustee shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust an amount from the Redemption Fund or otherwise received by the Trustee from the City and shall use such funds solely for the purpose of paying the Redemption Price on the Bonds being redeemed.

(b) Upon presentation and surrender of any Bond called for redemption at the designated corporate trust office of the Trustee on or after the date fixed for redemption, the Trustee shall pay the Redemption Price on such Bond to the date of redemption from the moneys set aside for such purpose.

Section 4.8. Effect of Redemption.

Notice of redemption having been given as provided in Section 4.6 of this Indenture, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption provided that funds for the payment of the Redemption Price on such Bonds to the date fixed for redemption are on deposit with the Trustee; thereafter, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

ARTICLE V

FORM OF THE BONDS

Section 5.1. Form Generally.

(a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Trustee, and the Assignment to appear on each of the Bonds, (i) shall be substantially in the form set forth in Exhibit A to this Indenture with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Indenture, 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 City 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 5.2. CUSIP Registration.

The City may secure identification numbers through the CUSIP Services managed by S&P Global Market Intelligence on behalf of The American Bankers Association, 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 none of the City, the Trustee, or the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds. The Trustee may include in any redemption notice a statement to the effect that the CUSIP numbers on the Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the Owners of the Bonds and that neither the City nor the Trustee shall be liable for any inaccuracies of such numbers.

Section 5.3. Legal Opinion.

The approving legal opinion of Bond Counsel may be printed on or attached to each Bonds over the certification of the City Secretary of the City, which may be executed in facsimile.

ARTICLE VI

FUNDS AND ACCOUNTS

Section 6.1. Establishment of Funds and Accounts.

(a) Creation of Funds. The following Funds are hereby created and established under this Indenture:

- (i) Pledged Revenue Fund;
- (ii) Bond Fund;
- (iii) Project Fund;
- (iv) Developer Project Fund;
- (v) Reserve Fund;
- (vi) Redemption Fund;
- (vii) Rebate Fund; and
- (viii) Administrative Fund.

(b) Creation of Accounts.

(i) The following Accounts are hereby created and established under the Bond Fund:

(A) Capitalized Interest Account; and

(B) Principal and Interest Account.

(ii) The following Accounts are hereby created and established under the Reserve Fund:

(A) Reserve Account;

(B) Prepayment Reserve Account; and

(C) Delinquency Reserve Account.

(iii) The following Accounts are hereby created and established under the Project Fund:

(A) Phase #2 Improvement Account;

(B) Developer Improvement Account; and

(C) Costs of Issuance Account.

(iv) The following Account is hereby created and established under the Pledged Revenue Fund:

(A) Bond Pledged Revenue Account.

(v) The following Account is hereby created and established under the Administrative Fund:

(A) District Administration Account.

(vi) The following Account is hereby created and established under the Developer Project Fund:

(A) Developer Public Improvement Account.

(c) Each Fund and Account created within such Fund shall be maintained by the Trustee separate and apart from all other funds and accounts of the City. The Pledged Funds shall constitute trust funds which shall be held in trust by the Trustee as part of the Trust Estate solely for the benefit of the Owners of the Bonds.

(d) Interest earnings and profit on each respective Fund and Account established by this Indenture shall be applied or withdrawn for the purposes of such Fund or Account as specified below.

Section 6.2. Initial Deposits to Funds and Accounts.

(a) The proceeds from the sale of the Bonds shall be paid to the Trustee and deposited or transferred by the Trustee as follows:

(i) to the Capitalized Interest Account of the Bond Fund: \$_____;

- (ii) to the Reserve Account of the Reserve Fund: \$_____;
- (iii) to the District Administration Account of the Administrative Fund: \$_____;
- (iv) to the Costs of Issuance Account of the Project Fund: \$_____;
- and
- (v) to the Phase #2 Improvement Account of the Project Fund: \$_____.

(b) Funds received from the Developer on the Closing Date shall be paid to the Trustee and deposited or transferred by the Trustee as follows:

- (i) funds received in the amount of \$_____ to the Developer Improvement Account of the Project Fund; and
- (ii) funds received in accordance with the Amended Development Agreement in the amount of \$_____ to the Developer Public Improvement Account of Developer Project Fund.

Section 6.3. Pledged Revenue Fund.

(a) On or before February 1 of each year while the Bonds are Outstanding and beginning in the 2020, the City shall deposit or cause to be deposited the Pledged Revenues into the Pledged Revenue Fund. Specifically, the City shall deposit or cause to be deposited Assessment Revenues as follows: (i) first, to the Bond Pledged Revenue Account of the Pledged Revenue Fund in amounts sufficient to pay debt service on the Bonds coming due in such calendar year, (ii) second, to the Reserve Account of the Reserve Fund in an amount to cause the amount in the Reserve Account to equal the Reserve Account Requirement, (iii) third, to the Prepayment Reserve Account and the Delinquency Reserve Account, respectively, amounts equal the Delinquency Component and the Prepayment Component described in Section 6.7(a) hereof; (iv) fourth, to pay other Actual Costs of the Phase #2 Improvements, and (v) fifth, to pay other costs permitted by the PID Act.

(b) From time to time as needed to pay the obligations relating to the Bonds, but no later than five (5) Business Days before each Interest Payment Date, the Trustee shall withdraw from the Bond Pledged Revenue Account and transfer to the Principal and Interest Account of the Bond Fund, an amount, taking into account any amounts then on deposit in such Principal and Interest Account and any expected transfers from the Capitalized Interest Account to the Principal and Interest Account, such that the amount on deposit in the Principal and Interest Account equals the principal (including any Sinking Fund Installments) and interest due on the Bonds on the next Interest Payment Date.

(c) Reserved.

(d) If, after the foregoing transfers and any transfer from the Reserve Fund as provided in Section 6.7 herein, there are insufficient funds to make the payments provided in paragraph (b) above, the Trustee shall apply the available funds in the Principal and Interest Account first to the payment of interest, then to the payment of principal (including any Sinking Fund Installments) on the Bonds.

(e) Notwithstanding Section 6.3(a) hereof, the Trustee shall deposit Prepayments to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer such Prepayments to the Redemption Fund.

(f) Notwithstanding Section 6.3(a) hereof, the Trustee shall deposit Foreclosure Proceeds to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer Foreclosure Proceeds first to the Reserve Fund to restore any transfers from the Reserve Fund made with respect to the Phase #2 Assessed Parcel or Phase #2 Assessed Parcels to which the Foreclosure Proceeds relate, and second, to the Redemption Fund.

(g) After satisfaction of the requirement to provide for the payment of the principal and interest on the Bonds and to fund any deficiency that may exist in the Reserve Fund, the City may direct the Trustee by City Order to apply Phase #2 Assessments for any lawful purposes permitted by the PID Act for which Phase #2 Assessments may be paid.

Section 6.4. Bond Fund.

(a) On each Interest Payment Date, the Trustee shall withdraw from the Principal and Interest Account and transfer to the Paying Agent/Registrar the principal (including any Sinking Fund Installments) and/or interest then due and payable on the Bonds, less any amount to be used to pay interest on the Bonds on such Interest Payment Date from the Capitalized Interest Account as provided below.

(b) If amounts in the Principal and Interest Account are insufficient for the purposes set forth in paragraph (a) above, the Trustee shall withdraw from the Reserve Fund amounts to cover the amount of such insufficiency in the order described in Section 6.7(g) hereof. Amounts so withdrawn from the Reserve Fund shall be deposited in the Principal and Interest Account and transferred to the Paying Agent/Registrar.

(c) Moneys in the Capitalized Interest Account shall be used for the payment of interest on the Bonds on the following dates and in the following amounts:

<u>Date</u>	<u>Amount</u>
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Any amounts on deposit to the Capitalized Interest Account after the payment of interest on the dates and in the amounts listed above shall be transferred to the Phase #2 Improvement Account of the Project Fund, or if the Project Fund has been closed as provided in Section 6.5(g) herein, such amounts shall be transferred to the Redemption Fund to be used to redeem Bonds and the Capitalized Interest Account shall be closed.

Section 6.5. Project Fund.

(a) Money on deposit in the Project Fund shall be used for the purposes specified in Section 3.1 hereof.

(b) Disbursements from the Costs of Issuance Account of the Project Fund shall be made by the Trustee to pay costs of issuance of the Bonds pursuant to one or more City Certificates. Disbursements from all other Accounts of the Project Fund to pay Actual Costs shall be made by the Trustee upon receipt by the Trustee of a properly executed and completed Certificate for Disbursement. The disbursement of funds from the Phase #2 Improvement Account and the Developer Improvement Account of the Project Fund pursuant to a Certificate for Disbursement shall be pursuant to and in accordance with the disbursement procedures described in the PID Disbursement Agreement; and such disbursements shall be made first, from the Phase #2 Improvement Account of the Project Fund until all funds in such account are depleted and then, next from the Developer Improvement Account of the Project Fund. Such provisions and procedures related to such disbursement contained in the PID Disbursement Agreement, and no other provisions of the PID Disbursement Agreement, are herein incorporated by reference and deemed set forth herein in full.

(c) If the City Representative determines in his or her sole discretion that amounts then on deposit in the Phase #2 Improvement Account of the Project Fund are not expected to be expended for purposes of the Project Fund due to the abandonment, or constructive abandonment, of the Phase #2 Improvements, such that, in the opinion of the City Representative, it is unlikely that the amounts in the Phase #2 Improvement Account of the Project Fund will ever be expended for the purposes of the Project Fund, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the Phase #2 Improvement Account of the Project Fund that are not expected to be used for purposes of the Project Fund. If such City Certificate is so filed, the amounts on deposit in the Phase #2 Improvement Account of the Project Fund shall be transferred to the Redemption Fund to redeem Bonds on the earliest practicable date after notice of redemption has been provided in accordance with the Indenture.

(d) In making any determination pursuant to this Section, the City Representative may conclusively rely upon a certificate of an Independent Financial Consultant.

(e) Upon the filing of a City Certificate stating that all Phase #2 Improvements have been completed and that all Actual Costs of the Phase #2 Improvements allocable to the Phase #2 Assessed Parcels have been paid, or that any such Actual Costs are not required to be paid from the Project Fund pursuant to a Certificate for Disbursement, the Trustee (i) shall transfer the amount, if any, remaining within the Phase #2 Improvement Account of the Project Fund to the Bond Fund, (ii) shall transfer any remaining amount in the Developer Improvement Account of the Project Fund to the Developer and (iii) the Project Fund shall be closed.

(f) Upon a determination by the City Representative that all costs of issuance of the Bonds have been paid, any amounts remaining in the Costs of Issuance Account shall be transferred to the Phase #2 Improvement Account in the Project Fund and used to pay Actual Costs or to the Principal and Interest Account of the Bond Fund and used to pay interest on the Bonds, as directed by the City in a City Certificate filed with the Trustee, and the Costs of Issuance Account shall be closed.

Section 6.6. Redemption Fund.

(a) The Trustee shall cause to be deposited to the Redemption Fund from the Bond Pledged Revenue Account of the Pledged Revenue Fund an amount sufficient to redeem Bonds as provided in Sections 4.3 and 4.4 on the dates specified for redemption as provided in Sections 4.3 and 4.4. Amounts on deposit in the Redemption Fund shall be used and withdrawn by the Trustee to redeem Bonds as provided in Article IV.

Section 6.7. Reserve Fund.

(a) The City agrees with the Owners of the Bonds to accumulate from the deposits outlined in Section 6.3(a) hereof, and when accumulated maintain in the Reserve Account, an amount equal to not less than the Reserve Account Requirement. All amounts deposited in the Reserve Account shall be used and withdrawn by the Trustee for the purpose of making transfers to the Principal and Interest Account of the Bond Fund as provided in this Indenture. The Trustee will transfer from the Bond Pledged Revenue Account of the Pledged Revenue Fund to the Prepayment Reserve Account on March 1 and September 1 of each year, commencing March 1, 2020 an amount equal to 0.20% of the interest rate component of the Annual Installments (the "Prepayment Component") until the Prepayment Reserve Requirement has been accumulated in the Prepayment Reserve Account; provided, however, that at any time the amount on deposit in the Prepayment Reserve Account is less than Prepayment Reserve Requirement, the Trustee shall resume depositing the Prepayment Component into the Prepayment Reserve Account until the Prepayment Reserve Requirement has accumulated in the Prepayment Reserve Account. Whenever, on any Interest Payment Date, or on any other date at the written request of the City Representative, the amounts on deposit in the Prepayment Reserve Account exceed the Prepayment Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess (the "Excess Prepayment Reserve Amount"). The Excess Prepayment Reserve Amount shall be transferred, first to the Delinquency Reserve Account or, in the event that the Delinquency Reserve Account contains the Delinquency Reserve Requirement, to the Redemption Fund to redeem Bonds pursuant to Section 4.4 hereof. The Trustee shall also deposit from the Bond Pledged Revenue Account of the Pledged Revenue Fund to the Delinquency Reserve Account on March 1 and September 1 of each year, commencing March 1, 2020 an amount equal to 0.30% of the interest rate component of the Annual Installments (the "Delinquency Component"). Once the Delinquency Reserve Requirement has been accumulated in the Delinquency Reserve Account, any amounts in excess of the Delinquency Reserve Requirement in the Delinquency Reserve Account shall be transferred by the Trustee to the Redemption Fund to redeem Bonds as provided in Article IV; provided, however, that at any time the amount on deposit in the Delinquency Reserve Account is less than Delinquency Reserve Requirement, the Trustee shall resume depositing such Delinquency Component into the Delinquency Reserve Account until the Delinquency Reserve Requirement has accumulated in the Delinquency Reserve Account.

(b) Whenever a transfer is made from the Reserve Account to the Bond Fund due to a deficiency in the Bond Fund, the Trustee shall provide written notice thereof to the City, specifying the amount withdrawn and the source of said funds.

(c) Whenever Bonds are to be redeemed with the proceeds of Prepayments pursuant to Section 4.4, a proportionate amount in the Reserve Account of the Reserve Fund shall be transferred on the Business Day prior to the redemption date by the Trustee to the Redemption Fund to be applied to the redemption of the Bonds. The amount so transferred from the Reserve Account of the Reserve Fund shall be equal to a percentage of the amount of the Bonds redeemed with such percentage equal to the lesser of: (i) the amount required to be in the Reserve Account of the Reserve Fund, as a percentage of the Outstanding Bonds prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund, as a percentage of the Outstanding Bonds prior to the redemption. If after such transfer, and after applying investment earnings on the Prepayment toward payment of accrued interest, there are insufficient funds to pay the principal amount plus accrued and unpaid interest on such Bonds to the date fixed for redemption of the Bonds to be redeemed as a result of such Prepayment,

the Trustee shall transfer an amount equal to the shortfall from the Prepayment Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds.

(d) Whenever, on any Interest Payment Date, or on any other date at the written request of a City Representative, the amount in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the City Representative of the amount of the excess. Such excess shall be transferred to the Principal and Interest Account to be used for the payment of interest on the Bonds on the next Interest Payment Date in accordance with Section 6.4 hereof, unless within thirty days of such notice to the City Representative, the Trustee receives a City Order instructing the Trustee to apply such excess: (i) to pay amounts due under Section 6.8 hereof, (ii) to the Administrative Fund in an amount not more than the Annual Collection Costs for the Bonds, or (iii) to the Project Fund if such application and the expenditure of funds is expected to occur within three years of the date hereof.

(e) Whenever, on any Interest Payment Date, or on any other date at the written request of the City Representative, the value of cash and value of Investment Securities on deposit in the Delinquency Reserve Account exceeds the Delinquency Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess (the "Excess Delinquency Reserve Amount"). Such excess on deposit in the Delinquency Reserve Account shall be transferred by the Trustee to the Redemption Fund in order to effect the redemption of Bonds pursuant to Section 4.4.

(f) Whenever, on any Interest Payment Date, the amount on deposit in the Bond Fund is insufficient to pay the debt service on the Bonds due on such date, the Trustee shall transfer first, from the Delinquency Reserve Account of the Reserve Fund, second, from the Reserve Account of the Reserve Fund and third from the Prepayment Reserve Account of the Reserve Fund to the Bond Fund the amounts necessary to cure such deficiency.

(g) At the final maturity of the Bonds, the amount on deposit in the Reserve Account, the Prepayment Reserve Account and the Delinquency Reserve Account shall be transferred to the Redemption Fund and applied to the payment of the principal of the Bonds.

(h) If, after a Reserve Fund withdrawal, the amount on deposit in the Reserve Account of the Reserve Fund is less than the Reserve Account Requirement, the Trustee shall transfer from the Pledged Revenue Fund to the Reserve Account of the Reserve Fund the amount of such deficiency, in accordance with Section 6.3.

(i) If the amount held in the Reserve Fund together with the amount held in the Bond Fund and Redemption Fund is sufficient to pay the principal amount and of all Outstanding Bonds on the next Interest Payment Date, together with the unpaid interest accrued on such Bonds as of such Interest Payment Date, the moneys shall be transferred to the Redemption Fund and thereafter used to redeem all Bonds as of such Interest Payment Date.

Section 6.8. Rebate Fund: Rebate Amount.

(a) There is hereby established a special fund of the City to be designated "City of Celina, Texas, Rebate Fund" (the "Rebate Fund") to be held by the Trustee in accordance with the terms and provisions of this Indenture. Amounts on deposit in the Rebate Fund shall be used solely for the purpose of paying amounts due the United States Government in accordance with the Code.

(b) In order to assure that Rebate Amount is paid to the United States rather than to a third party, investments of funds on deposit in the Rebate Fund shall be made in accordance with the Code and the Tax Certificate.

(c) The Trustee conclusively shall be deemed to have complied with the provisions of this Section and Section 7.5(h) and shall not be liable or responsible if it follows the instructions of the City and shall not be required to take any action under this Section and Section 7.5(h) in the absence of written instructions from the City.

(d) If, on the date of each annual calculation, the amount on deposit in the Rebate Fund exceeds the Rebate Amount, the City may direct the Trustee, pursuant to a City Order, to transfer the amount in excess of the Rebate Amount to the Bond Fund.

Section 6.9. Administrative Fund.

(a) The City shall deposit or cause to be deposited to the District Administration Account of the Administrative Fund the amounts collected each year to pay Annual Collection Costs and Delinquent Collection Costs.

(b) Moneys in the District Administration Account of the Administrative Fund shall be held by the Trustee separate and apart from the other Funds created and administered hereunder and used as directed by a City Order solely for the purposes set forth in the Service and Assessment Plan.

Section 6.10. Investment of Funds.

(a) Money in any Fund established pursuant to this Indenture shall be invested by the Trustee as directed by the City pursuant to a City Order filed with the Trustee at least two (2) days in advance of the making of such investment in time deposits or certificates of deposit secured in the manner required by law for public funds, or be invested in direct obligations of, including obligations the principal and interest on which are unconditionally guaranteed by, the United States of America, in obligations of any agencies or instrumentalities thereof, or in such other investments as are permitted under the Public Funds Investment Act Texas Government Code, Chapter 2256, as amended, or any successor law, as in effect from time to time; provided that all such deposits and investments shall be made in such manner (which may include repurchase agreements for such investment with any primary dealer of such agreements) that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued each year in terms of current market value as of September 30. For purposes of maximizing investment returns, to the extent permitted by law, money in such Funds may be invested in common investments of the kind described above, or in a common pool of such investment which shall be kept and held at an official depository bank, which shall not be deemed to be or constitute a commingling of such money or funds provided that safekeeping receipts or certificates of participation clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by such Fund are held by or on behalf of each such Fund. If necessary, such investments shall be promptly sold to prevent any default.

(b) Obligations purchased as an investment of moneys in any Fund shall be deemed to be part of such Fund or Account, subject, however, to the requirements of this Indenture for transfer of interest earnings and profits resulting from investment of amounts in Funds and Accounts. Whenever in this Indenture any moneys are required to be transferred

by the City to the Trustee, such transfer may be accomplished by transferring a like amount of Investment Securities.

(c) The Trustee and its affiliates may act as sponsor, advisor, depository, principal or agent in the acquisition or disposition of any investment. The Trustee shall not incur any liability for losses arising from any investments made pursuant to this Section. The Trustee shall not be required to determine the suitability or legality of any investments.

(d) Investments in any and all Funds and Accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular Funds or Accounts of amounts received or held by the Trustee hereunder, provided that the Trustee shall at all times account for such investments strictly in accordance with the Funds and Accounts to which they are credited and otherwise as provided in this Indenture.

(e) The Trustee will furnish the City monthly cash transaction statements which include detail for all investment transactions made by the Trustee hereunder; and, unless the Trustee receives a written request, the Trustee is not required to provide brokerage confirmations so long as the Trustee is providing such monthly cash transaction statements.

Section 6.11. Security of Funds.

All Funds heretofore created or reaffirmed, to the extent not invested as herein permitted, shall be secured in the manner and to the fullest extent required by law for the security of public funds, and such Funds shall be used only for the purposes and in the manner permitted or required by this Indenture.

Section 6.12. Developer Project Fund.

(a) Moneys deposited in the Developer Public Improvement Account of the Developer Project Fund in accordance with the provision of the Amended Development Agreement and the PID Reimbursement Agreement shall be held separate and apart from the other Funds created and administered hereunder and shall be disbursed by the Trustee upon receipt by the Trustee of a properly executed and completed Certificate for Payment. The disbursement of funds from the Developer Project Fund pursuant to a Certificate for Payment shall be pursuant to and in accordance with the disbursement procedures described in the PID Reimbursement Agreement.

(b) If the City Representative determines in his or her sole discretion that amounts then on deposit in the Developer Public Improvement Account of the Developer Project Fund are not expected to be expended for purposes of the Developer Public Improvement Account due to the abandonment, or constructive abandonment, of the City Improvements (as defined in the Service and Assessment Plan) such that, in the opinion of the City Representative, it is unlikely that the amounts in the Developer Public Improvement Account will ever be expended for the purposes of the City Improvements, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the Developer Public Improvement Account that are not expected to be used for the City Improvements. If such City Certificate is so filed, the amounts on deposit in the Developer Public Improvement Account shall be transferred to the Developer on the earliest practicable date. In making any determination pursuant to this Section, the City Representative may conclusively rely upon a certificate of an Independent Financial Consultant.

(c) Upon the filing of a City Certificate stating that all City Improvements have been completed, the Trustee shall transfer the amount, if any, remaining within the Developer Project Fund to the Developer and the Developer Project Fund shall be closed.

(d) Notwithstanding any provision of this Indenture to the contrary, nothing in this Indenture shall affect or impair the right of City and Developer to modify the applicable terms of the PID Reimbursement Agreement relating to the disbursement of moneys deposited in the Developer Project Fund.

ARTICLE VII

COVENANTS

Section 7.1. Confirmation of Phase #2 Assessments.

The City hereby confirms, covenants, and agrees that, in the Assessment Ordinance, it has levied the Phase #2 Assessments against the respective Phase #2 Assessed Parcels from which the Pledged Revenues will be collected and received.

Section 7.2. Collection and Enforcement of Phase #2 Assessments.

(a) For so long as any Bonds are Outstanding and amounts are due the Developer to reimburse it for funds it has contributed to pay Actual Costs of the Phase #2 Improvements, the City covenants, agrees and warrants that it will take and pursue all actions permissible under Applicable Laws to cause the Phase #2 Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and, to the extent permitted by Applicable Laws, to cause no reduction, abatement or exemption in the Phase #2 Assessments.

(b) The City will determine or cause to be determined, no later than February 15 of each year, whether or not any Annual Installment is delinquent and, if such delinquencies exist, the City will order and cause to be commenced as soon as practicable any and all appropriate and legally permissible actions to obtain such Annual Installment, and any delinquent charges and interest thereon, including diligently prosecuting an action in district court to foreclose the currently delinquent Annual Installment. Notwithstanding the foregoing, the City shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Phase #2 Assessment or the corresponding Phase #2 Assessed Parcel.

Section 7.3. Against Encumbrances.

(a) The City shall not create and, to the extent Pledged Revenues are received, shall not suffer to remain, any lien, encumbrance or charge upon the Pledged Revenues, other than that specified in Section 9.6 of this Indenture, or upon any other property pledged under this Indenture, except the pledge created for the security of the Bonds, and other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds.

(b) So long as Bonds are Outstanding hereunder, the City shall not issue any bonds, notes or other evidences of indebtedness other than the Bonds secured by any pledge of or other lien or charge on the Pledged Revenues or other property pledged under this Indenture, other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds.

Section 7.4. Records, Accounts, Accounting Reports.

The City hereby covenants and agrees that so long as any of the Bonds or any interest thereon remain outstanding and unpaid, and the obligation to the Developer to reimburse it for funds it has contributed to pay Actual Costs of the Phase #2 Improvements remain outstanding and unpaid, it will keep and maintain a proper and complete system of records and accounts pertaining to the Phase #2 Assessments. The Trustee and holder or holders of any Bonds or any duly authorized agent or agents of such holders shall have the right at all reasonable times to inspect all such records, accounts, and data relating thereto, upon written request to the City by the Trustee or duly authorized representative, as applicable. The City shall provide the Trustee or duly authorized representative, as applicable, an opportunity to inspect such books and records relating to the Bonds during the City's regular business hours and on a mutually agreeable date not later than thirty days after the City receives such request.

Section 7.5. Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms shall have the following meanings:

"Closing Date" means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

"Code" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"Computation Date" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Gross Proceeds" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

"Investment" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Nonpurpose Investment" means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"Regulations" means any proposed, temporary or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"Yield" of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and (2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of the Bonds:

(i) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan.

(i) Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(ii) The City covenants and agrees that the levied Phase #2 Assessments will meet the requirements of the “tax assessment loan exception” within the meaning of Section 1.141-5(d) of the Regulations on the date that the Bonds are delivered and will ensure that the Phase #2 Assessments continue to meet such requirements for so long as the Bonds are Outstanding.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested) if, as a result of such investment, the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall, pursuant to a City Order, direct the Trustee to transfer to the Rebate Fund from the funds or subaccounts designated in such City Order and direct the Trustee to pay to the United States from the Rebate Fund the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other

Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (ii) and (iii), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Director of Finance, or City Secretary, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Tax Certificate or similar or other appropriate certificate, form or document.

ARTICLE VIII

LIABILITY OF CITY

The City shall not incur any responsibility in respect of the Bonds or this Indenture other than in connection with the duties or obligations explicitly herein or in the Bonds assigned to or imposed upon it. The City shall not be liable in connection with the performance of its duties hereunder, except for its own willful default or act of bad faith. The City shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions covenants or agreements of the Trustee herein or of any of the documents executed by the Trustee in connection with the Bonds, or as to the existence of a default or event of default thereunder.

In the absence of bad faith, the City may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the City and conforming to the requirements of this Indenture. The City shall not be liable for any error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts.

No provision of this Indenture, the Bonds, the Assessment Ordinance, or any agreement, document, instrument, or certificate executed, delivered or approved in connection with the issuance, sale, delivery, or administration of the Bonds (the "Bond Documents"), shall

require the City to expend or risk its own general funds or otherwise incur any financial liability (other than with respect to the Pledged Revenues and the Annual Collection Costs) in the performance of any of its obligations hereunder, or in the exercise of any of its rights or powers, if in the judgment of the City there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it.

Neither the Owners nor any other Person shall have any claim against the City or any of its officers, officials, agents, or employees for damages suffered as a result of the City's failure to perform in any respect any covenant, undertaking, or obligation under any Bond Documents or as a result of the incorrectness of any representation in, or omission from, any of the Bond Documents, except to the extent that any such claim relates to an obligation, undertaking, representation, or covenant of the City, in accordance with the Bond Documents and the PID Act. Any such claim shall be payable only from Pledged Revenues or the amounts collected to pay Annual Collection Costs on deposit in the Administrative Fund. Nothing contained in any of the Bond Documents shall be construed to preclude any action or proceeding in any court or before any governmental body, agency, or instrumentality against the City or any of its officers, officials, agents, or employees to enforce the provisions of any of the Bond Documents or to enforce all rights of the Owners of the Bonds by mandamus or other proceeding at law or in equity.

The City may rely on and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The City may consult with counsel with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Indenture the City shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the City, be deemed to be conclusively proved and established by a certificate of the Trustee, an Independent Financial Consultant, an independent inspector or City Manager or other person designated by the City Council to so act on behalf of the City, and such certificate shall be full warrant to the City for any action taken or suffered under the provisions of this Indenture upon the faith thereof, but in its discretion the City may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

In order to perform its duties and obligations hereunder, the City may employ such persons or entities as it deems necessary or advisable. The City shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations, and directions of such persons or entities.

ARTICLE IX

THE TRUSTEE

Section 9.1. Trustee as Registrar and Paying Agent

The Trustee is hereby designated and agrees to act as Registrar and Paying Agent for and in respect to the Bonds.

Section 9.2. Trustee Entitled to Indemnity

The Trustee shall be under no obligation to institute any suit, or to undertake any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays, and counsel fees and other reasonable disbursements, and against all liability except as a consequence of its own negligence or willful misconduct. Nevertheless, the Trustee may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as the Trustee, without indemnity, and in such case the Trustee may make transfers from the Pledged Revenue Fund or the District Administration Account of the Administrative Fund to pay all costs and expenses, outlays, and counsel fees and other reasonable disbursements properly incurred in connection therewith and shall be entitled to a preference therefor over any Bonds Outstanding hereunder.

Section 9.3. Responsibilities of the Trustee.

The recitals contained in this Indenture and in the Bonds shall be taken as the statements of the City and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or the Bonds or with respect to the security afforded by this Indenture, and the Trustee shall incur no liability with respect thereto. Except as otherwise expressly provided in this Indenture, the Trustee shall have no responsibility or duty with respect to: (i) the issuance of Bonds for value; (ii) the application of the proceeds thereof, except to the extent that such proceeds are received by it in its capacity as Trustee; (iii) the application of any moneys paid to the City or others in accordance with this Indenture, except as to the application of any moneys paid to it in its capacity as Trustee; or (iv) any calculation of arbitrage or rebate under the Code.

The duties and obligations of the Trustee shall be determined by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture.

The Trustee shall not be liable for any action taken or omitted by it in the performance of its duties under this Indenture, except for its own gross negligence or willful misconduct. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from this Indenture for the existence, furnishing, or use of the Phase #2 Improvements.

Section 9.4. Property Held in Trust.

All moneys and securities held by the Trustee at any time pursuant to the terms of this Indenture shall be held by the Trustee in trust for the purposes and under the terms and conditions of this Indenture.

Section 9.5. Trustee Protected in Relying on Certain Documents.

The Trustee may rely upon any order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond, or other document provided to the Trustee in accordance with the terms of this Indenture that it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or Person or to have been prepared and furnished pursuant to any of the provisions of this Indenture, or upon the written opinion of any counsel, architect, engineer, insurance consultant, management consultant, or accountant believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry into any statements contained or matters referred to in any such instrument. The Trustee may consult with counsel, who may or may not be Bond Counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered, or omitted to be taken by it in good faith and in accordance therewith.

Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter may be deemed to be conclusively proved and established by a City Certificate, unless other evidence in respect thereof be hereby specifically prescribed. Such City Certificate shall be full warrant for any action taken or suffered in good faith under the provisions hereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice, or other direction required or permitted to be furnished pursuant to any provision hereof by the City to the Trustee shall be sufficiently executed if executed in the name of the City by the City Representative.

The Trustee shall not be under any obligation to see to the recording or filing of this Indenture, or otherwise to the giving to any Person of notice of the provisions hereof except as expressly required in Section 9.13 herein.

Section 9.6. Compensation.

Unless otherwise provided by contract with the Trustee, the Trustee shall transfer from the Administrative Fund, from time to time, reasonable compensation for all services rendered by it hereunder, including its services as Registrar and Paying Agent, together with all its reasonable expenses, charges, and other disbursements and those of its counsel, agents and employees, incurred in and about the administration and execution of the trusts hereby created and the exercise of its powers and the performance of its duties hereunder, subject to any limit on the amount of such compensation or recovery of expenses or other charges as shall be prescribed by specific agreement, and the Trustee shall have a lien therefor on any and all funds at any time held by it hereunder prior to any Outstanding Bonds. None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if in the judgment of the Trustee there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it. If the City shall fail to make

any payment required by this Section, the Trustee may make such payment from any moneys in its possession under the provisions of this Indenture and shall be entitled to a preference therefor over any Outstanding Bonds hereunder.

Section 9.7. Permitted Acts.

The Trustee and its directors, officers, employees, or agents may become the owner of or may in good faith buy, sell, own, hold and deal in Bonds and may join in any action that any Owner of Bonds may be entitled to take as fully and with the same rights as if it were not the Trustee. The Trustee may act as depository, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, the City or any committee formed to protect the rights of holders of Bonds or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not such committee shall represent the holders of a majority in aggregate outstanding principal amount of the Bonds.

Section 9.8. Resignation of Trustee.

The Trustee may at any time resign and be discharged of its duties and obligations hereunder by giving not fewer than 30 days' notice, specifying the date when such resignation shall take effect, to the City and each Owner of any Outstanding Bond. Such resignation shall take effect upon the appointment of a successor as provided in Section 9.10 and the acceptance of such appointment by such successor.

Section 9.9. Removal of Trustee.

The Trustee may be removed at any time by (i) the Owners of at least a majority of the aggregate outstanding principal of the Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or by their attorneys-in-fact, duly authorized and delivered to the City, or (ii) so long as the City is not in default under this Indenture, the City. Copies of each such instrument shall be delivered by the City to the Trustee and any successor thereof. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the City or the Owners of not less than 10% of the aggregate outstanding principal of the Bonds.

Section 9.10. Successor Trustee.

If the Trustee shall resign, be removed, be dissolved, or become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator, or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of the Trustee hereunder shall thereupon become vacant.

If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, a successor Trustee may be appointed within one year after any such vacancy shall have occurred by the Owners of at least twenty-five percent (25%) of the aggregate outstanding principal of the Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or their attorneys-in-fact, duly authorized and delivered to such successor Trustee, with notification thereof being given to the predecessor Trustee and the City.

Until such successor Trustee shall have been appointed by the Owners of the Bonds, the City shall forthwith appoint a Trustee to act hereunder. Copies of any instrument of the City providing for any such appointment shall be delivered by the City to the Trustee so appointed. The City shall mail notice of any such appointment to each Owner of any Outstanding Bonds within 30 days after such appointment. Any appointment of a successor Trustee made by the City immediately and without further act shall be superseded and revoked by an appointment subsequently made by the Owners of Bonds.

If in a proper case no appointment of a successor Trustee shall be made within 45 days after the giving by any Trustee of any notice of resignation in accordance with Section 9.8 herein or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Owner of Bonds may apply to any court of competent jurisdiction for the appointment of such a successor, and the court may thereupon, after such notice, if any, as the court may deem proper, appoint such successor and the City shall be responsible for the costs of such appointment process.

Any successor Trustee appointed under the provisions of this Section shall be a commercial bank or trust company or national banking association (i) having a capital and surplus and undivided profits aggregating at least \$50,000,000, if there be such a commercial bank or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms, and (ii) authorized by law to perform all the duties of the Trustee required by this Indenture.

Each successor Trustee shall mail, in accordance with the provisions of the Bonds, notice of its appointment to the Trustee, any rating agency which, at the time of such appointment, is providing a rating on the Bonds and each of the Owners of the Bonds.

Section 9.11. Transfer of Rights and Property to Successor Trustee.

Any successor Trustee appointed under the provisions of Section 9.10 shall execute, acknowledge, and deliver to its predecessor and the City an instrument in writing accepting such appointment, and thereupon such successor, without any further act, deed, or conveyance, shall become fully vested with all moneys, estates, properties, rights, immunities, powers, duties, obligations, and trusts of its predecessor hereunder, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request of the City or of such successor, execute, acknowledge, and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the rights, immunities, powers, and trusts of such Trustee and all the right, title, and interest of such Trustee in and to the Trust Estate, and shall pay over, assign, and deliver to such successor any moneys or other properties subject to the trusts and conditions herein set forth. Should any deed, conveyance, or instrument in writing from the City be required by such successor for more fully and certainly vesting in and confirming to it any such moneys, estates, properties, rights, powers, duties, or obligations, any and all such deeds, conveyances, and instruments in writing, on request and so far as may be authorized by law, shall be executed, acknowledged, and delivered by the City.

Section 9.12. Merger, Conversion or Consolidation of Trustee.

Any corporation or association into which the Trustee may be merged or with which it may be consolidated or any corporation or association resulting from any merger, conversion or

consolidation to which it shall be a party or any corporation or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Trustee hereunder, without any further act, deed or conveyance, provided that such corporation or association shall be a commercial bank or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 9.10, or a trust company that is a wholly-owned subsidiary of any of the foregoing.

Section 9.13. Trustee to File Continuation Statements.

If necessary, the Trustee shall file or cause to be filed, such continuation statements as are delivered to the Trustee by the City, or on behalf of the City, and which may be required by the Texas Uniform Commercial Code, as from time to time in effect (the "UCC"), in order to continue perfection of the security interest of the Trustee in such items of tangible or intangible personal property and any fixtures as may have been granted to the Trustee pursuant to this Indenture in the time, place and manner required by the UCC.

Section 9.14. Accounts, Periodic Reports and Certificates.

The Trustee shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Funds and Accounts established by this Indenture and which shall at all times be subject to inspection by the City, and the Owner or Owners of not less than 10% in principal amount of any Bonds then Outstanding or their representatives duly authorized in writing.

Section 9.15. Construction of Indenture.

The Trustee may construe any of the provisions of this Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provision hereof, and any construction of any such provisions hereof by the Trustee in good faith shall be binding upon the Owners of the Bonds.

ARTICLE X

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 10.1. Amendments Permitted.

This Indenture and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Indenture, except as provided below, pursuant to the affirmative vote at a meeting of Owners of the Bonds, or with the written consent without a meeting, of the Owners of at least fifty-one percent (51%) of the aggregate principal amount of the Bonds then Outstanding. No such modification or amendment shall (i) extend the maturity of any Bonds or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or (ii) permit the creation by the City of any pledge or lien upon the Pledged Revenues superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by Applicable Laws or this Indenture), or reduce the percentage of Bonds required for the amendment hereof. Any such amendment may not modify any of the rights or obligations of the Trustee without its written consent.

This Indenture and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Indenture, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(i) to add to the covenants and agreements of the City in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

(ii) to make modifications not adversely affecting any Outstanding Bonds in any material respect;

(iii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in regard to questions arising under this Indenture, as the City and the Trustee may deem necessary or desirable and not inconsistent with this Indenture, and that shall not adversely affect the rights of the Owners of the Bonds;

(iv) to provide for the issuance of Refunding Bonds as set forth in Section 13.2 herein; and

(v) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds

Any modification or amendment made pursuant to this paragraph of Section 10.1 shall not be subject to the notice procedures specified in Section 10.3 below.

Section 10.2. Owners' Meetings.

The City may at any time call a meeting of the Owners of the Bonds. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof, and to fix and adopt rules and regulations for the conduct of said meeting.

Section 10.3. Procedure for Amendment with Written Consent of Owners.

The City and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds or of this Indenture, to the extent that such amendment is permitted by Section 10.1 herein, to take effect when and as provided in this Section. A copy of such Supplemental Indenture, together with a request to Owners for their consent thereto, shall be mailed by first class mail, by the Trustee to each Owner of Bonds from whom consent is required under this Indenture, but failure to mail copies of such Supplemental Indenture and request shall not affect the validity of the Supplemental Indenture when assented to as in this Section provided.

Such Supplemental Indenture requiring the consent of the Owners shall not become effective unless there shall be filed with the Trustee the written consents of the Owners as required by this Indenture and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 11.6 herein. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice

thereof), unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Indenture, the City shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Indenture, stating in substance that the Supplemental Indenture has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Indenture or consents thereto). Proof of the mailing of such notice shall be filed with the Trustee. A record, consisting of the papers required by this Section 10.3 to be filed with the Trustee, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Indenture shall become effective upon the filing with the Trustee of the proof of mailing of such notice, and the Supplemental Indenture shall be deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article) upon the City and the Owners of all Bonds at the expiration of ninety (90) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such ninety-day period.

Section 10.4. Effect of Supplemental Indenture.

From and after the time any Supplemental Indenture becomes effective pursuant to this Article X, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties, and obligations under this Indenture of the City, the Trustee and all Owners of Outstanding Bonds shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.5. Endorsement or Replacement of Bonds Issued After Amendments.

The City may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article X shall bear a notation, by endorsement or otherwise, in form approved by the City, as to such action. In that case, upon demand of the Owner of any Outstanding Bonds at such effective date and presentation of his or her Bond for that purpose at the designated office of the Trustee or at such other office as the City may select and designate for that purpose, a suitable notation shall be made on such Bond. The City may determine that new Bonds, so modified as in the opinion of the City is necessary to conform to such Owners' action, shall be prepared, executed, and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bonds shall be exchanged at the designated office of the Trustee without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 10.6. Amendatory Endorsement of Bonds.

The provisions of this Article X shall not prevent any Owner from accepting any amendment as to the particular Bonds held by such Owner, provided that due notation thereof is made on such Bonds.

Section 10.7. Waiver of Default.

With the written consent of at least fifty-one percent (51%) in aggregate principal amount of the Bonds then Outstanding, the Owners may waive compliance by the City with certain past defaults under the Indenture and their consequences. Any such consent shall be conclusive and binding upon the Owners and upon all future Owners.

Section 10.8. Execution of Supplemental Indenture.

In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall receive, and shall be fully protected in relying upon, an opinion of counsel addressed and delivered to the Trustee and the City stating that the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's own rights, duties and immunities under this Indenture or otherwise.

ARTICLE XI

DEFAULT AND REMEDIES

Section 11.1. Events of Default.

Each of the following occurrences or events shall be and is hereby declared to be an "Event of Default," to wit:

- (i) The failure of the City to deposit the Pledged Revenues to the Bond Pledged Revenue Account of the Pledged Revenue Fund;
- (ii) The failure of the City to enforce the collection of the Phase #2 Assessments including the prosecution of foreclosure proceedings;
- (iii) The failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable and such failure is not remedied within thirty (30) days; and
- (iv) Default in the performance or observance of any covenant, agreement or obligation of the City under this Indenture and the continuation thereof for a period of ninety (90) days after written notice to the City by the Trustee, or by the Owners of at least 25% of the aggregate outstanding principal of the Bonds with a copy to the Trustee, specifying such default by the Owners of at least 25% of the Bonds at the time Outstanding requesting that the failure be remedied.

Section 11.2. Immediate Remedies for Default.

(a) Subject to Article VIII, upon the happening and continuance of any of the Events of Default described in Section 11.1, the Owners of at least 25% of the Bonds then Outstanding, may proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Indenture, by action seeking mandamus or by other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained herein, or injunction; provided, however, that no action for money damages against the City may be sought or shall be permitted.

(b) THE PRINCIPAL OF THE BONDS SHALL NOT BE SUBJECT TO ACCELERATION UNDER ANY CIRCUMSTANCES.

(c) If the assets of the Trust Estate are sufficient to pay all amounts due with respect to all Outstanding Bonds, in the selection of Trust Estate assets to be used in the payment of Bonds due under this Article, the City shall determine, in its absolute discretion, and shall instruct the Trustee by City Order, which Trust Estate assets shall be applied to such payment and shall not be liable to any Owner or other Person by reason of such selection and application. In the event that the City shall fail to deliver to the Trustee such City Order, the Trustee shall select and liquidate or sell Trust Estate assets as provided in the following paragraph, and shall not be liable to any Owner, or other Person, or the City by reason of such selection, liquidation or sale.

(d) Whenever moneys are to be applied pursuant to this Article XI, irrespective of and whether other remedies authorized under this Indenture shall have been pursued in whole or in part, the Trustee may cause any or all of the assets of the Trust Estate, including Investment Securities, to be sold. The Trustee may so sell the assets of the Trust Estate and all right, title, interest, claim and demand thereto and the right of redemption thereof, in one or more parts, at any such place or places, and at such time or times and upon such notice and terms as the Trustee may deem appropriate and as may be required by law and apply the proceeds thereof in accordance with the provisions of this Section. Upon such sale, the Trustee may make and deliver to the purchaser or purchasers a good and sufficient assignment or conveyance for the same, which sale shall be a perpetual bar both at law and in equity against the City, and all other Persons claiming such properties. No purchaser at any sale shall be bound to see to the application of the purchase money proceeds thereof or to inquire as to the authorization, necessity, expediency, or regularity of any such sale. Nevertheless, if so requested by the Trustee, the City shall ratify and confirm any sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be necessary or, in the judgment of the Trustee, proper for the purpose which may be designated in such request.

Section 11.3. Restriction on Owner's Action.

(a) No Owner shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of this Indenture or for the execution of any trust thereof or any other remedy hereunder, unless (i) a default has occurred and is continuing of which the Trustee has been notified in writing, (ii) such default has become an Event of Default and the Owners of at least 25% of the aggregate principal amount of the Bonds then Outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (iii) the Owners have furnished to the Trustee indemnity as provided in Section 9.2 herein, (iv) the Trustee has for ninety (90) days after such notice failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name, (v) no direction inconsistent with such written request has been given to the Trustee during such 90-day period by the Owners of a majority of the aggregate principal amount of the Bonds then Outstanding, and (vi) notice of such action, suit, or proceeding is given to the Trustee; however, no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice this Indenture by its, his or their action or to enforce any right hereunder except in the manner provided herein, and that all proceedings at law or in equity shall be instituted and maintained in the manner provided herein and for the equal benefit of the Owners of all Bonds then Outstanding. The notification, request and furnishing of

indemnity set forth above shall, at the option of the Trustee, be conditions precedent to the execution of the powers and trusts of this Indenture and to any action or cause of action for the enforcement of this Indenture or for any other remedy hereunder.

(b) Subject to Article VIII, nothing in this Indenture shall affect or impair the right of any Owner to enforce, by action at law, payment of any Bond at and after the maturity thereof, or on the date fixed for redemption or the obligation of the City to pay each Bond issued hereunder to the respective Owners thereof at the time and place, from the source and in the manner expressed herein and in the Bonds.

(c) In case the Trustee or any Owners shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or any Owners, then and in every such case the City, the Trustee and the Owners shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 11.4. Application of Revenues and Other Moneys After Default.

(a) All moneys, securities, funds and Pledged Revenues and the income therefrom received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the cost and expenses of the proceedings resulting in the collection of such amounts, the expenses (including its counsel), liabilities, and advances incurred or made by the Trustee and the fees of the Trustee in carrying out this Indenture, during the continuance of an Event of Default, notwithstanding Section 11.2 hereof, shall be applied by the Trustee, on behalf of the City, to the payment of interest and principal or Redemption Price then due on Bonds, as follows:

FIRST: To the payment to the registered owners entitled thereto all installments of interest then due in the direct order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the registered owners entitled thereto, without any discrimination or preference; and

SECOND: To the payment to the registered owners entitled thereto of the unpaid principal of Outstanding Bonds, or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the direct order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal due and to the registered owners entitled thereto, without any discrimination or preference.

Within ten (10) days of receipt of such good and available funds, the Trustee may fix a record and payment date for any payment to be made to Owners pursuant to this Section 11.4.

(b) In the event funds are not adequate to cure any of the Events of Default described in Section 11.1, the available funds shall be allocated to the Bonds that are Outstanding in proportion to the quantity of Bonds that are currently due and in default under the terms of this Indenture.

(c) The restoration of the City to its prior position after any and all defaults have been cured, as provided in Section 11.3, shall not extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

Section 11.5. Effect of Waiver.

(a) No delay or omission of the Trustee, or any Owner, to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee or the Owners, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 11.6. Evidence of Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Owners of Bonds may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys duly appointed in writing. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, or the holding by any Person of the Bonds shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner:

(i) The fact and date of the execution of such instruments by any Owner of Bonds or the duly appointed attorney authorized to act on behalf of such Owner may be provided by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate, or affidavit shall also constitute sufficient proof of his authority.

(ii) The ownership of Bonds and the amount, numbers and other identification and date of holding the same shall be proved by the Register.

(b) Except as otherwise provided in this Indenture with respect to revocation of a consent, any request or consent by an Owner of Bonds shall bind all future Owners of the same Bonds in respect of anything done or suffered to be done by the City or the Trustee in accordance therewith.

Section 11.7. No Acceleration.

In the event of the occurrence of an Event of Default under Section 11.1 hereof, the right of acceleration of any Stated Maturity is not granted as a remedy hereunder and the right of acceleration under this Indenture is expressly denied.

Section 11.8. Mailing of Notice.

Any provision in this Article for the mailing of a notice or other document to Owners shall be fully complied with if it is mailed, first class postage prepaid, only to each Owner at the address appearing upon the Register.

Section 11.9. Exclusion of Bonds.

Bonds owned or held by or for the account of the City will not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Indenture, and the City shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Indenture.

ARTICLE XII

GENERAL COVENANTS AND REPRESENTATIONS

Section 12.1. Representations as to Pledged Revenues.

(a) The City represents and warrants that it is authorized by Applicable Laws to authorize and issue the Bonds, to execute and deliver this Indenture and to pledge the Pledged Revenues in the manner and to the extent provided in this Indenture, and that the Pledged Revenues are and will be and remain free and clear of any pledge, lien, charge, or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge and lien created in or authorized by this Indenture except as expressly provided in this Indenture.

(b) The City shall at all times, to the extent permitted by Applicable Laws, defend, preserve and protect the pledge of the Pledged Revenues and all the rights of the Owners and the Trustee, under this Indenture against all claims and demands of all Persons whomsoever.

(c) The City will take all steps reasonably necessary and appropriate, and will direct the Trustee to take all steps reasonably necessary and appropriate, to collect all delinquencies in the collection of the Phase #2 Assessments and any other amounts pledged to the payment of the Bonds to the fullest extent permitted by the PID Act and other Applicable Laws.

(d) To the extent permitted by law, notice of the Annual Installments shall be sent by, or on behalf of the City, to the affected property owners on the same statement or such other mechanism that is used by the City, so that such Annual Installments are collected simultaneously with ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City.

Section 12.2. Accounts, Periodic Reports and Certificates.

The Trustee shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Funds and Accounts established by this Indenture and which shall at all times be subject to inspection by the City, and the Owner or Owners of not less than 10% in principal amount of any Bonds then Outstanding or their representatives duly authorized in writing.

Section 12.3. General.

The City shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the City under the provisions of this Indenture.

ARTICLE XIII

SPECIAL COVENANTS

Section 13.1. Further Assurances; Due Performance.

(a) At any and all times the City will duly execute, acknowledge and deliver, or will cause to be done, executed and delivered, all and every such further acts, conveyances, transfers, and assurances in a manner as the Trustee shall reasonably require for better conveying, transferring, pledging, and confirming unto the Trustee, all and singular, the revenues, Funds, Accounts and properties constituting the Pledged Revenues, and the Trust Estate hereby transferred and pledged, or intended so to be transferred and pledged.

(b) The City will duly and punctually keep, observe and perform each and every term, covenant and condition on its part to be kept, observed and performed, contained in this Indenture.

Section 13.2. Other Liens.

(a) Other than bonds issued to refund all or a portion of the Bonds, the City will not create or voluntarily permit to be created any debt, lien or charge on the Trust Estate, and will not do or omit to do or suffer to be or omitted to be done any matter or things whatsoever whereby the lien of this Indenture or the priority hereof might or could be lost or impaired; and further covenants that it will pay or cause to be paid or will make adequate provisions for the satisfaction and discharge of all lawful claims and demands which if unpaid might by law be given precedence over or any equality with this Indenture as a lien or charge upon the Pledged Revenues or Pledged Funds; provided, however, that nothing in this Section shall require the City to apply, discharge, or make provision for any such lien, charge, claim, or demand so long as the validity thereof shall be contested by it in good faith, unless thereby, in the opinion of Bond Counsel or counsel to the Trustee, the same would endanger the security for the Bonds.

(b) Reserved.

Section 13.3. Books of Record.

(a) The City shall cause to be kept full and proper books of record and accounts, in which full, true and proper entries will be made of all dealing, business and affairs of the City, which relate to the Pledged Revenues, the Pledged Funds, and the Bonds.

(b) The Trustee shall have no responsibility with respect to the financial and other information received by it pursuant to this Section 13.3 except to receive and retain same, subject to the Trustee's document retention policies, and to distribute the same in accordance with the provisions of this Indenture. Specifically, but without limitation, the Trustee shall have no duty to review such information, is not considered to have notice of the contents of such

information or a default based on such contents, and has no duty to verify the accuracy of such information.

ARTICLE XIV

PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE INDENTURE

Section 14.1. Trust Irrevocable.

The trust created by the terms and provisions of this Indenture is irrevocable until the Bonds secured hereby are fully paid or provision is made for their payment as provided in this Article.

Section 14.2. Satisfaction of Indenture.

If the City shall pay or cause to be paid, or there shall otherwise be paid to the Owners, principal of and interest on all of the Bonds, at the times and in the manner stipulated in this Indenture, and all amounts due and owing with respect to the Bonds have been paid or provided for, then the pledge of the Trust Estate and all covenants, agreements, and other obligations of the City to the Owners of such Bonds, shall thereupon cease, terminate, and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the City copies of all such documents as it may have evidencing that principal of and interest on all of the Bonds has been paid so that the City may determine if this Indenture is satisfied; if so, the Trustee shall pay over or deliver all moneys held by it in the in Funds and Accounts held hereunder to the Person entitled to receive such amounts, or, if no Person is entitled to receive such amounts, then to the City.

Section 14.3. Bonds Deemed Paid.

All Outstanding Bonds shall prior to the Stated Maturity or redemption date thereof be deemed to have been paid and to no longer be deemed Outstanding if (i) in case any such Bonds are to be redeemed on any date prior to their Stated Maturity, the Trustee shall have given notice of redemption on said date as provided herein, (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Securities the principal of and the interest on which when due will provide moneys which, together with any moneys deposited with the Trustee at the same time, shall be sufficient to pay when due the principal of and interest on the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (iii) the Trustee shall have received a report by an independent certified public accountant selected by the City verifying the sufficiency of the moneys or Defeasance Securities deposited with the Trustee to pay when due the principal of and interest on of the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (iv) if the Bonds are then rated, the Trustee shall have received written confirmation from each rating agency that such deposit will not result in the reduction or withdrawal of the rating on the Bonds. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds. Any cash received from such principal of and interest on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, be reinvested in Defeasance Securities as directed in writing by the City maturing at times and in amounts sufficient to pay when due the principal of and interest on the Bonds on and prior to

such redemption date or maturity date thereof, as the case may be. Any payment for Defeasance Securities purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Defeasance Securities.

ARTICLE XV

MISCELLANEOUS

Section 15.1. Benefits of Indenture Limited to Parties.

Nothing in this Indenture, expressed or implied, is intended to give to any Person other than the City, the Trustee and the Owners, any right, remedy, or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture by and on behalf of the City shall be for the sole and exclusive benefit of the Owners and the Trustee.

Section 15.2. Successor is Deemed Included in All References to Predecessor.

Whenever in this Indenture or any Supplemental Indenture either the City or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the City or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 15.3. Execution of Documents and Proof of Ownership by Owners.

Any request, declaration, or other instrument which this Indenture may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys duly appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration, or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the Person signing such request, declaration, or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number, and date of holding the same shall be proved by the Register.

Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the City or the Trustee in good faith and in accordance therewith.

Section 15.4. Waiver of Personal Liability.

No member, officer, agent, or employee of the City shall be individually or personally liable for the payment of the principal of, or interest or any premium on, the Bonds; but nothing herein contained shall relieve any such member, officer, agent, or employee from the performance of any official duty provided by law.

Section 15.5. Notices to and Demands on City and Trustee.

(a) Except as otherwise expressly provided in this Indenture, all notices or other instruments required or permitted under this Indenture, including any City Certificate or City Order, shall be in writing and shall be delivered by hand, mailed by first class mail, postage prepaid, or transmitted by facsimile or e-mail and addressed as follows:

If to the City: City of Celina, Texas
142 North Ohio
Celina, Texas 75009
Attn: Director of Finance

If to the Trustee
or the Paying Agent/Registrar: U.S. Bank National Association
Attention: Bond Operations
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402

Any such notice, demand, or request may also be transmitted to the appropriate party by telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

Any of such addresses may be changed at any time upon written notice of such change given to the other party by the party effecting the change. Notices and consents given by mail in accordance with this Section shall be deemed to have been given five Business Days after the date of dispatch; notices and consents given by any other means shall be deemed to have been given when received.

(b) The Trustee shall mail to each Owner of a Bond notice of (i) any substitution of the Trustee; or (ii) the redemption or defeasance of all Outstanding Bonds.

(c) The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the City shall provide to the Trustee an incumbency certificate listing designated persons authorized to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The City agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 15.6. Partial Invalidity.

If any Section, paragraph, sentence, clause, or phrase of this Indenture shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the

remaining portions of this Indenture. The City hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause, or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid, or unenforceable.

Section 15.7. Applicable Laws.

This Indenture shall be governed by and enforced in accordance with the laws of the State of Texas applicable to contracts made and performed in the State of Texas.

Section 15.8. Payment on Business Day.

In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to this Indenture is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day that is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

Section 15.9. Counterparts.

This Indenture may be executed in counterparts, each of which shall be deemed an original.

Section 15.10. No Boycott of Israel.

The Trustee hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Indenture is a contract for goods or services, will not boycott Israel during the term of this Indenture. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Trustee understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Trustee and exists to make a profit."

Section 15.11. Iran, Sudan, and Foreign Terrorist Organizations.

The Trustee represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Trustee and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist

organization. The Trustee understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Trustee and exists to make a profit.

[remainder of page left blank intentionally]

IN WITNESS WHEREOF, the City and the Trustee have caused this Indenture of Trust to be executed all as of the date hereof.

CITY OF CELINA, TEXAS

By: _____,
Mayor

Attest:

City Secretary

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Officer

*Signature Page to Indenture of Trust
relating to
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #2 PROJECT)*

Attachment: Celina - Glen Crossing Phase #2 2018 - Bond Ordinance (with attachments) (2018 - 59 : Glen Crossing PID Phase 2 Bond

EXHIBIT A(a) Form of Bond.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE CITY, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION OR AGENCY THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND.

REGISTERED

REGISTERED

No. _____

\$ _____

United States of America
State of Texas

CITY OF CELINA, TEXAS
SPECIAL ASSESSMENT REVENUE BOND, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #2 PROJECT)

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF DELIVERY</u>	<u>CUSIP NUMBER</u>
_____ %	September 1, 20__	_____	_____

The City of Celina, Texas (the "City"), for value received, hereby promises to pay, solely from the Trust Estate, to

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

_____ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of the Date of Delivery, as specified above, or the most recent Interest Payment Date to which interest has been paid or provided for until such principal amount shall have 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 March 1 and September 1 of each year, commencing _____, until maturity or prior redemption.

Capitalized terms appearing herein that are defined terms in the Indenture defined below, have the meanings assigned to them in the Indenture. Reference is made to the Indenture for such definitions and for all other purposes.

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 St. Paul, Minnesota (the "Designated Payment/Transfer Office"), of U.S.Bank National Association, Dallas, Texas, as trustee and paying agent/registrars (the

"Trustee", which term includes any successor trustee under the Indenture), or, with respect to a successor trustee and 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 Trustee to the registered owner at the address shown on the registration books kept by the Trustee or by such other customary banking arrangements acceptable to the Trustee, requested by, and at the risk and expense of, the Person to whom interest is to be paid. 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 fifteenth day of the month next preceding such Interest Payment Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 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 Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, 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 duly authorized issue of assessment revenue bonds of the City having the designation specified in its title (herein referred to as the "Bonds"), dated August 1, 2016 and issued in the aggregate principal amount of \$_____ and issued, with the limitations described herein, pursuant to an Indenture of Trust, dated as of November 1, 2018 (the "Indenture"), by and between the City and the Trustee, to which Indenture reference is hereby made for a description of the amounts thereby pledged and assigned, the nature and extent of the lien and security, the respective rights thereunder to the holders of the Bonds, the Trustee, and the City, and the terms upon which the Bonds are, and are to be, authenticated and delivered and by this reference to the terms of which each holder of this Bond hereby consents. All Bonds issued under the Indenture are equally and ratably secured by the amounts thereby pledged and assigned. The Bonds are being issued for the purpose of (i) paying a portion of the Actual Costs of the Phase #2 Improvements, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #1 Improvements, (ii) funding a reserve fund for payment of principal and interest on Bonds, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying the costs of issuance of the Bonds.

The Bonds are limited obligations of the City payable solely from the Trust Estate as defined in the Indenture. Reference is hereby made to the Indenture, copies of which are on file with and available upon request from the Trustee, for the provisions, among others, with respect to the nature and extent of the duties and obligations of the City, the Trustee and the Owners. The Owner of this Bond, by the acceptance hereof, is deemed to have agreed and consented to the terms, conditions and provisions of the Indenture.

Notwithstanding any provision hereof, the Indenture may be released and the obligation of the City to make money available to pay this Bond may be defeased by the deposit of money

and/or certain direct or indirect Defeasance Securities sufficient for such purpose as described in the Indenture.

The Bonds are issuable as fully registered bonds only in Authorized Denominations, subject to the provisions of the Indenture authorizing redemption in denominations of \$25,000 and any multiple of \$1,000 in excess thereof.

The Bonds are subject to sinking fund redemption prior to their respective maturities and will be redeemed by the City in part at a price equal to the principal amount thereof plus accrued and unpaid interest thereon to the date set for redemption from moneys available for such purpose in the Redemption Fund pursuant to Article VI of the Indenture, on the dates and in the Sinking Fund Installment amounts as set forth in the following schedule:

Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
------------------------	-------------------------------------

Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
------------------------	-------------------------------------

Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
------------------------	-------------------------------------

Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
------------------------	-------------------------------------

At least forty-five (45) days prior to each sinking fund redemption date, the Trustee shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Bonds of such maturity equal to the Sinking Fund Installments of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.6 of the Indenture.

The principal amount of Bonds required to be redeemed on any sinking fund redemption date shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least 45 days prior to the sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued

and unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption and not previously credited to a sinking fund redemption.

The City reserves the right and option to redeem Bonds before their scheduled maturity dates, in whole or in part, on any date on or after September 1, 20__, at par plus accrued interest to the date of redemption.

Bonds are subject to extraordinary optional redemption prior to maturity in whole or in part, on the first day of any month, at a Redemption Price equal to the principal amount of the Bonds called for redemption, plus accrued and unpaid interest to the date fixed for redemption from amounts on deposit in the Redemption Fund as a result of Prepayments, other transfers to the Redemption Fund pursuant to the Indenture, or as a result of unexpended amounts transferred from the Project Fund as provided in the Indenture.

The Trustee 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 part thereof) to be redeemed, at the address shown on the Register. 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. Any notice so given shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

With respect to any optional redemption of the Bonds, unless the Trustee has received funds sufficient to pay the Redemption Price of the Bonds to be redeemed before giving of a notice of redemption, the notice may state the City may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the City and the rights of the holders of the Bonds under the Indenture at any time Outstanding affected by such modification. The Indenture also contains provisions permitting the holders of specified percentages in aggregate principal amount of the Bonds at the time Outstanding, on behalf of the holders of all the Bonds, to waive compliance by the City with certain past defaults under the Bond Ordinance or the Indenture and their consequences. Any such consent or waiver by the holder of this Bond or any predecessor Bond evidencing the same debt shall be conclusive and binding upon such holder and upon all future holders thereof and of any Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, whether or not notation of such consent or waiver is made upon this Bond.

As provided in the Indenture, 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 Trustee, and upon delivery to the Trustee of such certifications and/or opinion of counsel as may be required under the Indenture for the transfer of this Bond. Upon satisfaction of such requirements, 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 City nor the Trustee shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar days of 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 City, the Trustee, 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 City nor the Trustee shall be affected by notice to the contrary.

NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE CITY OF CELINA, TEXAS, COLLIN COUNTY, TEXAS, THE STATE OF TEXAS, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE BONDS.

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 in 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; and that the total indebtedness of the City, including the Bonds, does not exceed any Constitutional or statutory limitation.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be executed under the official seal of the City.

Mayor, City of Celina, Texas

City Secretary, City of Celina, Texas

[City Seal]

(b) Form of Comptroller's Registration Certificate.

The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond:

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER	§	
OF PUBLIC ACCOUNTS	§	REGISTER NO. _____
	§	
THE STATE OF TEXAS	§	

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has approved this Bond, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____

Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Trustee.

CERTIFICATE OF TRUSTEE

It is hereby certified that this is one of the Bonds of the series of Bonds referred to in the within mentioned Indenture.

U.S BANK NATIONAL ASSOCIATION,
Dallas, Texas, as Trustee

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.

Date: _____

Signature Guaranteed By:

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 Trustee.

Authorized Signatory

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

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

(ii) in the first paragraph of the Bond, the words "on the Maturity Date specified above, the sum of _____ DOLLARS" shall be deleted and the following will be inserted: "on September 1 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Installments</u>	<u>Interest Rates</u>
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(Information to be inserted from Section 3.2(c) hereof); and

(iii) the Initial Bond shall be numbered T-1.

EXHIBIT B
BOND PURCHASE AGREEMENT

Attachment: Celina - Glen Crossing Phase #2 2018 - Bond Ordinance (with attachments) (2018 - 59 : Glen Crossing PID Phase 2 Bond

**§[PRINCIPAL]
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #2 PROJECT)**

BOND PURCHASE AGREEMENT

November 13, 2018

City of Celina, Texas
142 N. Ohio Street
Celina, Texas 76201

Ladies and Gentlemen:

The undersigned, FMSbonds, Inc. (the “Underwriter”), offers to enter into this Bond Purchase Agreement (this “Agreement”) with the City of Celina, Texas (the “City”), which will be binding upon the City and the Underwriter upon the acceptance of this Agreement by the City. This offer is made subject to its acceptance by the City by execution of this Agreement and its delivery to the Underwriter on or before 10:00 p.m., Central Time, on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the City at any time prior to the acceptance hereof by the City. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Indenture (defined herein) between the City and U.S. Bank National Association, as trustee (the “Trustee”), authorizing the issuance of the Bonds (defined herein), and in the Limited Offering Memorandum (defined herein).

1. Purchase and Sale of Bonds. Upon the terms and conditions and upon the basis of representations, warranties, and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the §[PRINCIPAL] aggregate principal amount of the “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project)” (the “Bonds”), at a purchase price of \$_____ (representing the aggregate principal amount of the Bonds, [plus a premium of \$_____, and] less an Underwriter’s discount of \$_____).

Inasmuch as this purchase and sale represents a negotiated transaction, the City understands, and hereby confirms, that the Underwriter is not acting as a municipal advisor or fiduciary of the City (including, without limitation, a “municipal advisor” (as such term is defined in Section 975(e) of the Dodd Frank Wall Street Reform and Consumer Protection Act)), but rather is acting solely in its capacity as Underwriter for its own account. The City acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement

is an arm's length commercial transaction between the City and the Underwriter and the Underwriter has financial and other interests that differ from any other party to this Agreement, (ii) in connection with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, municipal advisor, financial advisor, or fiduciary of the City, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering described herein or the discussions, undertakings, and procedures leading thereto (regardless of whether the Underwriter has provided other services or is currently providing other services to the City on other matters) and the Underwriter has no obligation to the City with respect to the offering described herein except the obligations expressly set forth in this Agreement, (iv) the City has consulted its own legal, financial and other advisors to the extent it has deemed appropriate, (v) the Underwriter has financial and other interests that differ from those of the City, and (vi) the Underwriter has provided to the City prior disclosures under Rule G-17 of the Municipal Securities Rulemaking Board ("MSRB"), which have been received by the City. The City further acknowledges and agrees that following the issuance and delivery of the Bonds, the Underwriter has indicated that it may have periodic discussions with the City regarding the expenditure of Bond proceeds and the construction of the Phase #2 Improvements (as defined herein) financed with the Bonds and, in connection with such discussions, the Underwriter shall be acting solely as a principal and will not be acting as the agent or fiduciary of, and will not be assuming an advisory or fiduciary responsibility in favor of, the City.

The Bonds shall be dated November 1, 2018 and shall have the maturities and redemption features, if any, and bear interest at the rates per annum shown on Schedule I hereto. Payment for and delivery of the Bonds, and the other actions described herein, shall take place on December 6, 2018 (or such other date as may be agreed to by the City and the Underwriter) (the "Closing Date").

2. Authorization Instruments and Law. The Bonds were authorized by Ordinance No. _____ enacted by the City Council of the City (the "City Council") on November 13, 2018 (the "Bond Ordinance") and shall be issued pursuant to the provisions of Subchapter A of Chapter 372, Texas Local Government Code, as amended (the "Act"), and the Indenture of Trust, dated as of November 1, 2018, between the City and the Trustee, authorizing the issuance of the Bonds (the "Indenture"). The Bonds shall be substantially in the form described in, and shall be secured under the provisions of, the Indenture.

The Bonds and interest thereon shall be secured by the proceeds of special assessments (the "Phase #2 Assessments") levied on the assessable parcels within Phase #2 (consisting of approximately 67.5 acres) of Glen Crossing Public Improvement District (the "District"). The District was established by Resolution No. 2016-24R (the "Creation Resolution"), enacted by the City Council on April 12, 2016, in accordance with the Act. A Service and Assessment Plan (as subsequently updated and amended, the "Service and Assessment Plan") was adopted by the City Council on July 12, 2016, and was updated on October 9, 2018 and on November 13, 2018, pursuant to Ordinance No. _____, which sets forth the costs of the Phase #2 Improvements and the method of payment of the Phase #2 Assessments (the "Assessment Ordinance"). On November 13, 2018, the City Council adopted Ordinance No. _____ (the "TIRZ Ordinance," and, together with the Creation Resolution, the Indenture, the Bond Ordinance and the Assessment Ordinance, the "Authorizing Documents"), expanding a tax increment reinvestment

zone known as “Reinvestment Zone No. 6, City of Celina” to cover Phase #2 of the District (as expanded, the “TIRZ”). Pursuant to the TIRZ Ordinance, the TIRZ Board of Directors approved an amended and restated project and financing plan (as amended and restated, the “Project and Financing Plan”) which dedicates a portion of the tax increment revenues generated from the property in the TIRZ as an offset or credit against the Annual Installment of Phase #2 Assessments. The Bonds shall be further secured by certain applicable funds and accounts created under the Indenture.

The Bonds shall be as described in Schedule I, the Indenture, and the Limited Offering Memorandum. The proceeds of the Bonds shall be used for (i) paying a portion of the costs of certain public improvements to serve Phase #2 of the District (the “Phase #2 Improvements”), (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #2 Improvements, (iii) funding a reserve fund for the payment of principal of and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying the costs of issuance of the Bonds.

3. Limited Public Offering. The Underwriter agrees to make a bona fide limited public offering of all of the Bonds. On or before the third (3rd) business day prior to the Closing Date, the Underwriter shall execute and deliver to Bond Counsel the Issue Price Certificate, in substantially the form attached hereto as Appendix B.

4. Establishment of Issue Price.

a. The Underwriter agrees to assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City on or before the third (3rd) business day prior to Closing (as defined herein) an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Appendix B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the City and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the City under this Section to establish the issue price of the Bonds may be taken on behalf of the City by the City’s Financial Advisor identified herein and any notice or report to be provided to the City may be provided to the City’s Financial Advisor.

b. The Underwriter confirms that it has offered all the Bonds of each maturity to the public on or before the date of this Agreement at the respective offering price (the “initial offering price”), or at the corresponding yield or yields, set forth in Schedule I attached hereto, except as otherwise set forth therein. The City will treat the first price at which 10% of each maturity of the Bonds is sold to the public as of the sale date as the issue price of that maturity (the “10% test”). At or promptly after the execution of this Agreement, the Underwriter shall report to the City on Schedule A to the issue price certificate the first price at which the Underwriter has sold to the public each maturity of Bonds, and shall identify to the City on Schedule A to the issue price certificate those maturities of the Bonds for which the 10% test has not been satisfied. If different interest coupons apply within a maturity, each separate CUSIP number within that maturity will be treated as a separate maturity for this purpose.

c. The City and the Underwriter agree that the restrictions set forth in the next sentence shall apply to those maturities of the Bonds for which the 10% test has not been met as of the date of this Agreement, which will allow the City to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the City when the Underwriter has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if such sale occurs prior to the close of the fifth (5th) business day after the sale date.

d. The Underwriter confirms that any selling group agreement and each third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter and as set forth in the related pricing wires, (B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public, and (C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public. The City acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

e. The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date of execution of this Agreement by all parties.

5. Limited Offering Memorandum.

a. Delivery of Limited Offering Memorandum. The City previously has delivered, or caused to be delivered, to the Underwriter the Preliminary Limited Offering Memorandum for the Bonds dated November 2, 2018 (the “Preliminary Limited Offering Memorandum”), in a “designated electronic format,” as defined in the Municipal Securities Rulemaking Board (“MSRB”) Rule G-32 (“Rule G-32”). The City will prepare, or cause to be prepared, a final Limited Offering Memorandum relating to the Bonds (the “Limited Offering Memorandum”) which will be (i) dated the date of this Agreement, (ii) complete within the meaning of the United States Securities and Exchange Commission’s Rule 15c2-12, as amended (“Rule 15c2-12”), (iii) in a “designated electronic format,” and (iv) substantially in the form of the most recent version of the Preliminary Limited Offering Memorandum provided to the Underwriter before the execution hereof. The Limited Offering Memorandum, including the cover page thereto, all exhibits, schedules, appendices, maps, charts, pictures, diagrams, reports, and statements included or incorporated therein or attached thereto, and all amendments and supplements thereto that may be authorized for use with respect to the

Bonds are collectively referred to herein as the “Limited Offering Memorandum.” Until the Limited Offering Memorandum has been prepared and is available for distribution, the City shall provide to the Underwriter sufficient quantities (which may be in electronic format) of the Preliminary Limited Offering Memorandum as the Underwriter reasonably deems necessary to satisfy the obligation of the Underwriter under Rule 15c2-12 with respect to distribution to each potential customer, upon request, of a copy of the Preliminary Limited Offering Memorandum.

b. Preliminary Limited Offering Memorandum Deemed Final. The Preliminary Limited Offering Memorandum has been prepared for use by the Underwriter in connection with the public offering, sale, and distribution of the Bonds. The City hereby represents and warrants that the Preliminary Limited Offering Memorandum has been deemed “final” (within the meaning of Rule 15c2-12) by the City as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12.

c. Use of Limited Offering Memorandum in Offering and Sale. The City hereby authorizes the Limited Offering Memorandum and the information therein contained to be used by the Underwriter in connection with the public offering and the sale of the Bonds. The City consents to the use by the Underwriter prior to the date hereof of the Preliminary Limited Offering Memorandum in connection with the public offering of the Bonds. The City shall provide, or cause to be provided, to the Underwriter as soon as practicable after the date of the City’s acceptance of this Agreement (but, in any event, not later than the earlier of the Closing Date or seven (7) business days after the City’s acceptance of this Agreement) copies of the Limited Offering Memorandum which is complete as of the date of its delivery to the Underwriter. The City shall provide the Limited Offering Memorandum, or cause the Limited Offering Memorandum to be provided, (i) in a “designated electronic format” consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall reasonably request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

d. Updating of Limited Offering Memorandum. If, after the date of this Agreement, up to and including the date the Underwriter is no longer required to provide a Limited Offering Memorandum to potential customers who request the same pursuant to Rule 15c2-12 (the earlier of (i) ninety (90) days from the “end of the underwriting period” (as defined in Rule 15c2-12) and (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB, but in no case less than the 25th day after the “end of the underwriting period” for the Bonds), the City becomes aware of any fact or event which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Limited Offering Memorandum to comply with law, the City will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from

time to time reasonably request), and if, in the reasonable judgment of the Underwriter, such fact or event requires preparation and publication of a supplement or amendment to the Limited Offering Memorandum, the City will forthwith prepare and furnish, at no expense to the Underwriter (in a form and manner approved by the Underwriter), either an amendment or a supplement to the Limited Offering Memorandum so that the statements therein as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading or so that the Limited Offering Memorandum will comply with law; provided, however, that for all purposes of this Agreement and any certificate delivered by the City in accordance herewith, (i) the City makes no representations with respect to the descriptions in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum of The Depository Trust Company, New York, New York ("DTC"), or its book-entry-only system, and (ii) the City makes no representation with respect to the information in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum under the captions and subcaptions "PLAN OF FINANCE — Development Plan" and "– Status of Builder Contracts," "BOOK-ENTRY ONLY SYSTEM," "THE IMPROVEMENTS," "THE DEVELOPMENT," "THE DEVELOPER," "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Phase #2 Improvements and the Development, as defined in the Limited Offering Memorandum), "THE PID ADMINISTRATOR," "LEGAL MATTERS — Litigation – The Developer," "CONTINUING DISCLOSURE — The Developer" and " — The Developer's Compliance with Prior Undertakings," and "INFORMATION RELATING TO THE TRUSTEE." If such notification shall be subsequent to the Closing, the City, at no expense to the Underwriter, shall furnish such legal opinions, certificates, instruments, and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Limited Offering Memorandum. The City shall provide any such amendment or supplement, or cause any such amendment or supplement to be provided, (i) in a "designated electronic format" consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall reasonably request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

e. Filing with MSRB. The Underwriter hereby agrees to timely file the Limited Offering Memorandum with the MSRB through its Electronic Municipal Market Access ("EMMA") system within one business day after receipt but no later than the Closing Date. Unless otherwise notified in writing by the Underwriter, the City can assume that the "end of the underwriting period" for purposes of Rule 15c2-12 is the Closing Date.

f. Limited Offering. The Underwriter hereby represents, warrants and covenants that the Bonds were initially sold pursuant to a limited offering. The Bonds were sold to not more than thirty-five persons that qualify as "Accredited Investors" (as defined in Rule 501 of Regulation D under the Securities Act (as defined herein)) or "Qualified Institutional Buyers" (within the meaning of Rule 144A under the Securities Act).

6. City Representations, Warranties and Covenants. The City represents, warrants and covenants that:

a. Due Organization, Existence and Authority. The City is a political subdivision of the State of Texas (the “State”), and has, and at the Closing Date will have, full legal right, power and authority:

(i) to enter into:

(1) this Agreement;

(2) the Indenture;

(3) the PID Reimbursement Agreement Glen Crossing effective July 12, 2016 executed and delivered by the City and W/J CR 55 LP, a Texas limited partnership (the “Developer”), and any addenda thereto (the “PID Reimbursement Agreement”);

(4) the PID Disbursement Agreement Glen Crossing Public Improvement District Phase #2 Project effective November 13, 2018 executed and delivered by the City and the Developer (the “PID Disbursement Agreement”);

(5) the Amended Development Agreement, effective as of June 14, 2016, executed and delivered by the City and Wynne/Jackson, Inc., and assigned to and assumed by the Developer on June 17, 2016 (the “Development Agreement”); and

(6) the Continuing Disclosure Agreement of Issuer with respect to the Bonds, dated as of November 1, 2018 (the “Continuing Disclosure Agreement of Issuer”), executed and delivered by the City and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as Dissemination Agent.

(ii) to issue, sell, and deliver the Bonds to the Underwriter as provided herein; and

(iii) to carry out and consummate the transactions on its part described in (1) the Authorizing Documents, (2) this Agreement, (3) the PID Reimbursement Agreement, (4) the Development Agreement, (5) the PID Disbursement Agreement, (6) the Continuing Disclosure Agreement of Issuer, (7) the Limited Offering Memorandum, and (8) any other documents and certificates described in any of the foregoing (the documents described by subclauses (1) through (8) being referred to collectively herein as the “City Documents”).

b. Due Authorization and Approval of City. By all necessary official action of the City, the City has duly authorized and approved the adoption or execution and delivery by the City of, and the performance by the City of the obligations on its part

contained in, the City Documents and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded, except as may have been approved by the Underwriter. When validly executed and delivered by the other parties thereto, the City Documents will constitute the legally valid and binding obligations of the City enforceable upon the City in accordance with their respective terms, except insofar as enforcement may be limited by principles of sovereign immunity, bankruptcy, insolvency, reorganization, moratorium, or similar laws or equitable principles relating to or affecting creditors' rights generally. The City has complied, and will at the Closing be in compliance, in all material respects, with the obligations on its part to be performed on or prior to the Closing Date under the City Documents.

c. Due Authorization for Issuance of the Bonds. The City has duly authorized the issuance and sale of the Bonds pursuant to the Bond Ordinance, the Indenture, and the Act. The City has, and at the Closing Date will have, full legal right, power and authority (i) to enter into, execute, deliver, and perform its obligations under this Agreement and the other City Documents, (ii) to issue, sell, and deliver the Bonds to the Underwriter pursuant to the Indenture, the Bond Ordinance, the Act, and as provided herein, and (iii) to carry out, give effect to and consummate the transactions on the part of the City described by the City Documents and the Bond Ordinance.

d. No Breach or Default. As of the time of acceptance hereof, and to the best of its knowledge, the City is not, and as of the Closing Date the City will not be, in breach of or in default in any material respect under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument related to the Bonds and to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have a material adverse effect on the City's ability to perform its obligations under the Bonds or the City Documents; and, as of such times, the authorization, execution and delivery of the Bonds and the City Documents and compliance by the City with obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the City (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties are bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be permitted by the City Documents.

e. No Litigation. At the time of acceptance hereof there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court,

government agency, public board or body (collectively and individually, an “Action”) pending against the City with respect to which the City has been served with process, nor to the knowledge of the City is any Action threatened against the City, in which any such Action (i) in any way questions the existence of the City or the rights of the members of the City Council to hold their respective positions, (ii) in any way questions the formation or existence of the District, (iii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the City Documents or the consummation of the transactions on the part of the City described therein, or contests the exclusion of the interest on the Bonds from federal income taxation, or (iv) which may result in any material adverse change in the financial condition of the City; and, as of the time of acceptance hereof, to the City’s knowledge, there is no basis for any action, suit, proceeding, inquiry, or investigation of the nature described in clauses (i) through (iv) of this sentence.

f. Bonds Issued Pursuant to Indenture. The City represents that the Bonds, when issued, executed, and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the City subject to the terms of the Indenture, entitled to the benefits of the Indenture and the security of the pledge of the proceeds of the levy of the Phase #2 Assessments received by the City, all to the extent provided for in the Indenture. The Indenture creates a valid pledge of the monies in certain funds and accounts established pursuant to the Indenture to the extent provided for in the Indenture, including the investments thereof, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

g. Assessments. The Phase #2 Assessments constituting the security for the Bonds have been levied by the City in accordance with the Act on those parcels of land identified in the Phase #2 Assessment Roll (as defined in the Service and Assessment Plan). According to the Act, such Phase #2 Assessments constitute a valid and legally binding first and prior lien against the properties assessed, superior to all other liens and claims, except liens or claims for state, county, school district, or municipality ad valorem taxes.

h. Consents and Approvals. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency, or commission having jurisdiction in the matters which are required by the Closing Date for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the City of, its obligations in connection with the City Documents have been duly obtained or made and are in full force and effect, except the approval of the Bonds by the Attorney General of the State, registration of the Bonds by the Comptroller of Public Accounts of the State, and the approvals, consents and orders as may be required under Blue Sky or securities laws of any jurisdiction.

i. Public Debt. Prior to the Closing, the City will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by a pledge of the Phase #2 Assessments which secure the Bonds without the prior approval of the Underwriter.

j. Preliminary Limited Offering Memorandum. The information contained in the Preliminary Limited Offering Memorandum is true and correct in all material respects, and such information does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the City makes no representations with respect to (i) the descriptions in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum of DTC, or its book-entry-only system, and (ii) the City makes no representation with respect to the information in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum under the captions and subcaptions “PLAN OF FINANCE — Development Plan” and “ – Status of Builder Contracts,” “BOOK-ENTRY ONLY SYSTEM,” “THE IMPROVEMENTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #2 Improvements and the Development, as defined in the Limited Offering Memorandum), “THE PID ADMINISTRATOR,” “LEGAL MATTERS — Litigation – The Developer,” “CONTINUING DISCLOSURE — The Developer” and “ — The Developer’s Compliance with Prior Undertakings,” and “INFORMATION RELATING TO THE TRUSTEE.”

k. Limited Offering Memorandum. At the time of the City’s acceptance hereof and (unless the Limited Offering Memorandum is amended or supplemented pursuant to paragraph (d) of Section 5 of this Agreement) at all times subsequent thereto during the period up to and including the 25th day subsequent to the “end of the underwriting period,” the information contained in the Limited Offering Memorandum does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the City makes no representations with respect to (i) the descriptions in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum of the DTC, or its book-entry-only system, and (ii) the City makes no representation with respect to the information in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum under the captions and subcaptions “PLAN OF FINANCE — Development Plan” and “ – Status of Builder Contracts,” “BOOK-ENTRY ONLY SYSTEM,” “THE IMPROVEMENTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #2 Improvements and the Development, as defined in the Limited Offering Memorandum), “THE PID ADMINISTRATOR,” “LEGAL MATTERS — Litigation – The Developer,” “CONTINUING DISCLOSURE — The Developer” and “ — The Developer’s Compliance with Prior Undertakings,” and “INFORMATION RELATING TO THE TRUSTEE;” and further provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 5(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a

supplement or amendment to the Limited Offering Memorandum, then the Limited Offering Memorandum in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

l. Supplements or Amendments to Limited Offering Memorandum. If the Limited Offering Memorandum is supplemented or amended pursuant to paragraph (d) of Section 5 of this Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the 25th day subsequent to the “end of the underwriting period,” the Limited Offering Memorandum as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 5(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Limited Offering Memorandum, then the Limited Offering Memorandum in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

m. Compliance with Rule 15c2-12. During the past five years, the City has complied in all material respects with its previous continuing disclosure undertaking made by it in accordance with Rule 15c2-12, except as described in the Limited Offering Memorandum.

n. Use of Bond Proceeds. The City will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Indenture and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

o. Blue Sky and Securities Laws and Regulations. The City will furnish such information and execute such instruments and take such action in cooperation with the Underwriter as the Underwriter may reasonably request, at no expense to the City, (i) to (y) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriter may designate and (z) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and (ii) to continue such qualifications in effect so long as required for the initial distribution of the Bonds by the Underwriter (provided, however, that the City will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Underwriter immediately of receipt by the City of any notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose.

p. Certificates of the City. Any certificate signed by any official of the City authorized to do so in connection with the transactions described in this Agreement shall

be deemed a representation and warranty by the City to the Underwriter as to the statements made therein and can be relied upon by the Underwriter as to the statements made therein.

q. Intentional Actions Regarding Representations and Warranties. The City covenants that between the date hereof and the Closing it will not intentionally take actions which will cause the representations and warranties made in this Section to be untrue as of the Closing.

r. Financial Advisor. The City has engaged Hilltop Securities Inc. as its Financial Advisor in connection with its offering and issuance of the Bonds.

By delivering the Limited Offering Memorandum to the Underwriter, the City shall be deemed to have reaffirmed, with respect to the Limited Offering Memorandum, the representations, warranties and covenants set forth above.

7. Developer Letter of Representations. At the signing of this Agreement, the City and Underwriter shall receive from the Developer, an executed Developer Letter of Representations (the “Developer Letter of Representations”) in the form of Appendix A hereto, and at the Closing, a certificate signed by the Developer as set forth in Section 10(f) hereof.

8. The Closing. At 10:00 a.m., Central time, on the Closing Date, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the City and the Underwriter, (i) the City will deliver or cause to be delivered to DTC through its “FAST” System, the Bonds in the form of one fully registered Bond for each maturity, registered in the name of Cede & Co., as nominee for DTC, duly executed by the City and authenticated by the Trustee as provided in the Indenture, and (ii) the City will deliver the closing documents hereinafter mentioned to Norton Rose Fulbright US LLP (“Bond Counsel”), or a place to be mutually agreed upon by the City and the Underwriter. Settlement will be through the facilities of DTC. The Underwriter will accept delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer in federal funds payable to the order of the City or its designee. These payments and deliveries, together with the delivery of the aforementioned documents, are herein called the “Closing.” The Bonds will be made available to the Underwriter for inspection not less than twenty-four (24) hours prior to the Closing.

9. Underwriter’s Closing Conditions. The Underwriter has entered into this Agreement in reliance upon the representations and covenants herein and in the Developer Letter of Representations and the performance by the City of its obligations under this Agreement, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter’s obligations under this Agreement to purchase, accept delivery of, and pay for the Bonds shall be conditioned upon the performance by the City of its obligations to be performed hereunder at or prior to Closing and shall also be subject to the following additional conditions:

a. Bring-Down Representations of the City. The representations and covenants of the City contained in this Agreement shall be true and correct in all material respects as of the date hereof and at the time of the Closing, as if made on the Closing Date.

b. Executed Agreements and Performance Thereunder. At the time of the Closing (i) the City Documents shall be in full force and effect, and shall not have been amended, modified, or supplemented except with the written consent of the Underwriter; (ii) the Authorizing Documents shall be in full force and effect; (iii) there shall be in full force and effect such other resolutions or actions of the City as, in the opinion of Bond Counsel and Counsel to the Underwriter, shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the City described in this Agreement and the City Documents; (iv) there shall be in full force and effect such other resolutions or actions of the Developer, in the opinions of Owens, Campbell & Aiken, L.L.P., counsel to the Developer (“Developer’s General Counsel”) and Shupe Ventura, PLLC, special counsel to the Developer (“Developer’s Special Counsel”), shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the Developer described in the PID Reimbursement Agreement, the PID Disbursement Agreement, the Development Agreement, the Developer Letter of Representations, and the Continuing Disclosure Agreement of the Developer with respect to the Bonds, dated as of November 1, 2018, executed and delivered by the Developer, MuniCap, Inc., (the “PID Administrator”), and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as dissemination agent (the “Continuing Disclosure Agreement of Developer,” and, together with the PID Reimbursement Agreement, the PID Disbursement Agreement, the Development Agreement, and the Developer Letter of Representations, the “Developer Documents”); and (v) the City shall perform or have performed its obligations required or specified in the City Documents to be performed at or prior to Closing.

c. No Default. At the time of the Closing, no default shall have occurred or be existing and no circumstances or occurrences that, with the passage of time or giving of notice, shall constitute an event of default under this Agreement, the Indenture, the City Documents, the Developer Documents or other documents relating to the financing and construction of the Phase #2 Improvements and the Development, and the Developer shall not be in default in the payment of principal or interest on any of its indebtedness which default shall materially adversely impact the ability of the Developer to pay the Phase #2 Assessments when due.

d. Concurrent Closing of the Phase #1B Bonds. The City shall issue concurrently with the issuance of the Bonds its “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #1B Project),” dated November 1, 2018.

e. Closing Documents. At or prior to the Closing, the Underwriter shall have received each of the documents required under Section 10 below.

f. Termination Events. The Underwriter shall have the right to cancel its obligation to purchase the Bonds and to terminate this Agreement without liability therefor by written notification to the City if, between the date of this Agreement and the Closing, in the Underwriter’s sole and reasonable judgment, any of the following shall have occurred:

(i) the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall be materially adversely affected by the occurrence of any of the following:

(1) legislation shall have been introduced in or enacted by the Congress of the United States or adopted by either House thereof, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice, or otherwise) by the President of the United States, the Treasury Department of the United States, or the Internal Revenue Service or legislation shall have been proposed for consideration by either the U.S. Senate Committee on Finance or the U.S. House of Representatives Committee on Ways and Means or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision by a court of the United States or the Tax Court of the United States shall be rendered or a ruling, regulation, or official statement (final, temporary, or proposed) by or on behalf of the Treasury Department of the United States, the Internal Revenue Service, or other federal agency shall be made, which would result in federal taxation of revenues or other income of the general character expected to be derived by the City or upon interest on securities of the general character of the Bonds or which would have the effect of changing, directly or indirectly, the federal income tax consequences of receipt of interest on securities of the general character of the Bonds in the hands of the holders thereof, and which in either case, makes it, in the reasonable judgment of the Underwriter, impracticable or inadvisable to proceed with the offer, sale, or delivery of the Bonds on the terms and in the manner described in the Limited Offering Memorandum; or

(2) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as described herein or by the Limited Offering Memorandum, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect (the "Securities Act"), or that the Indenture need to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect (the "Trust Indenture Act"); or

(3) a general suspension of trading in securities on the New York Stock Exchange, the establishment of minimum prices on such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so; or

(4) there shall have occurred any outbreak of hostilities (including, without limitation, an act of terrorism) or other national or international calamity or crisis, including, but not limited to, an escalation of hostilities that existed prior to the date hereof, and the effect of any such event on the financial markets of the United States shall be such as would make it impracticable, in the reasonable judgment of the Underwriter, for it to sell the Bonds on the terms and in the manner contemplated by the Limited Offering Memorandum; or

(5) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the City, except as disclosed in or contemplated by the Limited Offering Memorandum; or

(6) any state blue sky or securities commission or other governmental agency or body in any state in which more than 10% of the Bonds have been offered and sold shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto; or

(7) any amendment to the federal or state Constitution or action by any federal or state court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the City, its property, income, securities (or interest thereon), or the validity or enforceability of the Phase #2 Assessments to pay principal of and interest on the Bonds; or

(ii) the New York Stock Exchange or other national securities exchange or any governmental authority shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; or

(iii) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Limited Offering Memorandum, or has the effect that the Limited Offering Memorandum contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under

which they were made, not misleading, which change shall occur subsequent to the date of this Agreement and shall not be due to the malfeasance, misfeasance or nonfeasance of the Underwriter; or

(iv) any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to Limited Offering Memorandum; or

(v) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

(vi) a material disruption in securities settlement, payment or clearance services shall have occurred; or

(vii) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Agreement or by the Limited Offering Memorandum, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws on the Closing Date, including the Securities Act, the Securities Exchange Act of 1934 (the "Securities Exchange Act") and the Trust Indenture Act; or

(viii) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission, which prohibition shall occur subsequent to the date hereof and shall not be due to the malfeasance, misfeasance, or nonfeasance of the Underwriter.

With respect to the conditions described in subparagraphs (ii), (vii) and (viii) above, the Underwriter is not aware of any current, pending or proposed law or government inquiry or investigation as of the date of execution of this Agreement which would permit the Underwriter to invoke its termination rights hereunder.

10. Closing Documents. At or prior to the Closing, the Underwriter shall receive the following documents:

a. Bond Opinion. The approving opinion of Bond Counsel, dated the Closing Date and substantially in the form included as Appendix D to the Limited Offering Memorandum, together with a reliance letter from Bond Counsel, dated the Closing Date and addressed to the Underwriter, which may be included in the supplemental opinion required by Section 10(b), to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

b. Supplemental Opinion. A supplemental opinion of Bond Counsel dated the Closing Date and addressed to the City and the Underwriter, in form and substance acceptable to counsel for the Underwriter, to the following effect:

(i) Except to the extent noted therein, Bond Counsel has not verified and is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the statements and information contained in the Limited Offering Memorandum but that Bond Counsel has reviewed the statements and information appearing under the captions and subcaptions “PLAN OF FINANCE — The Bonds,” “DESCRIPTION OF THE BONDS,” “SECURITY FOR THE BONDS SIMILARLY SECURED,” “ASSESSMENT PROCEDURES” (except for the subcaptions “Assessment Methodology” and “Assessment Amounts”), “THE DISTRICT” (except for the subcaption “District Collection and Delinquency History of Phase #1 Assessments”), “TAX MATTERS,” “LEGAL MATTERS — Legal Proceedings,” “LEGAL MATTERS — Legal Opinions,” “SUITABILITY FOR INVESTMENT,” “CONTINUING DISCLOSURE – The City,” “REGISTRATION AND QUALIFICATION OF BONDS FOR SALE,” “LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS” and “APPENDIX B” and Bond Counsel is of the opinion that the information relating to the Bonds and legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Ordinance, the Assessment Ordinance, the TIRZ Ordinance, the Project and Financing Plan, the Service and Assessment Plan and Indenture;

(ii) The Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act;

(iii) The City has or at the time of the adoption thereof had full power and authority to adopt the Creation Resolution, the Assessment Ordinance, the TIRZ Ordinance, the Project and Financing Plan, the Service and Assessment Plan and the Bond Ordinance (collectively, the foregoing documents are referred to herein as the “City Actions”) and perform its obligations thereunder and the City Actions have been duly adopted, are in full force and effect and have not been modified, amended or rescinded; and

(iv) The Indenture, the PID Reimbursement Agreement, the PID Disbursement Agreement, the Development Agreement, the Continuing Disclosure Agreement of Issuer, and this Agreement have been duly authorized, executed and delivered by the City and, assuming the due authorization, execution and delivery of such instruments, documents, and agreements by the other parties thereto, constitute the legal, valid, and binding agreements of the City, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting enforcement of creditors’ rights, or by the application of equitable principles if equitable remedies

are sought and to the application of Texas law relating to governmental immunity applicable to governmental entities.

c. City Legal Opinion. An opinion of an attorney for the City, dated the Closing Date and addressed to the Underwriter, the City and the Trustee, with respect to matters relating to the City, substantially in the form of Appendix C hereto or in form otherwise agreed upon by the Underwriter and the attorney for the City.

d. [Reserved.]

e. Opinion of Developer's Counsels. (i) An opinion of Developer's General Counsel, substantially in the form of Appendix E-1 hereto, dated the Closing Date and addressed to the City, Bond Counsel, the attorney for the City, Developer's Special Counsel, the Underwriter and the Trustee, and (ii) an opinion of Developer's Special Counsel, substantially in the form of Appendix E-2 hereto, dated the Closing Date and addressed to the City, Bond Counsel, the attorney for the City, the Underwriter and the Trustee.

f. Developer Certificate. The certificate of the Developer dated as of the Closing Date, signed by authorized officers of Developer in substantially the form of Appendix F hereto.

g. City Certificate. A certificate of the City, dated the Closing Date, to the effect that:

(i) the representations and warranties of the City contained herein and in the City Documents are true and correct in all material respects on and as of the Closing Date as if made on the date thereof;

(ii) the Authorizing Documents and City Documents are in full force and effect and have not been amended, modified, or supplemented;

(iii) except as disclosed in the Limited Offering Memorandum, no litigation or proceeding against the City is pending or, to the best of the knowledge of such person, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the members or officials of the City to hold and exercise their respective positions, (b) contest the due organization and valid existence of the City or the establishment of the District, (c) contest the validity, due authorization and execution of the Bonds or the City Documents, or (d) attempt to limit, enjoin or otherwise restrict or prevent the City from levying and collecting the Phase #2 Assessments pledged to pay the principal of and interest on the Bonds, or the pledge thereof; and

(iv) the City has, to the best of such person's knowledge, complied with all agreements and covenants and satisfied all conditions set forth in the City Documents, on its part to be complied with or satisfied hereunder at or prior to the Closing.

h. Trustee's Counsel Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, the City and Bond Counsel, in form and substance acceptable to counsel for the Underwriter, the City and Bond Counsel to the following effect:

(i) The Trustee is organized, validly existing and in good standing as a national banking association organized under the laws of the United States of America, with full corporate power and authority to conduct its business and affairs as Trustee;

(ii) The Trustee has full right, power, and authority to enter into the Indenture, to perform its obligations under, and to carry out and consummate all of the transactions involving the Trustee contemplated by, the Indenture;

(iii) The Indenture has been duly authorized, executed and delivered by the Trustee and is valid and enforceable against the Trustee in accordance with its terms; and

(iv) No consent, approval, authorization or other action by any governmental authority having jurisdiction over the Trustee that has not been obtained is or will be required for the authentication of the Bonds or the consummation by the Trustee of the other transactions contemplated to be performed by the Trustee in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Indenture.

i. Trustee's Certificate. A customary authorization and incumbency certificate dated as of Closing, signed by authorized officers of the Trustee in form and substance acceptable to the Underwriter and Underwriter's Counsel.

j. Underwriter Counsel's Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, of Orrick, Herrington & Sutcliffe LLP, counsel to the Underwriter, to the effect that:

(i) The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

(ii) Such counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Limited Offering Memorandum or in the Limited Offering Memorandum and makes no representation that it has independently verified the accuracy, completeness or fairness of any such statements. In its capacity as counsel to the Underwriter, to assist the Underwriter in part of its responsibility with respect to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, such counsel has participated in conferences with representatives of the Underwriter, representatives of the City, and its counsel, Norton Rose Fulbright US LLP, as bond counsel, Hilltop Securities Inc., as financial advisor, the public improvement district administrator, the Developer,

and their engineers and others, during which the contents of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum and related matters were discussed. Based on such counsel's participation in the above-mentioned conferences (which did not extend beyond the date of the Limited Offering Memorandum), and in reliance thereon, on oral and written statements and representations of the City, the Developers and others and on the records, documents, certificates, opinions and matters herein mentioned, such counsel advises the Underwriter as a matter of fact and not opinion that, during the course of such counsel's representation of the Underwriter on this matter, (a) as of the date of the Preliminary Limited Offering Memorandum and as of November 13, 2018, no facts had come to the attention of the attorneys in such counsel's firm rendering legal services to the Underwriter in connection with the Preliminary Limited Offering Memorandum which caused such counsel to believe that the Preliminary Limited Offering Memorandum contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and (b) as of the date of the Limited Offering Memorandum and as of the date hereof, no facts had come to the attention of the attorneys in such counsel's firm rendering legal service to the Underwriter in connection with the Limited Offering Memorandum which caused such counsel to believe that the Limited Offering Memorandum contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, such counsel expressly excludes from the scope of this paragraph and expresses no view or opinion about (i) with respect to the Preliminary Limited Offering Memorandum, any difference in information contained therein compared to what is contained in the Limited Offering Memorandum, whether or not related to pricing or sale of the Bonds, and whether any such difference is material and should have been included in the Preliminary Limited Offering Memorandum, and (ii) with respect to both the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, any CUSIP numbers, financial, accounting, statistical or economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about verification, feasibility, valuation, appraisals, absorption, real estate or environmental matters, relationship among the parties, or any information about book-entry, DTC, Tax Matters, included or referred to therein or omitted therefrom. No responsibility is undertaken or view expressed with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by or incorporated by reference in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum; and

(iii) The Continuing Disclosure Agreement of Issuer satisfies the requirements contained in S.E.C. Rule 15c2-12(b)(5) for an undertaking for the benefit of the holders of the Bonds to provide the information at the times and in the manner required by said Rule; provided that, for purposes of this opinion, such

counsel is not expressing any view regarding the content of the Limited Offering Memorandum that is not expressly stated in numbered paragraph ii, above.

k. Limited Offering Memorandum. The Limited Offering Memorandum and each supplement or amendment, if any, thereto.

l. Delivery of City Documents and Developer Documents. The City Documents and Developer Documents shall have been executed and delivered in form and content satisfactory to the Underwriter.

m. Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing.

n. Federal Tax Certificate. A certificate of the City in form and substance satisfactory to Bond Counsel and counsel to the Underwriter setting forth the facts, estimates and circumstances in existence on the Closing Date, which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and any applicable regulations (whether final, temporary or proposed), issued pursuant to the Code.

o. Attorney General Opinion and Comptroller Registration. The approving opinion of the Attorney General of the State regarding the Bonds and the Comptroller of the State’s Certificate of Registration for the Initial Bond.

p. Continuing Disclosure Agreements. The Continuing Disclosure Agreement of Issuer and the Continuing Disclosure Agreement of Developer, shall have been executed by the parties thereto in substantially the forms attached to the Preliminary Limited Offering Memorandum as Appendix E-1 and Appendix E-2.

q. Letter of Representation of the Appraiser. (i) Letter of Representation of the Appraiser, substantially in the form of Appendix G hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter, and (ii) a copy of the real estate appraisal of the property in the District dated May 12, 2018.

r. Letter of Representation of PID Administrator. Letter of Representation of PID Administrator, substantially in the form of Appendix H hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

s. Letter of Representation of Engineer. (i) Letter of Representation of Engineer, substantially in the form of Appendix I hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter, and (ii) a copy of the “Engineering Report Glen Crossing, Phase #2 Public Improvement District” dated September 17, 2018.

t. Evidence of Filing of Creation Resolution and Assessment Ordinance. Evidence that (i) the Creation Resolution, including legal description of the District by metes and bounds, and (ii) the Assessment Ordinance, including the assessment rolls and a statement indicating the contact for and address of where a copy of the Service and Assessment Plan, and any updates thereto may be obtained or viewed, have been filed of record in the real property records of Collin County, Texas.

u. Lender Consent Certificate. Lender Consent Certificate of American Bank of Texas and any other lienholder on land in the District, in recordable form, consenting to and acknowledging the creation of the District, the adoption of the Assessment Ordinance, the levy of the Phase #2 Assessments, and the subordination of their respective liens to the lien created by the Phase #2 Assessments, in form and substance acceptable to the Underwriter, Underwriter's Counsel and Bond Counsel.

v. Evidence of Ownership of Property. Evidence that on the date that the Assessment Ordinance was adopted all of the Phase #2 Assessed Property (as defined in the Service and Assessment Plan) was owned by the Developer or other development entities and that such landowners are not entities that may claim a homestead right under Texas law.

w. Rule 15c2-12 Certification. A resolution, an ordinance or certificate of the City whereby the City has deemed the Preliminary Limited Offering Memorandum "final" as of its date, except for permitted omissions, as contemplated by Rule 15c2-12 in connection with the offering of the Bonds, which certification, if made in the form of a certificate, may be included in the City Certificate required by Section 10(g) hereof.

x. Dissemination Agent. Evidence acceptable to the Underwriter in its sole discretion that the City has engaged a dissemination agent acceptable to the Underwriter for the Bonds, with the execution of the Continuing Disclosure Agreement of Issuer and the Continuing Disclosure Agreement of Developer by other parties thereto being conclusive evidence of such acceptance by the Underwriter.

y. BLOR. A copy of the Blanket Letter of Representation to DTC relating to the Bonds and signed by the City.

z. Additional Documents. Such additional legal opinions, certificates, instruments, and other documents as the Underwriter or their counsel may reasonably deem necessary.

11. City's Closing Conditions. The obligation of the City hereunder to deliver the Bonds shall be subject to receipt on or before the Closing Date of the purchase price set forth in Section 1 hereof, the Attorney General Opinion and the opinion of Bond Counsel described in Section 10(a) hereof.

12. Consequences of Termination. If the City shall be unable to satisfy the conditions contained in this Agreement or if the obligations of the Underwriter shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and the Underwriter and the

City shall have no further obligation hereunder, except as further set forth in Sections 13, 15 and 16 hereof.

13. Costs and Expenses.

a. The Underwriter shall be under no obligation to pay, and the City shall cause to be paid from proceeds of the Bonds the following expenses incident to the issuance of the Bonds and performance of the City's obligations hereunder: (i) the costs of the preparation and printing of the Bonds; (ii) the cost of preparation, printing, and mailing of the Preliminary Limited Offering Memorandum, the final Limited Offering Memorandum and any supplements and amendments thereto; (iii) the fees and disbursements of the City's financial advisor, the Trustee's counsel, Bond Counsel, Developer's General Counsel, Developer's Special Counsel, and the Trustee relating to the issuance of the Bonds; (iv) the Attorney General's review fees; (v) the fees and disbursements of accountants, advisers and any other experts or consultants retained by the City or the Developer, including but not limited to the fees and expenses of the Appraiser and the PID Administrator; and (vi) the expenses incurred by or on behalf of City employees and representatives that are incidental to the issuance of the Bonds and the performance by the City of its obligations under this Agreement.

b. The Underwriter shall pay the following expenses: (i) all advertising expenses in connection with the limited offering of the Bonds; (ii) fees of Underwriter's Counsel; and (iii) all other expenses, including CUSIP fees (including out-of-pocket expenses and related regulatory expenses), incurred by it in connection with its public offering and distribution of the Bonds, except as noted in Subsection 13(a) above.

c. The City acknowledges that the Underwriter will pay from the Underwriter's expense allocation of the underwriting discount the applicable per bond assessment charged by the Municipal Advisory Council of Texas, a nonprofit corporation ("Texas MAC") whose purpose is to collect, maintain and distribute information relating to issuing entities of municipal securities. The estimated Texas MAC fee for this financing is \$[_____].

14. Notice. Any notice or other communication to be given to the City under this Agreement may be given by delivering the same in writing to: City of Celina, Texas, 142 N. Ohio St., Celina, Texas 76201, Attention: City Manager.

Any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to: FMSbonds, Inc., 100 Crescent Court, Suite 700, Dallas, Texas 75201, Attention: Tripp Davenport, Director.

15. Entire Agreement. This Agreement is made solely for the benefit of the City and the Underwriter (including their respective successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. All of the City's representations, warranties, and agreements contained in this Agreement shall remain operative and in full force and effect regardless of: (i) any investigations made by or on behalf of the Underwriter, provided the City shall have no liability with respect to any matter of which the Underwriter has

actual knowledge prior to the purchase of the Bonds; or (ii) delivery of any payment for the Bonds pursuant to this Agreement. The agreements contained in this Section and in Section 16 shall survive any termination of this Agreement.

16. Survival of Representations and Warranties. All representations and warranties of the parties made in, pursuant to or in connection with this Agreement shall survive the execution and delivery of this Agreement, notwithstanding any investigation by the parties. All statements contained in any certificate, instrument, or other writing delivered by a party to this Agreement or in connection with the transactions described in or by this Agreement constitute representations and warranties by such party under this Agreement to the extent such statement is set forth as a representation and warranty in the instrument in question.

17. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

18. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

19. State Law Governs. The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State of Texas.

20. No Assignment. The rights and obligations created by this Agreement shall not be subject to assignment by the Underwriter or the City without the prior written consent of the other parties hereto.

21. No Personal Liability. None of the members of the City Council, nor any officer, representative, agent, or employee of the City, shall be charged personally by the Underwriter with any liability, or be held liable to the Underwriter under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach of this Agreement.

22. Anti-Boycott Verification. The Underwriter hereby verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Underwriter understand 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Underwriter and exists to make a profit.

23. Iran, Sudan and Foreign Terrorist Organizations. The Underwriter represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other

affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Underwriter and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Underwriter understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Underwriter and exists to make a profit.

24. Form 1295. Submitted herewith is a completed Form 1295 in connection with the Underwriter's participation in the execution of this Agreement generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The City hereby confirms receipt of the Form 1295 from the Underwriter, and the City agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after the receipt of such form. The Underwriter and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Underwriter; and, neither the City nor its consultants have verified such information.

25. Indemnification. The Underwriter will indemnify and hold harmless the City against any losses, claims, damages or liabilities to which any of them may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the caption "UNDERWRITING," or any amendment or supplement to the Limited Offering Memorandum amending or supplementing the information contained under the aforementioned caption, or arise out of or are based upon the omission or alleged untrue statement or omission to state therein a material fact necessary to make the statements under the aforementioned caption not misleading under the circumstances under which they were made and will reimburse the City for any reasonable legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first set forth above.

FMSbonds, Inc.,
as Underwriter

By: _____
Name: Theodore A. Swinarski
Title: Senior Vice President - Trading

Accepted at _____ a.m./p.m. central time on the
date first stated above.

City of Celina, Texas

By: _____
Mayor

SCHEDULE I

\$[PRINCIPAL]

CITY OF CELINA, TEXAS

(a municipal corporation of the State of Texas located in Denton County)

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018

(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #2 PROJECT)

Interest Accrues From: Date of Delivery

\$ _____ % Term Bonds, Due _____, 20__, Priced to Yield _____% (a) [(b)] (c)

\$ _____ % Term Bonds, Due _____, 20__, Priced to Yield _____% (a) (b) (c)

\$ _____ % Term Bonds, Due _____, 20__, Priced to Yield _____% (a) (b) (c)

\$ _____ % Term Bonds, Due _____, 20__, Priced to Yield _____% (a) (b) (c)

- (a) The initial reoffering prices or yields of the Bonds have been determined in accordance with the 10% test.
- (b) The Bonds are subject to optional redemption, in whole or in part, prior to stated maturity, at the option of the City, on any date on or after _____, 20__, at the redemption price of par plus accrued interest to date of redemption:
- (c) The Bonds are also subject to extraordinary optional redemption as described in the Limited Offering Memorandum under "DESCRIPTION OF THE BONDS — Redemption Provisions."
- The Term Bonds maturing _____, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installments as set forth in the following schedule.

\$	<u>Term Bonds Maturing</u>	<u>, 20</u>
	<u>Redemption Date</u>	<u>Sinking Fund</u>
		<u>Installment</u>

The Term Bonds maturing _____, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installments as set forth in the following schedule.

\$	<u>Term Bonds Maturing</u>	<u>, 20</u>
	<u>Redemption Date</u>	<u>Sinking Fund</u>
		<u>Installment</u>

The Term Bonds maturing _____, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installments as set forth in the following schedule.

\$	<u>Term Bonds Maturing</u>	<u>, 20</u>
<u>Redemption Date</u>		<u>Sinking Fund</u> <u>Installment</u>

The Term Bonds maturing _____, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installments as set forth in the following schedule.

\$	<u>Term Bonds Maturing</u>	<u>, 20</u>
<u>Redemption Date</u>		<u>Sinking Fund</u> <u>Installment</u>

APPENDIX A

FORM OF DEVELOPER LETTER OF REPRESENTATIONS

**§[PRINCIPAL]
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #2 PROJECT)**

DEVELOPER LETTER OF REPRESENTATIONS

November 13, 2018

City of Celina, Texas
142 N. Ohio St.
Celina, Texas 76201

FMSbonds, Inc.
100 Crescent Court, Suite 700
Dallas, Texas 75201

Ladies and Gentlemen:

This letter is being delivered to the City of Celina, Texas (the “City”) and FMSbonds, Inc. (the “Underwriter”), in consideration for your entering into the Bond Purchase Agreement dated the date hereof (the “Bond Purchase Agreement”) for the sale and purchase of the §[PRINCIPAL] “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project)” (the “Bonds”). Pursuant to the Bond Purchase Agreement, the Underwriter has agreed to purchase from the City, and the City has agreed to sell to the Underwriter the Bonds. In order to induce the City to enter into the Bond Purchase Agreement and as consideration for the execution, delivery, and sale of the Bonds by the City and the purchase of them by the Underwriter, the undersigned, W/J CR 55 LP, a Texas limited partnership (the “Developer”), makes the representations, warranties, and covenants contained in this Developer Letter of Representations. Unless the context clearly indicates otherwise, each capitalized term used in this Developer Letter of Representations will have the meaning set forth in the Bond Purchase Agreement.

1. Purchase and Sale of Bonds. Inasmuch as the purchase and sale of the Bonds represents a negotiated transaction, the Developer understands, and hereby confirms, that the Underwriter is not acting as a fiduciary of the Developer, but rather is acting solely in its capacity as Underwriter of the Bonds for its own account.

2. Updating of the Limited Offering Memorandum. If, after the date of this Developer Letter of Representations, up to and including the date the Underwriter is no longer required to provide a Limited Offering Memorandum to potential customers who request the same pursuant to Rule 15c2-12 (the earlier of (i) ninety (90) days from the “end of the underwriting period” (as defined in Rule 15c2-12) and (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB, but in no case less than twenty-five (25) days after the “end of the underwriting period” for the Bonds), the Developer becomes aware of any fact or event which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Limited Offering Memorandum to comply with law, the Developer will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from time to time request); however, that for the purposes of this Developer Letter of Representations and any certificate delivered by the Developer in accordance the Bond Purchase Agreement, the Developer makes no representations with respect to the information appearing in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum except the information set forth under the captions “PLAN OF FINANCE — Development Plan” and “ — Status of Builder Contracts,” “THE IMPROVEMENTS,” “THE DEVELOPMENT,” “THE DEVELOPER” and, to the best of the Developer’s knowledge after due inquiry, under the captions “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #2 Improvements and the Development, as defined in the Limited Offering Memorandum), “LEGAL MATTERS — Litigation — The Developer” and “CONTINUING DISCLOSURE — The Developer” and “ — The Developer’s Compliance with Prior Undertakings.”

3. Developer Documents. Developer has executed and delivered each of the below listed documents (individually, a “Developer Document” and collectively, the “Developer Documents”) in the capacity provided for in each such Developer Document, and each such Developer Document constitutes a valid and binding obligation of Developer, enforceable against Developer in accordance with its terms:

- a. this Developer Letter of Representation;
- b. that certain PID Reimbursement Agreement Glen Crossing effective July 12, 2016 executed and delivered by the City and the Developer, and any addenda thereto (the “PID Reimbursement Agreement”);
- c. that certain Amended Development Agreement, effective as of June 14, 2016, executed and delivered by the City and Wynne/Jackson, Inc., and assigned to and assumed by the Developer on June 17, 2016 (the “Development Agreement”);
- d. that certain PID Disbursement Agreement Glen Crossing Public Improvement District Phase #2 Project effective November 13, 2018 executed and delivered by the City and the Developer (the “PID Disbursement Agreement”); and

e. that certain Continuing Disclosure Agreement of the Developer, dated as of November 1, 2018 made by and among the Developer, MuniCap, Inc., and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as dissemination agent.

The Developer has complied in all material respects with all of the Developer's agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer under the Developer Documents on or prior to the date hereof.

4. Developer Representations, Warranties and Covenants. The Developer represents, warrants, and covenants to the City and the Underwriter that:

a. Due Organization and Existence. The Developer is duly formed and validly existing as a limited partnership under the laws of the State of Texas.

b. Organizational Documents. The copies of the organizational documents of the Developer provided by the Developer (the "Developer Organizational Documents") to the City and the Underwriter are fully executed, true, correct, and complete copies of such documents and such documents have not been amended or supplemented and are in full force and effect as of the date hereof.

c. No Breach. The execution and delivery of the Developer Documents by Developer does not violate any judgment, order, writ, injunction or decree binding on Developer or any indenture, agreement, or other instrument to which Developer is a party.

d. No Litigation. Other than as described in the Preliminary Limited Offering Memorandum, there are no proceedings pending or threatened in writing before any court or administrative agency against Developer that is either not covered by insurance or which singularly or collectively would have a material, adverse effect on such the ability of Developer to perform its obligations under the Developer Documents in all material respects or that would reasonably be expected to prevent or prohibit the development of the Development in accordance with the description thereof in the Preliminary Limited Offering Memorandum.

e. Information. The information prepared and submitted by the Developer to the City or the Underwriter in connection with the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum was, and is, as of this date, true and correct in all material respects.

f. Preliminary Limited Offering Memorandum. The Developer represents and warrants that the information set forth in the Preliminary Limited Offering Memorandum under the captions "PLAN OF FINANCE — Development Plan" and " — Status of Builder Contracts," "THE IMPROVEMENTS," "THE DEVELOPMENT," "THE DEVELOPER" and, to the best of the Developer's knowledge after due inquiry, under the captions "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Phase #2 Improvements and the Development, as defined in the Limited Offering Memorandum), "LEGAL MATTERS — Litigation — The Developer" and

“CONTINUING DISCLOSURE — The Developer” and “ — The Developer’s Compliance with Prior Undertakings” is true and correct and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Developer agrees to provide a certificate dated the Closing Date affirming, as of such date, the representations contained in this subsection (f) with respect to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

g. Events of Default. No “Event of Default” or “event of default” by the Developer under any of the Developer Documents, any documents to which Developer is a party described in the Preliminary Limited Offering Memorandum, or under any material documents relating to the financing and construction of the Phase #2 Improvements to which the Developer is a party, or event that, with the passage of time or the giving of notice or both, would constitute such “Event of Default” or “event of default,” by the Developer has occurred and is continuing.

5. Indemnification.

a. The Developer will indemnify and hold harmless the City and the Underwriter and each of their officers, directors, employees and agents against any losses, claims, damages or liabilities to which any of them may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the captions “PLAN OF FINANCE — Development Plan” and “ — Status of Builder Contracts,” “THE IMPROVEMENTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #2 Improvements, and the Development), “LEGAL MATTERS — Litigation — The Developer” and “CONTINUING DISCLOSURE — The Developer” and “ — The Developer’s Compliance with Prior Undertakings,” or any amendment or supplement to the Limited Offering Memorandum amending or supplementing the information contained under the aforementioned captions (as qualified above), or arise out of or are based upon the omission or alleged untrue statement or omission to state therein a material fact necessary to make the statements under the aforementioned captions (as qualified above) not misleading under the circumstances under which they were made and will reimburse any indemnified party for any reasonable legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred.

b. Promptly after receipt by an indemnified party under subsection (a) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve the indemnifying party from any liability which it may have to the indemnified party otherwise than under such subsection, unless

such indemnifying party was prejudiced by such delay or lack of notice. In case any such action shall be brought against an indemnified party, it shall promptly notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. The indemnifying party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the indemnifying party or if there is a final judgment for the plaintiff in any such action, the indemnifying party will indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment. The indemnity herein shall survive delivery of the Bonds and shall survive any investigation made by or on behalf of the City, the Developer or the Underwriter.

6. Survival of Representations, Warranties and Covenants. All representations, warranties, and agreements in this Developer Letter of Representations will survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of any payment by the Underwriter for the Bonds hereunder, and (c) any termination of the Bond Purchase Agreement.

7. Binding on Successors and Assigns. This Developer Letter of Representations will be binding upon the Developer and its successors and assigns and inure solely to the benefit of the Underwriter and the City, and no other person or firm or entity will acquire or have any right under or by virtue of this Developer Letter of Representations.

W/J CR 55 LP
a Texas limited partnership

By: _____
 Name: _____

APPENDIX B

CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #2 PROJECT)

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of FMSbonds, Inc. (“FMS”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”) of the City of Celina, Texas (the “Issuer”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) FMS offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, FMS agreed in writing on or prior to the Sale Date that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which FMS sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(e) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [Sale Date].

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents FMS’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Certificate as to Tax Exemption with respect to the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Norton Rose Fulbright US LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

FMSbonds, Inc.,
as Underwriter

By: _____

Name: Theodore A. Swinarski
Title: Senior Vice President - Trading

Dated: _____

SCHEDULE A

SALE PRICES OF THE GENERAL RULE MATURITIES [AND INITIAL OFFERING
PRICES OF THE HOLD-THE-MATURITY-OFFERING-PRICE MATURITIES]

SCHEDULE B
PRICING WIRE AND EQUIVALENT COMMUNICATIONS

APPENDIX C

[LETTERHEAD OF MESSER, ROCKEFELLER & FORT]

[CLOSING DATE]

FMSbonds, Inc.
100 Crescent Court, Suite 700
Dallas, Texas 75201

U.S. Bank National Association
111 Fillmore Avenue East
St. Paul, Minnesota 55107

\$[PRINCIPAL]
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #2 PROJECT)

Ladies and Gentlemen:

We are the Attorney for the City of Celina, Texas (the “City”) for limited purposes, and are rendering this opinion in connection with the issuance and sale of \$[PRINCIPAL] “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project)” (the “Bonds”), by the City, a political subdivision of the State of Texas.

The Bonds are authorized pursuant to Ordinance No. _____ and enacted by the City Council of the City (the “City Council”) on November 13, 2018 (the “Bond Ordinance”) and shall be issued pursuant to the provisions of Subchapter A of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the “Act”) and the Indenture of Trust dated as of November 1, 2018 (the “Indenture”) by and between the City and U.S. Bank National Association, as trustee (the “Trustee”). Capitalized terms not defined herein shall have the same meanings as in the Indenture, unless otherwise stated herein.

In connection with rendering this opinion, we have reviewed the:

(a) The Resolution No. 2016-24R (the “Creation Resolution”) enacted by the City Council on April 12, 2016;

(b) The Ordinance No. _____ accepted and approved by City Council on November 13, 2018, and the Service and Assessment Plan attached as an exhibit thereto (the “Assessment Ordinance”), as such Service and Assessment Plan was updated by the Bond Ordinance;

(c) The Ordinance No. _____ accepted and approved by City Council on November 13, 2018, (the “TIRZ Ordinance”) expanding a tax increment reinvestment zone

known as “Reinvestment Zone Number 6, City of Celina” (the “TIRZ”) to cover Phase #2 of the District;

(d) The Bond Ordinance;

(e) The Indenture;

(f) The PID Reimbursement Agreement Glen Crossing effective July 12, 2016 executed and delivered by the City and W/J CR 55 LP, a Texas limited partnership (the “Developer”), and any addenda thereto (the “PID Reimbursement Agreement”);

(g) The Amended Development Agreement, effective as of June 14, 2016, executed and delivered by the City and Wynne/Jackson, Inc., and assigned to and assumed by the Developer on June 17, 2016, (the “Development Agreement”);

(h) the Reinvestment Zone Number 6, City of Celina, Texas, Final Project and Financing Plan approved by the City Council on July 12 2016 and amended and restated on November 13, 2018 (as amended and restated, the "Project and Finance Plan");

(i) The PID Disbursement Agreement Glen Crossing Public Improvement District Phase #2 Project effective November 13, 2018 executed and delivered by the City and the Developer (the “PID Disbursement Agreement”); and

(j) The Continuing Disclosure Agreement of the Issuer, dated as of November 1, 2018, executed and delivered by the City and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (the “Dissemination Agent”) (the “Continuing Disclosure Agreement of Issuer”).

The Creation Resolution, the Assessment Ordinance and Bond Ordinance shall herein after be referred to as the “Authorizing Documents” and the remaining documents shall herein after be collectively referred to as the “City Documents.”

In all such examinations, we have assumed that all signatures on documents and instruments executed by the City are genuine and that all documents submitted to me as copies conform to the originals. In addition, for purposes of this opinion, we have assumed the due authorization, execution and delivery of the City Documents by all parties other than the City.

Based upon and subject to the foregoing and the additional qualifications and assumptions set forth herein, we are of the opinion that:

1. The City is a Texas political subdivision and has all necessary power and authority to enter into and perform its obligations under the Authorizing Documents and the City Documents. The City has taken or obtained all actions, approvals, consents and authorizations required of it by applicable laws in connection with the execution of the Authorizing Documents and the City Documents and the performance of its obligations thereunder.

2. To the best of our knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, public board or body, pending, or

threatened against the City: (a) affecting the existence of the City or the titles of its officers to their respective offices, (b) in any way questioning the formation or existence of the District, (c) affecting, contesting or seeking to prohibit, restrain or enjoin the delivery of any of the Bonds, or the payment, collection or application of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, including the Phase #2 Assessments in the District pursuant to the provisions of the Assessment Ordinance and the Service and Assessment Plan referenced therein, (d) contesting or affecting the validity or enforceability or the City's performance of the City Documents, (e) contesting the exclusion of the interest on the Bonds from federal income taxation, or (f) which may result in any material adverse change relating to the financial condition of the City.

3. The Authorizing Documents were duly enacted by the City and remain in full force and effect on the date hereof.

4. The City Documents have been duly authorized, executed and delivered by the City and remain legal, valid and binding obligations of the City enforceable against the City in accordance with their terms. However, the enforceability of the obligations of the City under such City Documents may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally, (b) principles of equity, whether considered at law or in equity, and (c) the application of Texas law relating to action by future councils and relating to governmental immunity applicable to governmental entities.

5. The performance by the City of the obligations under the Authorizing Documents and the City Documents will not violate any provision of any Federal or Texas constitutional or statutory provision.

6. No further consent, approval, authorization, or order of any court or governmental agency or body or official is required to be obtained by the City as a condition precedent to the performance by the City of its obligations under the Authorizing Documents and the City Documents.

7. The City has duly authorized and delivered the Preliminary Limited Offering Memorandum.

8. Based upon our limited participation in the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum (collectively, the "Limited Offering Memorandum"), the statements and information contained in the Limited Offering Memorandum with respect to the City under the captions and subcaptions "ASSESSMENT PROCEDURES —Assessment Methodology" and "—Assessment Amounts," "THE CITY," "THE DISTRICT," "LEGAL MATTERS — Litigation — The City" and "APPENDIX A" is a fair and accurate summary of the law relating to collection and enforcement of Phase #2 Assessments and the documents and facts summarized therein.

9. The adoption of the Authorizing Documents and the execution and delivery of the City Documents and the compliance with the provisions of the Authorizing Documents and the City Documents under the circumstances contemplated thereby, to the best of our knowledge: (a)

do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement to which the City is a party or by which it is bound, and (b) do not and will not in any material respect conflict with or constitute on the part of the City a violation, breach of or default under any existing law, regulation, court order or consent decree to which the City is subject.

This opinion may not be relied upon by any other person except those specifically addressed in this letter.

Very truly yours,

Julie Fort
MESSER, ROCKEFELLER & FORT
ATTORNEY

Cc:
City of Celina, Texas
Attn: City Manager
142 N. Ohio St.
Celina, Texas 76201

APPENDIX D

[RESERVED]

APPENDIX E-1

[LETTERHEAD OF OWENS, CAMPBELL & AIKEN, L.L.P.
GENERAL COUNSEL TO THE DEVELOPER]

[CLOSING DATE]

FMSbonds, Inc.
100 Crescent Court, Suite 700
Dallas, Texas 75201

U.S. Bank National Association
111 Fillmore Avenue East
St. Paul, Minnesota 55107

City of Celina, Texas
142 N. Ohio St.
Celina, Texas 76201

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201

Messer Rockefeller & Fort
63351 Preston Road, Suite 350
Frisco, Texas 75034

Shupe Ventura, PLLC
9406 Biscayne Blvd.
Dallas, Texas 75218

[TO BE PROVIDED]

APPENDIX E-2

[LETTERHEAD OF SHUPE VENTURA, PLLC
SPECIAL COUNSEL TO THE DEVELOPER]

[CLOSING DATE]

FMSbonds, Inc.
100 Crescent Court, Suite 700
Dallas, Texas 75201

U.S. Bank National Association
111 Fillmore Avenue East
St. Paul, Minnesota 55107

City of Celina, Texas
142 N. Ohio St.
Celina, Texas 76201

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201

Messer Rockefeller & Fort
63351 Preston Road, Suite 350
Frisco, Texas 75034

\$ _____
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT
PHASE #2 PROJECT)

Ladies & Gentlemen:

We have acted as special counsel to W/J CR 55 LP, a Texas limited partnership (the “*Developer*”) in connection with the issuance and sale by the City of Celina, Texas (the “*City*”), of \$ _____ City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project) (the “*Bonds*”), pursuant to that certain Indenture of Trust dated as of November 1, 2018 (the “*Indenture*”), by and between the City and U.S. Bank, National Association, a national banking association, as trustee (the “*Trustee*”). Proceeds from the sale of the Bonds will be used, in part, to fund certain public infrastructure improvements in the development known as “Glen Crossing” (the “*Development*”) located in the City.

The Bonds are being sold to FMSbonds, Inc. (the “*Underwriter*”), pursuant to that certain Bond Purchase Agreement dated November 13, 2018 (the “*Bond Purchase Agreement*”), between the City and the Underwriter. This opinion is being delivered pursuant to Section 10(e) of the Bond Purchase Agreement.

All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Purchase Agreement.

In our capacity as special counsel to the Developer, and for purposes of rendering the opinions set forth herein, we have examined originals or copies, certified or otherwise identified to our satisfaction, of:

- (a) The following documents to which the Developer is a party (collectively, the “**Reviewed Documents**”):
- (1) the *Amended Development Agreement*, effective as of June 14, 2016, between the City and Wynne/Jackson, Inc. and assigned to and assumed by the Developer on June 17, 2016 as amended by that First Amendment to Amended Development Agreement – Glen Crossing, entered into by the City and the Developer effective February 13, 2018; and
 - (2) the *Developer Letter of Representations* executed by the Developer as of November 13, 2018; and
 - (3) the *PID Reimbursement Agreement - Glen Crossing*, executed by the Developer and the City to be effective as of July 12, 2016;
 - (4) the *PID Disbursement Agreement – Glen Crossing Public Improvement District Phase #2 Project*, executed by the Developer and the City to be effective November 13, 2018; and
 - (5) the *Continuing Disclosure Agreement of the Developer*, dated as of November 1, 2018 made by and among the Developer, MuniCap, Inc., and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as Dissemination Agent.
- (b) The *Preliminary Limited Offering Memorandum*, dated November 2, 2018 relating to the issuance of the Bonds; and
- (c) The final *Limited Offering Memorandum* dated November 13, 2018 relating to the issuance of the Bonds; and
- (d) Such other documents, records, agreements and certificates of the Developer as we have deemed necessary or appropriate to render the opinions expressed below.

In rendering the opinions expressed below, we have, with your concurrence and without any inquiry or other investigation, made and relied upon the following assumptions: (a) the due authorization, execution and delivery of each of the Reviewed Documents by all parties thereto other than the Developer; (b) the genuineness of all signatures to the Reviewed Documents; (c) the correctness and truthfulness of all the statements of fact contained in the Reviewed Documents; (d) the authenticity of the Reviewed Documents; (e) the conformity to original documents of the Reviewed Documents submitted to us as copies; and (f) the additional assumptions set forth on **Exhibit A** attached to this letter and the exclusions set forth on **Exhibit B** attached to this letter. Our opinions are limited to matters expressly stated herein and no opinion is to be inferred or may be implied beyond the matters expressly stated.

In rendering the opinions set forth below, we have also relied upon: (a) the representations and warranties contained in the Reviewed Documents; (b) the resolutions and other documents of the parties to the Reviewed Documents authorizing or approving the Reviewed Documents; (c) the Closing Certificate of the Developer delivered pursuant to the Bond Purchase Agreement; (d) the legal opinion delivered pursuant to the Bond Purchase Agreement by Owens, Campbell, & Aiken,

L.L.P., counsel to the Developer, and (e) the legal opinion delivered pursuant to the Bond Purchase Agreement by Messer Rockefeller & Fort, special counsel to the City (collectively, the “Reliance Materials”). We have not made any independent or other investigation, review, analysis, or inquiry as to any of the facts, matters, circumstances or legal opinions or conclusions contained in the Reviewed Documents or Reliance Materials or the accuracy or completeness thereof. Additionally, we have assumed that none of the Reviewed Documents or Reliance Materials contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in light of the circumstances in which they are made, not misleading. We have not made any examination of any accounting or financial matters, and we express no opinion with respect thereto.

The opinions expressed herein are subject to the correctness in understanding that no beneficiary to this opinion letter may rely on this opinion letter to the extent that such beneficiary or its counsel has actual knowledge of any applicable laws, facts, or circumstances which would make any opinion expressed herein incorrect, subject to question, or require further investigation of any laws, facts or circumstances.

Whenever our opinion or advice with respect to the existence or absence of facts is indicated to be based on our knowledge, we are referring to the actual knowledge of the Shupe Ventura, PLLC attorneys who have given substantive attention to matters concerning the Developer during the course of our representation of the Developer in connection with the Reviewed Documents, which knowledge has been obtained by such attorneys in their capacity as such. In particular, our response does not include matters known to any attorney of our firm in a capacity other than as special counsel to the Developer. Further, the words “our knowledge,” “our actual knowledge” and similar expressions used in this opinion letter are intended to be limited to the actual knowledge of Misty Ventura and Corey Admire of our firm who have been directly involved in representing the Developer. We have not undertaken any independent investigation to determine the existence or absence of such facts, and no inference as to our knowledge concerning such facts should be drawn from the fact that such limited representation has been undertaken by us.

Based upon the foregoing, but subject to the assumptions, qualifications, and limitations set forth both above and below, and having due regard for such legal considerations as we deem relevant, we are of the opinion that:

1. The Reviewed Documents constitute legal, valid, and binding obligations of and are enforceable against the Developer in accordance with their respective terms.
2. The execution, delivery, and performance by the Developer of its obligations under the Reviewed Documents do not violate any existing laws of the State of Texas applicable to the Developer or any ordinances of the City applicable to the Developer.
3. No consents or approvals are required from the City, the State of Texas, or any other political subdivision or agency of the State of Texas in connection with the execution, delivery, and performance by the Developer of its obligations under the Reviewed Documents except those consents and approvals: (i) already obtained; (ii) required or described in the express terms of the Reviewed Documents; and (iii) that are necessary for the Developer to perform its obligations under the Reviewed Documents and are ordinarily and customarily required to develop land within the City and to operate the businesses of the Developer that are described in the Reviewed Documents.

The foregoing opinions are, with your concurrence, predicated on, limited by and qualified in their entirety by the following:

(a) The foregoing opinions are based on and limited to the laws of the State of Texas, and we render no opinion with respect to the federal laws of the United States or to the laws of any other jurisdiction.

(b) We express no opinion with respect to the enforceability of provisions of the Reviewed Documents that relate to (i) mediation or arbitration; (ii) limitations or restrictions on, or waiver of, legal or equitable remedies; (iii) indemnity or release; (iv) limitations or restrictions on assignment or transfer of rights, interests or property; (v) the rights or obligations of third parties; (vi) evidentiary standards; (vii) waiver of rights to notice or the obligations of good faith, fair, dealing, diligence or reasonableness; (viii) self-help, subrogation, delay or omission to enforce rights or remedies, contribution or severability; (ix) the availability of specific performance, injunctive relief or any other equitable remedy (regardless of whether such question is considered in a proceeding in equity or at law); (x) fixed, stipulated or liquidated damages; (xi) the making of determinations in the sole and absolute (or similarly described) discretion of a party to the Reviewed Documents; (xii) authorizing any party to exercise any rights other than in accordance with applicable law; (xiii) liability of any party for payment of any amount payable under the Reviewed Documents to the extent such amounts (A) accrue, or are attributable to any period of time, after the termination of any of the Reviewed Documents, (B) allow any other party to recover more than the “benefit of its bargain” or (C) exceed the amount of any party’s actual damages; (xiv) rendering inapplicable any otherwise applicable law (other than those laws which by their terms may be rendered inapplicable); (xv) requiring all amendments, waivers and terminations be in writing or requiring disregard of any course of dealing between the parties; (xvi) establishing any obligation of the parties as absolute or unconditional regardless of the occurrence or non-occurrence or existence or non-existence of any event or other state of facts; (xvii) obligations of the parties by reference to and/or incorporation of any provision of any agreement other than the Reviewed Documents, or that consist of or employ provisions (whether operative or definitional) contained in any such other agreement; (xviii) obligating any party to take action it has no legal right to take, or to take or not take an action if taking or failing to take the same would constitute, or aid or abet, a violation of applicable law; (xix) certain agreements of non-signatories, or obligations of signatories with respect to non-signatories or other persons or entities, whether or not signatories, not under the control of such signatories; (xx) selection of venue; (xxi) modifying the time at which any applicable statute of limitation begins to run or at which any cause of action begins to accrue; (xxii) an exemption from any sales or other taxes; (xxiii) disclaiming or limiting warranties implied by or required pursuant to law; (xxiv) waiving the defense that an adequate remedy at law exists; and (xxv) waiving any suretyship defenses.

(c) The validity, binding effect, and enforceability of the Reviewed Documents may be limited by (i) applicable bankruptcy, insolvency, reorganization, receivership, moratorium, liquidation, redemption, conservatorship, rearrangement, fraudulent conveyance, or other similar statutes, regulations or laws affecting creditor’s rights and remedies generally; (ii) general principles of equity; (iii) judicial discretion; (iv) the exercise by political subdivisions or governmental authorities or corporations acting on their behalf of sovereign or governmental immunity, legislative or governmental powers, police powers, taxing powers, or rights of appropriation; and (v) applicable court decisions relating to a duty or obligation to mitigate damages.

(d) We express no opinion regarding the effect of the laws of usury or similar laws regarding interest rate limitations on the provisions of the Reviewed Documents.

(e) We express no opinion with respect to the matters described on Exhibit B attached to this letter.

(f) The opinions set forth herein are also subject to the qualification that enforceability of the Reviewed Documents may be limited by (i) the provisions of Section 130.002 of the Texas Civil Practice and Remedies Code regarding limitations on indemnifications; (ii) Section 28 of the Texas Property Code regarding prompt payment to contractors and subcontractors; (iii) Section 16.071 of the Texas Civil Practice and Remedies Code regarding the time period for a claimant to give notice of a claim for damages as a condition precedent to the right to sue on a contract; (iv) Section 16.070 of the Texas Civil Practice and Remedies Code regarding permitted contractual limitations on when a claimant may bring suit on a contract; (v) Section 38.02 of the Texas Civil Practice and Remedies Code providing for the notice time period in order for a claimant to recover attorneys' fees; (vi) the "express negligence" and "clear and conspicuous" rules adopted by the Texas Supreme Court, as applied to any indemnity or release provisions in the Reviewed Documents; (vii) Section 35.52 of the Texas Business and Commerce Code; (viii) Section 162.001 et seq. of the Texas Property Code; (ix) Section 302.002 of the Texas Finance Code; (x) Section 28.009 of the Texas Property Code; and (xi) claims of sovereign or governmental immunity by political subdivisions or governmental authorities or corporations acting on their behalf.

(g) The opinions expressed herein are based on our consideration of laws of the State of Texas which, in our experience, are normally applicable to transactions of the type described in the Reviewed Documents.

This opinion letter has been rendered solely for the benefit of the addressees named above in connection with the Bond Purchase Agreement and the transactions described therein, and may not be used, circulated, quoted, relied upon or otherwise referred to for any other purpose or by any other person without our prior written consent. A copy of this opinion letter may be delivered by the Underwriter in connection with the issuance of the Bonds, and the Underwriter may rely on the opinions expressed above. This opinion letter does not constitute a warranty or guarantee or an opinion as to matters of fact, and should not be construed or relied upon as such. This opinion letter is as of the date hereof only, and we undertake no, and hereby disclaim any, obligation to advise you of any change in any matter set forth herein.

Very truly yours,

EXHIBIT A TO OPINION LETTER**ADDITIONAL ASSUMPTIONS**

In addition to the assumptions contained in the letter to which this Exhibit A is attached, we have, with your concurrence and without any inquiry or other investigation, made and relied upon the following additional assumptions:

1. The legal capacity of all natural persons executing the Reviewed Documents;
2. No undue influence, duress, fraud, or deceit exists with respect to the transactions described in the Reviewed Documents, and there has not been any mutual mistake of fact or misunderstanding with respect to the same;
3. The conduct of the parties to the Reviewed Documents has complied, and will comply, with any requirement of good faith, fair dealing, and conscionability;
4. There are no agreements or understandings, written or oral, among the parties to the Reviewed Documents, and there is no usage or trade or course of prior dealing among the parties to the Reviewed Documents that would, in either case, define, supplement, or qualify the terms of the Reviewed Documents;
5. All statutes and ordinances enacted by an official legislative body were validly enacted and are constitutional, and all rules and regulations promulgated or issued by an official administrative body and not adjudicated invalid or unenforceable are valid and enforceable;
6. All parties to the Reviewed Documents have complied with all legal requirements that are applicable to them to the extent necessary to authorize such parties to enter into the Reviewed Documents and, except as to the Developer, the Reviewed Documents are enforceable against the other parties thereto;
7. There has been no modification of any provision of the Reviewed Documents, and no waiver or release of any right or remedy thereunder;
8. All parties to the Reviewed Documents will act in accordance with, and will refrain from taking any action that is forbidden by, the terms and conditions of the Reviewed Documents; and
9. All parties to the Reviewed Documents will obtain all permits and governmental approvals required in the future, and take all actions similarly required, relevant to subsequent consummation of the transactions evidenced by the Reviewed Documents or performance of the Reviewed Documents.
10. There are no material misstatements in the legal opinions delivered pursuant to the Bond Purchase Agreement by: (i) Norton Rose Fulbright US LLP Bond Counsel to the City; (ii) Messer Rockefeller & Fort., special counsel to the City; (iii) Orrick, Herrington & Sutcliffe, LLP counsel to the Underwriter; or (iv) Owens, Campbell, & Aiken, L.L.P., counsel to the Developer.

EXHIBIT B TO OPINION LETTER

ADDITIONAL EXCLUSIONS

None of the opinions expressed in the letter to which this Exhibit B is attached include any implied opinion unless such implied opinion is both (a) essential to the legal conclusion reached by the express opinions set forth in this letter and (b) based upon prevailing norms and expectations among experienced lawyers in the State of Texas, reasonable in the circumstances. Moreover, unless explicitly addressed in the letter to which this Exhibit B is attached, our opinions do not address any of the following legal issues or the effects thereof on the transactions evidenced by the Bond Purchase Agreement or any other documents prepared, delivered, or executed in connection with the Bonds (the “**Bond Documents**”), and we specifically express no opinion with respect to the Bond Documents:

1. Federal and State securities laws and regulations administered by the Securities and Exchange Commission and state “**Blue Sky**” laws and regulations.
2. The compliance or noncompliance by the Underwriter, the Trustee, the City, any party to the Bond Documents, or the purchasers of the Bonds with any federal and state laws or regulations applicable to the transactions evidenced by the Bond Documents;
3. Compliance with fiduciary duty requirements;
4. Decisions, orders, rules, policies, and regulations of any political subdivision, department, agency, organization, or entity of any kind created under or pursuant to federal law and judicial decisions to the extent they deal with any of the foregoing.
5. Title to any asset or property described or referred to in the Bond Documents or the accuracy or sufficiency of its description;
6. The creation, attachment, perfection, priority or enforcement of any lien, security interest or right of offset purported to be granted under the Bond Documents or created by operation of law;
7. The recordation or filing of any Bond Documents or related documents;
8. Federal and state environmental laws and regulations;
9. Federal and state land use and subdivision laws and regulations;
10. Federal and state tax laws and regulations;
11. Federal patent, copyright and trademark, state trademark, and other federal and state intellectual property laws and regulations;
12. Federal and state racketeering laws and regulations (e.g., RICO);
13. Federal and state health and safety laws and regulations (e.g., OSHA);
14. Federal and state labor laws and regulations;
15. Federal and state laws, regulations and policies concerning (i) national and local emergency, (ii) possible judicial deference to acts of sovereign states, and (iii) criminal and civil forfeiture laws;
16. Other federal and state statutes of general application to the extent they provide for criminal prosecution (e.g., mail fraud and wire fraud statutes); and

17. The Bond Purchase Agreement, Indenture, Preliminary Limited Offering Memorandum, final Limited Offering Memorandum, and any other Bond Documents.

EXHIBIT F**CLOSING CERTIFICATE OF DEVELOPER**

W/J CR 55 LP, a Texas limited partnership (the “Developer”), DOES HEREBY CERTIFY the following as of the date hereof. All capitalized terms not otherwise defined herein shall have the meaning given to such term in the Limited Offering Memorandum.

1. The Developer is a limited partnership organized, validly existing and in good standing under the laws of the State of Texas.

2. Representatives of the Developer have provided information to the City of Celina, Texas (the “City”) and FMSbonds, Inc. (the “Underwriter”) to be used in connection with the offering by the City of its \$[PRINCIPAL] aggregate principal amount of Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project) (the “Bonds”), pursuant to the Preliminary Limited Offering Memorandum, dated November 2, 2018, and Limited Offering Memorandum dated November 13, 2018 (together, the “Limited Offering Memorandum”).

3. The Developer has delivered to the Underwriter and the City true, correct, complete and fully executed copies of the Developer’s organizational documents, and such documents have not been amended or supplemented and are in full force and effect as of the date hereof.

4. The Developer has delivered to the Underwriter and the City a (i) Certificate of Status from the Texas Secretary of State and (ii) verification of franchise tax account status from the Texas Comptroller of Public Accounts for the Developer.

5. The Developer has executed and delivered each of the below listed documents (individually, a “Developer Document” and collectively, the “Developer Documents”) in the capacity provided for in each such Developer Document, and each such Developer Document constitutes a valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms:

(a) that certain Developer Letter of Representations dated November 13, 2018;

(b) that certain PID Reimbursement Agreement Glen Crossing effective July 12, 2016 executed and delivered by the City and the Developer, and any addenda thereto, executed and delivered by the City and the Developer (the “PID Reimbursement Agreement”);

(c) that certain Amended Development Agreement, effective as of June 14, 2016, executed and delivered by the City and Wynne/Jackson, Inc., and assigned to and assumed by the Developer on June 17, 2016, (the “Development Agreement”);

(d) that certain PID Disbursement Agreement Glen Crossing Public Improvement District Phase #2 Project dated as of November 13, 2018, executed and delivered by the City and the Developer (the “PID Disbursement Agreement”); and

(e) that certain Continuing Disclosure Agreement of the Developer, dated as of November 1, 2018 made by and among the Developer, MuniCap, Inc., and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as dissemination agent.

6. The Developer has complied in all material respects with all of the Developer’s agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer under the Developer Documents on or prior to the date hereof.

7. The execution and delivery of the Developer Documents by the Developer does not violate any judgment, order, writ, injunction or decree binding on the Developer or any indenture, agreement, or other instrument to which the Developer is a party. There are no proceedings pending or threatened in writing before any court or administrative agency against the Developer that is either not covered by insurance or which singularly or collectively would have a material, adverse effect on such ability of the Developer to perform its obligations under the Developer Documents in all material respects or that would reasonably be expected to prevent or prohibit the development of the Development in accordance with the description thereof in the Limited Offering Memorandum.

8. The Developer has reviewed and approved the information contained in the Limited Offering Memorandum under the captions “PLAN OF FINANCE – Development Plan” and “ – Status of Builder Contracts,” “THE IMPROVEMENTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #2 Improvements, and the Development), “LEGAL MATTERS — Litigation — The Developer,” and “CONTINUING DISCLOSURE — The Developer” and “— The Developer’s Compliance with Prior Undertakings”, and certifies that the same does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading respecting the Developer and the portion of the Development owned by the Developer, provided, however, that the foregoing certification is not a certification as to the accuracy, completeness or fairness of any of the other statements contained in the Limited Offering Memorandum.

9. To the best of our knowledge, the Developer is in compliance in all material respects with all provisions of applicable law in all material respects relating to the Developer in connection with the Development. Except as otherwise described in the Limited Offering Memorandum: (a) to the best of our knowledge, there is no default of any zoning condition, land use permit or development agreement binding upon the Developer or any portion of the Development that would materially and adversely affect the Developer’s ability to complete or cause to be completed the development of such portion of the Development as described in the Limited Offering Memorandum; and (b) we have no reason to believe that any additional permits, consents and licenses required to complete the Development as and in the manner described in the Limited Offering Memorandum will not be reasonably obtainable in due course.

10. The Developer is not insolvent and has not made an assignment for the benefit of creditors, filed or consented to a petition in bankruptcy, petitioned or applied (or consented to any third party petition or application) to any tribunal for the appointment of a custodian, receiver or any trustee or commenced any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction.

11. The levy of the Phase #2 Assessments (as defined in the Limited Offering Memorandum) on Phase #2 of the District owned by the Developer will not conflict with or constitute a breach of or default under any agreement, mortgage, deed of trust, indenture or other instrument to which the Developer is a party or to which the Developer or any of its property or assets is subject.

12. The Developer is not in default under any mortgage, trust indenture, lease or other instrument to which it or any of its assets is subject, which default would have a material and adverse effect on the Bonds or the development of the Development.

Dated: _____, 2018

DEVELOPER:

**W/J CR 55 LP
a Texas limited partnership**

By: _____
Name: _____

APPENDIX G

[LETTERHEAD OF INTEGRA REALTY RESOUCRES - DFW]

[CLOSING DATE]

City of Celina, Texas
142 N. Ohio St.
Celina, Texas 76201

FMSbonds, Inc.
100 Crescent Court, Suite 700
Dallas, Texas 75201

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201

U.S. Bank National Association
111 Fillmore Avenue East
St. Paul, Minnesota 55107

Re: City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project) (the “Bonds”)

Ladies and Gentlemen:

The undersigned, _____, representative of Integra Realty Resources - DFW (“Integra Realty”), the appraiser of the undeveloped property contained in Glen Crossing Public Improvement District (the “District”), does hereby represent the following:

1. Integra Realty has supplied certain information contained in the Preliminary Limited Offering Memorandum for the Bonds, dated November 2, 2018, and the Limited Offering Memorandum for the Bonds, dated November 13, 2018 (together, the “Limited Offering Memorandum”), relating to the issuance of the Bonds by the City of Celina, Texas, as described above. The information Integra Realty has provided is the real estate appraisal of the property in the District, located in APPENDIX H to the Limited Offering Memorandum, and the description thereof, set forth under the caption “APPRAISAL OF PROPERTY WITHIN PHASE #2 OF THE DISTRICT — The Appraisal.”

2. To the best of my professional knowledge and belief, as of the date of my appraisal report, the portion of the Limited Offering Memorandum described above does not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. Integra Realty agrees to the inclusion of the Appraisal in the Limited Offering Memorandum and the use of its name in the Limited Offering Memorandum for the Bonds.

4. Integra Realty agrees that, to the best of its ability, it will inform you immediately should it learn of any event(s) or information of which you are not aware subsequent to the date

of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about December 6, 2018) which would render any such information in the Limited Offering Memorandum untrue, incomplete, or incorrect, in any material fact or render any statement in the appraisal materially misleading.

5. The undersigned hereby represents that he has been duly authorized to execute this letter of representations.

Sincerely yours,

Integra Realty Resources - DFW

By: _____
Its: _____

APPENDIX H

[LETTERHEAD OF MUNICAP, INC.]

[CLOSING DATE]

City of Celina, Texas
142 N. Ohio St.
Celina, Texas 76201

FMSbonds, Inc.
100 Crescent Court, Suite 700
Dallas, Texas 75201

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201

U.S. Bank National Association
111 Fillmore Avenue East
St. Paul, Minnesota 55107

Re: City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project) (the “Bonds”)

Ladies and Gentlemen:

The undersigned, _____, representative of MuniCap, Inc. (“MuniCap”), consultant in connection with the creation by the City of Celina, Texas (the “City”), of Glen Crossing Public Improvement District (the “District”), does hereby represent the following:

1. MuniCap has supplied certain information contained in the Preliminary Limited Offering Memorandum, dated November 2, 2018 (the “Preliminary Limited Offering Memorandum”), and the final Limited Offering Memorandum, dated November 13, 2018 (the “Limited Offering Memorandum”), both in connection with the Bonds, relating to the issuance of the Bonds by the City, as described above. The information MuniCap provided for the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum is located (a) under the caption “ASSESSMENT PROCEDURES — Assessment Methodology” and “ — Assessment Amounts,” (b) under the caption “THE DISTRICT — District Collection and Delinquency History of Phase #1 Assessments,” (c) under the caption “THE PID ADMINISTRATOR” and (d) in the Service and Assessment Plan (the “SAP”) for the City located in APPENDIX C to the Limited Offering Memorandum.

2. To the best of my professional knowledge and belief, the portions of the Limited Offering Memorandum described above do not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. MuniCap agrees to the inclusion of the SAP in the Limited Offering Memorandum and to the use of its name in the Limited Offering Memorandum for the Bonds.

4. MuniCap agrees that, to the best of its ability, it will inform you immediately should it learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about December 6, 2018) which would render any such information in the Limited Offering Memorandum untrue, incomplete, or incorrect, in any material fact or render any such information materially misleading.

5. The undersigned hereby represents that he has been duly authorized to execute this letter of representation.

Sincerely yours,

MuniCap, Inc.

By: _____
Its: _____

APPENDIX I

[LETTERHEAD OF KIRKMAN ENGINEERING]

[CLOSING DATE]

City of Celina, Texas
142 N. Ohio St.
Celina, Texas 76201

FMSbonds, Inc.
100 Crescent Court, Suite 700
Dallas, Texas 75201

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201

U.S. Bank National Association
111 Fillmore Avenue East
St. Paul, Minnesota 55107

Re: City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project) (the “Bonds”)

Ladies and Gentlemen:

The undersigned, _____, representative of Kirkman Engineering, (the “Engineer”) engineer of the undeveloped property contained in Glen Crossing Public Improvement District Phase #2 (“District”), does hereby represent the following:

1. This certificate is furnished pursuant to Section 10(s) of the Bond Purchase Agreement dated November 13, 2018 (the “Bond Purchase Agreement”), by and between the City of Celina, Texas (the “City”) and FMSbonds, Inc. with respect to the “\$[PRINCIPAL] City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project)” (the “Bonds”). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Bond Purchase Agreement or the Preliminary Limited Offering Memorandum dated November 2, 2018 and the final Limited Offering Memorandum dated November 13, 2018, including the appendices attached thereto, relating to the Bonds (collectively, the “Limited Offering Memorandum”), as applicable.

2. The Engineer has been retained by the Developer as consulting engineer.

3. The plans and specifications for the Phase #2 Improvements (as described in the Limited Offering Memorandum) were approved by all regulatory bodies required to approve them. All environmental and other regulatory permits or approvals required in connection with the construction of the Phase #2 Improvements have been obtained or are reasonably expected to be obtained in the ordinary course.

4. The Engineers prepared the reports entitled “Engineering Report Glen Crossing, Phase #2 Public Improvement District” dated September 17, 2018 (the “Engineer’s Report”). The Engineer’s Report was prepared in accordance with generally accepted engineering principles. The Engineer’s Report is included as “APPENDIX I” to the Preliminary Limited

Offering Memorandum and the Limited Offering Memorandum and a description of the Report and certain other information relating to the Phase #2 Improvements and the Development of District are included in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the caption "THE DEVELOPMENT — Engineer's Report." The Engineer's Report and said information are true and complete in all material respects, contain no untrue statement of a material fact, and do not omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

5. The Engineer hereby consents to the inclusion of the Engineer's Report in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and to the references to the Engineer in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

6. To the best of our knowledge, after due inquiry, the Developer is in compliance in all material respects with all provisions of applicable law in all material matters relating to the Developer and the Development as described in the Limited Offering Memorandum. Except as otherwise described in the Limited Offering Memorandum, (a) all government permits required in connection with the construction of the Development as described in the Limited Offering Memorandum have been received, or are reasonably expected to be obtained; (b) we are not aware of the any default of any zoning condition, land use permit or development agreement which would adversely affect the ability to complete development of the Development as described in the Limited Offering Memorandum and all appendices thereto; and (c) we have no actual knowledge and are not otherwise aware of any reason to believe that any permits, consents and licenses required to complete the Development as described in the Limited Offering Memorandum will not be obtained in due course as required by the Developer, or any other person or entity, necessary for the development of the Development as described in the Limited Offering Memorandum and all appendices thereto.

7. There is adequate water and sewer service capacity to serve the Development.

Sincerely yours,

Kirkman Engineering

By: _____
Its: _____

EXHIBIT C
CONTINUING DISCLOSURE AGREEMENT

Attachment: Celina - Glen Crossing Phase #2 2018 - Bond Ordinance (with attachments) (2018 - 59 : Glen Crossing PID Phase 2 Bond

**CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #2 PROJECT)**

CONTINUING DISCLOSURE AGREEMENT OF THE ISSUER

This Continuing Disclosure Agreement of the Issuer dated as of November 1, 2018 (this “Disclosure Agreement”) is executed and delivered by and between the City of Celina, Texas (the “Issuer”) and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc. (the “Dissemination Agent”) with respect to the Issuer’s “Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project)” (the “Bonds”). The Issuer and the Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer and the Dissemination Agent for the benefit of the Owners (defined below) and beneficial owners of the Bonds. Unless and until a different filing location is designated by the MSRB (defined below) or the SEC (defined below), all filings made by the Dissemination Agent pursuant to this Agreement shall be filed with the MSRB through EMMA (defined below).

SECTION 2. Definitions. In addition to the definitions set forth above and in the Indenture of Trust dated as of November 1, 2018, relating to the Bonds (the “Indenture”), which apply to any capitalized term used in this Disclosure Agreement, including the Appendices hereto, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Administrator” shall mean MuniCap, Inc. or any other public finance consulting firm providing services related to the administration of special tax or special assessment districts, as designated by the Issuer.

“Annual Collection Costs” shall have the meaning assigned to such term in the Indenture.

“Annual Installment” shall have the meaning assigned to such term in the Indenture.

“Annual Issuer Report” shall mean any Annual Issuer Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Business Day” shall mean any day other than a Saturday, Sunday or legal holiday in the State of Texas observed as such by the Issuer or the Trustee.

“Developer” shall mean W/J CR 55 LP, a Texas limited partnership, its successors and assigns.

“Disclosure Agreement of Developer” shall mean the Continuing Disclosure Agreement of the Developer, relating to the Bonds, dated as of November 1, 2018 executed and delivered by the Developer, MuniCap, Inc., and the Dissemination Agent.

“Disclosure Representative” shall mean the Director of Finance of the Issuer or his or her designee, or such other officer or employee as the Issuer, may designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” shall mean HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee a written acceptance of such designation.

“District” shall mean Glen Crossing Public Improvement District.

“EMMA” shall mean the Electronic Municipal Market Access System available on the internet at <http://emma.msrb.org>.

“Fiscal Year” shall mean the calendar year from October 1 through September 30.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule.

“Outstanding” shall mean, as of any particular date when used with reference to Bonds, all Bonds authenticated and delivered under the Indenture except (i) any Bond that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii) any Bond for which the payment of the principal or Redemption Price of and interest on such Bond shall have been made as provided in the Indenture, and (iii) any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to the Indenture.

“Owner” shall mean the registered owner of any Bonds.

“Participating Underwriter” means FMSbonds, Inc. and its successors and assigns.

“Phase #2” shall mean the second and final phase of the development within the District.

“Phase #2 Assessments” shall have the meaning assigned to such term in the Indenture.

“Rule” shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the United States Securities and Exchange Commission.

“Service and Assessment Plan” shall have the meaning assigned to such term in the Indenture.

“Tax-exempt” shall mean that interest on the Bonds is excluded from gross income for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating any other tax liability, including any alternative minimum tax liability.

“Trustee” shall mean U.S. Bank National Association or any successor trustee pursuant to the Indenture.

SECTION 3. Provision of Annual Issuer Reports.

(a) The Issuer shall cause and hereby directs the Dissemination Agent to provide or cause to be provided to the MSRB, in the electronic or other form required by the MSRB, commencing with the Fiscal Year ending September 30, 2018, an Annual Issuer Report provided to the Dissemination Agent which is consistent with the requirements of and within the time periods specified in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Issuer, if prepared and when available, may be submitted separately from the Annual Issuer Report, and later than the date required in this paragraph for the filing of the Annual Issuer Report, if audited financial statements are not available by that date; provided, however, if the audited financial statements are not complete within such period, then the Issuer shall provide unaudited financial statements within such period. In each case, the Annual Issuer Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Agreement. If the Issuer's Fiscal Year changes, it shall file notice of such change (and of the date of the new Fiscal Year) with the MSRB prior to the next date by which the Issuer otherwise would be required to provide the Annual Issuer Report pursuant to this paragraph. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

Not later than ten (10) days prior to the date specified in Section 4 of this Disclosure Agreement for providing the Annual Issuer Report to the MSRB, the Issuer shall provide the Annual Issuer Report to the Dissemination Agent. The Dissemination Agent shall provide such Annual Issuer Report to the MSRB not later than ten (10) days from receipt of such Annual Issuer Report from the Issuer.

If by the fifth (5th) day before the filing date required under Section 4 of this Disclosure Agreement, the Dissemination Agent has not received a copy of the Annual Issuer Report, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide Annual Issuer Report pursuant to this subsection (a). Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Issuer Report no later than two (2) Business Days prior to the filing date required under Section 4 of this Disclosure Agreement; or (ii) instruct the Dissemination Agent in writing that the Issuer will not be able to provide the Annual Issuer Report within the time required under this Disclosure Agreement, state the date by which the Annual Issuer Report for such year will be provided and instruct the Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit A; provided, however, that in the event the Disclosure Representative is required to act under either (i) or (ii) described above, the Dissemination Agent still must file the Annual Issuer Report or the notice of failure to file, as applicable, to the MSRB, no later than six months after the end of each Fiscal Year; provided further, however, that in the event the Disclosure Representative fails to act under either (i) or (ii) described above, the Dissemination Agent shall file a notice of failure to file no later than on the last Business Day of the six month period after the end of the Fiscal Year.

(b) The Issuer shall or shall cause the Dissemination Agent to:

(i) determine the filing address or other filing location of the MSRB each year prior to filing the Annual Issuer Report on the date required in subsection (a);

(ii) file the Annual Issuer Report containing or incorporating by reference the information set forth in Section 4 hereof; and

(iii) if the Issuer has provided the Dissemination Agent with the completed Annual Issuer Report and the Dissemination Agent has filed such Annual Issuer Report with the MSRB, then the Dissemination Agent shall file a report with the Issuer certifying that the Annual Issuer Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided and that it was filed with the MSRB.

SECTION 4. Content and Timing of Annual Issuer Reports. The Annual Issuer Report for the Bonds shall contain or incorporate by reference, and the Issuer agrees to provide or cause to be provided to the Dissemination Agent to file, the following:

(a) Within six months after the end of each Fiscal Year (any or all of which may be unaudited):

(i) Tables setting forth the following information, as of the end of such Fiscal Year:

(A) For the Bonds, the maturity date or dates, the interest rate or rates, the original aggregate principal amount and principal amount remaining Outstanding; and

(B) The amounts in the funds and accounts securing the Bonds.

(ii) Updates to the information in the Service and Assessment Plan as most recently amended or supplemented (a "SAP Update"), including any changes to the methodology for levying the Phase #2 Assessments in Phase #2.

(iii) Updates to the information in the Project and Financing Plan (the "TIRZ Plan") for "Reinvestment Zone Number Six, City of Celina, Texas" (the "TIRZ").

(iv) The individual and aggregate taxable assessed valuation for parcels or lots within Phase #2 based on the most recent certified tax roll available to the Issuer.

(v) The status of development for each parcel within Phase #2 (status classification being "Unplatted," "Platted," Under Construction" and "Constructed").

(vi) Until building permits have been issued for parcels or lots representing, in the aggregate, 95% of the total Phase #2 Assessments levied within Phase #2, such SAP Update shall include, the number of new homes completed in Phase #2 during such Fiscal Year and the aggregate number of new homes completed within Phase #2 since filing the initial Annual Issuer Report for Fiscal Year ended September 30, 2018.

(vii) Listing of any property or property owners in the District representing more than five percent (5%) of the levy of Phase #2 Assessments, the amount of the levy of Phase #2 Assessments against such landowners, and the percentage of such Phase #2 Assessments relative to the entire levy of Phase #2 Assessments within the District, all as of the October 1 billing date for the succeeding Fiscal Year.

(viii) The current or delinquent status of the payment of the Assessment for each parcel or lot in Phase #2 as of February 15 of the calendar year immediately succeeding such Fiscal Year.

(ix) The total amount of:

(1) Annual Installments invoiced;

(2) Annual Installments collected (as reported by the County Tax Assessor Collector or the Administrator);

(3) Delinquent Annual Installments;

(4) Foreclosure Proceeds collected; and

(5) Prepaid Phase #2 Assessments collected, as of the February 15 of the calendar year immediately succeeding such Fiscal Year, in each case with respect to the most recent billing period (generally, October 1 of the preceding calendar year through January 31 of the current calendar year).

(x) If the total amount of delinquencies greater than 150 days equals or exceeds ten percent (10%) of the amount of Phase #2 Assessments due in any fiscal year, a list of delinquent property owners.

(xi) The amount of delinquent Phase #2 Assessments by Fiscal Year:

(1) Which are subject to institution of foreclosure proceedings (but as to which such proceedings have not been instituted);

(2) Which are currently subject to foreclosure proceedings which have not been concluded;

(3) Which have been reduced to judgment but not collected;

(4) Which have been reduced to judgment and collected; and

(5) The result of any foreclosure sales of assessed property within the District if the assessed property represents more than one percent (1%) of the total amount of Phase #2 Assessments.

(xii) The principal and interest paid on the Bonds during the most recent Fiscal Year and the minimum scheduled principal and interest required to be paid on the Bonds in the next Fiscal Year.

(xiii) Any changes to the land use designation for the property in the District that might negatively impact its development for those purposes identified in the final Service and Assessment Plan, as the same may be amended and supplemented from time to time.

(xiv) A description of any amendment to this Disclosure Agreement and a copy of any restatements to the Issuer's audited financial statements during such Fiscal Year.

(b) If not provided with the financial information provided under subsection 4(a) above, if prepared and when available, the audited financial statements of the Issuer for the most recently ended Fiscal Year, prepared in accordance with generally accepted accounting principles applicable from time to time to the Issuer. If audited financial statements are not included with the financial information provided under subsection 4(a) above, unaudited financial statements shall be included with such financial information within the time period specified.

See Exhibit B hereto for a form for submitting the information set forth in the preceding paragraphs. The Issuer has designated MuniCap, Inc. as the initial Administrator. The Administrator, and if no Administrator is designated, Issuer's staff, shall prepare the Annual Issuer Report.

Any or all of the items listed above may be included by specific reference to other documents, including disclosure documents of debt issues of the Issuer, which have been submitted to and are publicly accessible from the MSRB. If the document included by reference is a final offering document, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, each of the following is a Listed Event with respect to the Bonds:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
7. Modifications to rights of Owners, if material.
8. Bond calls, if material.
9. Defeasances.
10. Release, substitution, or sale of property securing repayment of the bonds, if material.

11. Rating changes.

12. Bankruptcy, insolvency, receivership or similar event of the Issuer.

13. The consummation of a merger, consolidation, or acquisition of the Issuer, or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

14. Appointment of a successor or additional trustee under the Indenture or the change of name of a trustee, if material.

The term “material” when used in this Section 5 has the meaning ascribed to it under the applicable federal securities laws. For these purposes, any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall promptly notify the Dissemination Agent in writing and the Issuer shall direct the Dissemination Agent to immediately file a notice of such occurrence with the MSRB. The Dissemination Agent shall file such notice no later than the Business Day immediately following the day on which it receives written notice of such occurrence from the Issuer. Any such notice is required to be filed within ten (10) Business Days of the occurrence of such Listed Event.

Any notice under the preceding paragraphs shall be accompanied with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Dissemination Agent to disseminate such information as provided herein, and the date the Issuer desires for the Dissemination Agent to disseminate the information (which date shall not be more than ten (10) Business Days after the occurrence of the Listed Event or failure to file).

In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures. In addition, the Issuer shall have the sole responsibility to ensure that any notice required to be filed under this Section 5 is filed within ten (10) Business Days of the occurrence of the Listed Event.

(b) The Dissemination Agent shall, within one (1) Business Day of obtaining actual knowledge of the occurrence of any Listed Event with respect to the Bonds, notify the Disclosure Representative of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the Disclosure Representative to do so. It is agreed and understood that the duty to make or cause to be made the disclosures herein is that of the Issuer and not that of the Trustee or the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the

Issuer as an accommodation to assist it in monitoring the occurrence of such event, but is under no obligation to investigate whether any such event has occurred. As used above, “actual knowledge” means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in damages or in tort to the Issuer, the Participating Underwriter, the Trustee, or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

(c) If in response to a notice from the Dissemination Agent under subsection (b), the Issuer determines that the Listed Event under number 2, 7, 8, 10, 13, or 14 of subparagraph (a) above is not material under applicable federal securities laws, the Issuer shall promptly notify the Dissemination Agent and the Trustee (if the Dissemination Agent is not the Trustee) in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (d).

(d) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall immediately file a notice of such occurrence with the MSRB.

SECTION 6. Termination of Reporting Obligations. The obligations of the Issuer and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required. So long as any of the Bonds remain Outstanding, the Dissemination Agent may assume that the Issuer is an obligated person with respect to the Bonds until it receives written notice from the Disclosure Representative stating that the Issuer is no longer an obligated person with respect to the Bonds, and the Dissemination Agent may conclusively rely upon such written notice with no duty to make investigation or inquiry into any statements contained or matters referred to in such written notice. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event with respect to such series of Bonds under Section 5(a).

SECTION 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent or successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be HTS Continuing Disclosure Services, a division of Hilltop Securities Inc.

SECTION 8. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement (and the Dissemination Agent shall not unreasonably withhold its consent to any amendment so requested by the Issuer), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal

requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the delivery of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or beneficial owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next related Annual Issuer Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Issuer Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. No amendment which adversely affects the Dissemination Agent may be made without its prior written consent (which consent will not be unreasonably withheld or delayed).

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Issuer Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Issuer Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Issuer Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, the Dissemination Agent may (and, at the request of the Participating Underwriter or the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, upon being indemnified to its satisfaction as provided in the Indenture), or any Owner or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate to cause the Issuer, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action for mandamus or specific performance. A default under this Disclosure Agreement by the Issuer shall not be deemed a default under the Disclosure Agreement

of Developer by the Developer, and a default under the Disclosure Agreement of Developer by the Developer shall not be deemed a default under this Disclosure Agreement by the Issuer.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. To the extent permitted by law, the Issuer agrees to hold harmless the Dissemination Agent, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from Phase #2 Assessments collected from the property owners in Phase #2 of the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Dissemination Agent for losses, expenses or liabilities arising from information provided to the Dissemination Agent by the Developer or the failure of the Developer to provide information to the Dissemination Agent as and when required under the Disclosure Agreement of Developer. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an "obligated person" under the Rule. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The fact that the Dissemination Agent may have a banking or other business relationship with the Issuer or any person with whom the Issuer contracts in connection with the transaction described in the Indenture, apart from the relationship created by the Indenture or this Disclosure Agreement, shall not be construed to mean that the Dissemination Agent has actual knowledge of any event described in Section 5 above, except as may be provided by written notice to the Dissemination Agent pursuant to this Disclosure Agreement.

The Dissemination Agent may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Dissemination Agent shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT OR THE ISSUER 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 ISSUER OR THE DISSEMINATION AGENT, RESPECTIVELY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS DISCLOSURE AGREEMENT, 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. THE DISSEMINATION AGENT IS UNDER NO OBLIGATION NOR IS IT REQUIRED TO BRING SUCH AN ACTION.

SECTION 12. Assessment Timeline. The basic expected timeline for the collection of Phase #2 Assessments and the anticipated procedures for pursuing the collection of delinquent Phase #2 Assessments is set forth in Exhibit C which is intended to illustrate the general procedures expected to be followed in enforcing the payment of delinquent Phase #2 Assessments.

SECTION 13. No Personal Liability. No covenant, stipulation, obligation or agreement of the Issuer or Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future council members, officer, agent or employee of the Issuer or Dissemination Agent in other than that person's official capacity.

SECTION 14. Severability. In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 15. Sovereign Immunity. The Dissemination Agent agrees that nothing in this Disclosure Agreement shall constitute or be construed as a waiver of the Issuer's sovereign or governmental immunities regarding liability or suit.

SECTION 16. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter, and the Owners and the beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity. Nothing in this Disclosure Agreement is intended or shall act to disclaim, waive or otherwise limit the duties of the Issuer under federal and state securities laws.

SECTION 17. Dissemination Agent Compensation. The fees and expenses incurred by the Dissemination Agent for its services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the annual updates to the Service and Assessment Plan. The Dissemination Agent has entered into a separate agreement with the Issuer, which agreement provides for the payment of the fees and expenses of the Dissemination Agent for its services rendered in accordance with this Disclosure Agreement.

SECTION 18. Anti-Boycott Verification. The Dissemination Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Disclosure Agreement is a contract for goods or services, will not boycott Israel during the term of this Disclosure Agreement. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Dissemination Agent understands 'affiliate' to mean

an entity that controls, is controlled by, or is under common control with the Dissemination Agent and exists to make a profit.

SECTION 19. Iran, Sudan and Foreign Terrorist Organizations. The Dissemination Agent represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Dissemination Agent and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Dissemination Agent understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Dissemination Agent and exists to make a profit.

SECTION 20. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas.

SECTION 21. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature pages follow.]

CITY OF CELINA, TEXAS

By: _____
Mayor

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF ISSUER
(GLEN CROSSING PHASE #2)

HTS CONTINUING DISCLOSURE SERVICES,
A DIVISION OF HILLTOP SECURITIES INC.
(as Dissemination Agent)

By: _____
Authorized Officer

Attachment: Celina - Glen Crossing Phase #2 2018 - Bond Ordinance (with attachments) (2018 - 59 : Glen Crossing PID Phase 2 Bond

SIGNATURE PAGE OF CONTINUING DISCLOSURE AGREEMENT OF ISSUER
(GLEN CROSSING PHASE #2)

EXHIBIT A**NOTICE TO MSRB OF FAILURE TO FILE
ANNUAL ISSUER REPORT**

Name of Issuer: City of Celina, Texas
 Name of Bond Issue: Special Assessment Revenue Bonds, Series 2018
 (Glen Crossing Public Improvement District Phase #2 Project)
 CUSIP Nos.: [Insert CUSIP Nos.]
 Date of Delivery: _____, 20__

NOTICE IS HEREBY GIVEN that the City of Celina, Texas, has not provided [an Annual Issuer Report][annual audited financial statements] with respect to the above-named bonds as required by the Continuing Disclosure Agreement of the Issuer dated November 1, 2018, between the Issuer and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as “Dissemination Agent.” The Issuer anticipates that [the Annual Issuer Report][annual audited financial statements] will be filed by _____.

Dated: _____

HTS Continuing Disclosure Services, a division of
 Hilltop Securities Inc.
 on behalf of the City of Celina, Texas
 (as Dissemination Agent)

By: _____

Title: _____

cc: City of Celina, Texas

EXHIBIT B

**CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2018
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT
PHASE #2 PROJECT)**

ANNUAL ISSUER REPORT*

Delivery Date: _____, 20__

CUSIP NOS: [insert CUSIP NOs.]

DISSEMINATION AGENT

Name: _____
 Address: _____
 City: _____
 Telephone: _____
 Contact Person: _____

BONDS OUTSTANDING

CUSIP Number	Maturity Date	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Outstanding Interest Amount

INVESTMENTS

Fund/ Account Name	Investment Description	Par Value	Book Value	Market Value

*Excluding Audited Financial Statements of the Issuer

ASSETS AND LIABILITIES OF PLEDGED TRUST ESTATE

Bonds (Principal Balance)	_____
Funds and Accounts [list]	_____
TOTAL ASSETS	_____

LIABILITIES

Outstanding Bond Principal	_____
Outstanding Program Expenses (if any)	_____
TOTAL LIABILITIES	_____

EQUITY

Assets Less Liabilities	_____
Debt to Value Ratio	_____

Form of Accounting ☐ Cash ☐ Accrual ☐ Modified Accrual

ITEMS REQUIRED BY SECTION 4(a)(ii) - (xiv)

[Insert a line item for each applicable listing]

EXHIBIT C

**BASIC EXPECTED TIMELINE FOR ASSESSMENT COLLECTIONS
AND PURSUIT OF DELINQUENCIES¹**

<u>Date</u>	<u>Delinquency Clock (Days)</u>	<u>Activity</u>
January 31		Phase #2 Assessments are due.
February 1	1	Phase #2 Assessments Delinquent if not received
February 15	15	Issuer forwards payment to Trustee for all collections received as of February 15, along with detailed breakdown. Subsequent payments and relevant details will follow monthly thereafter. Issuer and/or Administrator should be aware of actual and specific delinquencies Issuer and/or Administrator should be aware if Reserve Fund needs to be utilized for debt service payment on March 1. If there is to be a shortfall, the Trustee and Dissemination Agent should be immediately notified. Issuer and/or Administrator should also be aware if, based on collections, there will be a shortfall for September payment Issuer and/or Administrator should determine if previously collected surplus funds, if any, plus actual collections will be fully adequate for debt service in March and September. At this point, if total delinquencies are under 5% and if there is adequate funding for March and September payments, no further action is anticipated for collection of Phase #2 Assessments except that the Issuer or Administrator, working with the City Attorney or an appropriate designee, will begin process to cure deficiency. For properties delinquent by more than one year or if the delinquency exceeds \$10,000 the matter will be referred for commencement of foreclosure. If there are over 5% delinquencies or if there is inadequate funding in the Pledged Revenue Fund for transfer to the Principal and Interest

¹ Illustrates anticipated dates and procedures for pursuing the collection of delinquent Phase #2 Assessments, which dates and procedures are subject to adjustment by the Issuer.

March 1 28/29

Account of such amounts as shall be required for the full March and September payments, the collection-foreclosure procedure will proceed against all delinquent properties.

Trustee pays bond interest payments to bondholders.

Reserve Fund payment to Bond Fund may be required if Phase #2 Assessments are below approximately 50% collection rate.

Issuer, or the Trustee on behalf of the Issuer, to notify Dissemination Agent of the occurrence of draw on the Reserve Fund and, following receipt of such notice, Dissemination Agent to notify MSRB of such draw on the Fund for debt service.

Use of Reserve Fund for debt service payment should trigger commencement of foreclosure on delinquent properties.

Issuer determines whether or not any Annual Installments are delinquent and, if such delinquencies exist, the Issuer commences as soon as practicable appropriate and legally permissible actions to obtain such delinquent Annual Installments.

March 20 47/48

Issuer and/or Administrator to notify Dissemination Agent for disclosure to MSRB of all delinquencies.

If any property owner with ownership of property responsible for more than \$10,000 of the Phase #2 Assessments is delinquent or if a total of delinquencies is over 5%, or if it is expected that Reserve Fund moneys will need to be utilized for either the March or September bond payments, the Disclosure Representative shall work with City Attorney's office, or the appropriate designee, to satisfy payment of all delinquent Phase #2 Assessments.

April 15 74/75

Preliminary Foreclosure activity commences, and Issuer to notify Dissemination Agent of the commencement of preliminary foreclosure activity.

If Dissemination Agent has not received Foreclosure Schedule and Plan of Collections,

		Dissemination Agent to request same from the Issuer.
May 1	89/90	If the Issuer has not provided the Dissemination Agent with Foreclosure Schedule and Plan of Collections, and if instructed by the bondholders under Section 11.2 of the Indenture, Dissemination Agent requests that the Issuer commence foreclosure or provide plan for collection.
May 15	103/104	The designated lawyers or law firm will be preparing the formal foreclosure documents and will provide periodic updates to the Dissemination Agent for dissemination to those bondholders who have requested to be notified of collections progress. The goal for the foreclosure actions is a filing by no later than June 1 (day 120/121).
June 1	120/121	Foreclosure action to be filed with the court.
June 15	134/135	Issuer notifies Trustee and Dissemination Agent of Foreclosure filing status. Dissemination Agent notifies bondholders.
July 1	150/151	If bondholders and Dissemination Agent have not been notified of a foreclosure action, Dissemination Agent will notify the Issuer that it is appropriate to file action.

A committee of not less than 25% of the Owners may request a meeting with the City Manager or Director of Finance to discuss the Issuer's actions in pursuing the repayment of any delinquencies. This would also occur after day 30 if it is apparent that a Reserve Fund draw is required. Further, if delinquencies exceed 5%, Owners may also request a meeting with the Issuer at any time to discuss the Issuer's plan and progress on collection and foreclosure activity. If the Issuer is not diligently proceeding with the foreclosure process, the Owners may seek an action for mandamus or specific performance to direct the Issuer to pursue the collections of delinquent Phase #2 Assessments.

EXHIBIT D
DISBURSEMENT AGREEMENT

Attachment: Celina - Glen Crossing Phase #2 2018 - Bond Ordinance (with attachments) (2018 - 59 : Glen Crossing PID Phase 2 Bond

**PID Disbursement Agreement
Glen Crossing Public Improvement District Phase #2 Project**

This PID Disbursement Agreement (this "Agreement") is entered into by W/J CR 55 LP (the "Developer") and the City of Celina, Texas (the "City"), to be effective November 13, 2018. Capitalized terms used in this Agreement shall have the meanings given to them in Section 1.

WHEREAS, on April 12, 2016, the City Council passed and approved the PID Creation Resolution authorizing the creation of the District pursuant to the authority of the Act, covering approximately 109.090 contiguous acres within the City's corporate limits which land is described in the PID Creation Resolution; and

WHEREAS, the City and the Developer have entered into that certain "PID Reimbursement Agreement – Glen Crossing", effective July 12, 2016, which provides, in part, for the payment of Actual Costs of Authorized Improvements from Assessment Revenue pursuant to an approved Certificate for Payment; and

WHEREAS, on November 13, 2018, the City Council passed and approved an Assessment Ordinance which Assessment Ordinance approved the SAP and levied Phase #2 Assessments against the property in Phase #2 of the District for the Actual Costs of the Phase #2 Improvements that benefit the property in Phase #2 of the District; and

WHEREAS, the City desires to issue revenue bonds in accordance with the Bond Indenture and the Act, such bonds to be entitled "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project)"; such Phase #2 Bonds being payable solely from the Pledged Revenues and other funds pledged under the Bond Indenture to the payment of the Phase #2 Bonds and for the purposes set forth in the Bond Indenture; and

WHEREAS, a portion of the proceeds from the Phase #2 Bonds will be deposited in the Phase #2 Improvement Account of the Project Fund as provided in the Bond Indenture; and

WHEREAS, the Developer will deposit certain funds to the Developer Improvement Account of the Project Fund as provided in the Bond Indenture; and

WHEREAS, the Project Fund shall only be used in the manner set forth in a Bond Indenture; and

WHEREAS, the Bond Indenture authorizes disbursements to the Developer from the Project Fund under certain conditions for the payment of Phase #2 Improvements; and

WHEREAS, the Phase #2 Improvements constitute Authorized Improvements under the SAP and the PID Reimbursement Agreement; however, the City and the Developer intend for this Agreement to modify the conditions set forth in the PID Reimbursement Agreement that must be satisfied prior to authorizing disbursements of the funds held in the Phase #2 Improvement Account and the Developer Improvement Account of the Project Fund for the payment of Actual Costs of the Phase #2 Improvements; and

WHEREAS, the City and the Developer intend for all other provisions of the PID Reimbursement Agreement to remain unchanged by this Agreement.

NOW THEREFORE, for and in consideration of the mutual obligations of the City and the Developer set forth in this Agreement, the City and the Developer agree as follows:

ARTICLE 1 DEFINITIONS

Section 1.1 Definitions

Unless otherwise expressly provided or unless the context clearly required otherwise in this Agreement, the following terms shall have the meanings specified below.

"Act" is as defined as Chapter 372, Texas Local Government Code, as amended.

"Actual Costs" is as defined in the SAP.

"Agreement" is as defined in the introductory paragraph.

"Assessment" is as defined in the SAP.

"Assessment Ordinance" means Ordinance No. 2018-__ adopted by the City Council on November 13, 2018, that levied the Phase #2 Assessments on the assessable property in Phase #2 of the District.

"Assessment Revenue" is defined in the PID Reimbursement Agreement.

"Authorized Improvements" is as defined in the SAP.

"Bond Indenture" means that certain Indenture of Trust by and between the City and the Trustee, dated as of November 1, 2018 pursuant to which the Phase #2 Bonds are issued.

"Certificate for Disbursement" means a certificate (substantially in the form of **Exhibit A** or as otherwise approved by the Developer and the City Representative) executed by a representative of the Developer and approved by the City Representative, delivered to the City Representative specifying the amount requested to be disbursed from the Project Fund and certifying the Developer's compliance with the requirements set forth therein.

"Certificate for Payment" is defined in the PID Reimbursement Agreement.

"City" is as defined in the introductory paragraph.

"City Representative" means the person authorized by the City Council to undertake the actions referenced herein, initially the Director of Finance of the City.

"City Council" means the governing body of the City.

"Default" is as defined in Section 3.1(a) hereof.

"Disclosure Agreement of the Developer" is the "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project) Continuing Disclosure Agreement of the Developer" among the Developer, MuniCap, Inc., and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., dated as of November 1, 2018.

"Developer" is as defined in the introductory paragraph.

"Developer Improvement Account" means the account of the Project Fund created and established under a Bond Indenture (and segregated from all other accounts contained in the Project Fund) into which the Trustee will deposit any funds received from the Developer as required by such Bond Indenture.

"Development Agreement" is as defined in the SAP.

"District" is defined as the Glen Crossing Public Improvement District (formerly known as the G Bar 7 Public Improvement District) created by the PID Creation Resolution.

"Failure" is as defined in Section 3.1(a) hereof.

"Phase #2 Assessment" is as defined in the SAP.

"Phase #2 Bonds" is as defined in the SAP.

"Phase #2 Improvement Account" means the account of the Project Fund created and established under a Bond Indenture (and segregated from all other funds contained in the Project Fund) into which the Trustee will deposit certain bond proceeds as required by such Bond Indenture.

"Phase #2 Improvements" is as defined in the SAP.

"PID Creation Resolution" is as defined as Resolution No. 2016-24R passed and approved by the City Council on April 12, 2016.

"PID Reimbursement Agreement" is the "PID Reimbursement Agreement – Glen Crossing" between the City and Developer, effective as of July 12, 2016, including any addendum attached thereto from time to time.

"Pledged Revenues" is as defined in the Bond Indenture.

"Project Fund" means the fund, including all accounts created within such fund, established by the City under the Bond Indenture (and segregated from all other accounts of the City and which is defined as the "Project Fund" under the Bond Indenture) into which the Trustee will deposit a portion of the proceeds and any other funds authorized or required by such Bond Indenture.

"SAP" means the *Glen Crossing Public Improvement District Service and Assessment Plan* dated as of July 12, 2016, as updated for Phase #2 on October 9, 2018 and on November 13, 2018, approved as part of the Assessment Ordinance, as amended by City Council action.

"Trustee" means U.S. Bank National Association, Dallas, Texas, and its successors, and any other corporation or association that may at any time be substituted in its place.

Section 1.2 Interpretation.

Unless otherwise defined: (1) all references to "Sections" shall mean sections of this Agreement and (2) all references to "Exhibits" shall mean exhibits to this Agreement which are incorporated as part of this Agreement for all purposes.

ARTICLE II DISBURSEMENTS TO DEVELOPER

Section 2.1 Deposit of Funds into the Project Fund.

(a) As provided in the Bond Indenture, a portion of the proceeds from sale of the Phase #2 Bonds in the amount set forth in Section 6.2(a)(iv) of the Bond Indenture will be paid to the Trustee and deposited or transferred by the Trustee into the Phase #2 Improvement Account of the Project Fund.

(b) Funds received from the Developer on the closing date of the Phase #2 Bonds in the amount set forth in Section 6.2(b)(i) of the Bond Indenture will be paid to the Trustee and deposited or transferred by the Trustee into the Developer Improvement Account of the Project pursuant to the terms of the Bond Indenture.

Section 2.2 Conditions to Disbursement.

(a) Notwithstanding the provisions of the PID Reimbursement Agreement, in order to receive a disbursement from the Project Fund for the payment of Actual Costs of Phase #2 Improvements, the Developer shall execute a Certificate for Disbursement (along with all accompanying documentation required by the City) which shall replace all applicable references to a "Certificate for Payment" in the PID Reimbursement Agreement, no more frequently than monthly, to be delivered to the City for payment.

(b) The Certificate for Disbursement shall be in substantially the form attached hereto as **Exhibit A** and shall be used for all disbursements from the Phase #2 Improvement Account and the Developer Improvement Account of the Project Fund; and, among other things, will require the Developer to certify for any disbursements from the Phase #2 Improvement Account of the Project Fund in excess of \$_____ that the ratio of the estimated taxable value of the completed homes in Phase #2 plus the estimated taxable value of the total remaining lots in Phase #2 (calculated as described in the Certificate for Disbursement attached hereto) when compared to the amount of proceeds of the Phase #2 Bonds that have been or are to be transferred, retained or disbursed (including the funds requested to be released as part of the Certificate for Disbursement being submitted) is at least 3:1.

(c) The Developer agrees to provide the City with the information and documentation used to make the calculation referenced in Section 2.2(b) and set forth in Section 10 of the Certificate for Disbursement in order to allow the City to verify the calculation and authorize the disbursement of funds.

(d) Upon receipt of a completed Certificate for Disbursement (along with all accompanying documentation required by the City) from the Developer, the City Representative shall conduct a review in order to confirm that such request is complete, confirm that the calculation set forth in the Certificate for Disbursement is accurate, and verify that the work for which payment is requested was performed in accordance with all applicable governmental laws, rules and regulations and applicable plans therefore and with the terms of this Agreement and any other agreement between the parties related to property in the District. The Developer agrees to cooperate with the City Representative in conducting each such review and to provide the City with such additional information and documentation as is reasonably necessary for the City to conclude each such review.

(e) Within ten (10) business days following receipt of any Certificate for Disbursement, the City Representative shall either: (1) approve the Certificate for Disbursement and forward it to the Trustee for payment, or (2) provide the Developer with written notification of disapproval of all or part of a Certificate for Disbursement, specifying the basis for any such disapproval.

(f) The City Representative shall deliver the approved or partially approved Certificate for Disbursement to the Trustee for payment, and the Trustee shall make the disbursements as quickly as practicable thereafter.

Section 2.3 Disbursements of Funds

(a) The City and the Developer agree that, from the funds deposited in accordance with Section 2.1 hereof, and upon a determination by a City Representative that the conditions to disbursement set forth in Section 2.2 hereof are satisfied, the City will cause the Trustee to deliver the funds from the appropriate account(s) of the Project Fund to the Developer.

(b) Disbursements made in accordance with this Agreement will be made first from the Phase #2 Improvement Account of the Project Fund until all funds in such account are depleted and then, next from the Developer Improvement Account of the Project Fund.

73542144.8

Section 2.4 Obligations Limited.

The obligations of the City under this Agreement shall not, under any circumstances, give rise to or create a charge against the general credit or taxing power of the City or a debt or other obligation of the City payable from any source other than the Project Fund. None of the City or any of its elected or appointed officials or any of its officers, employees, consultants or representatives shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of this Agreement or their acts or omissions under this Agreement.

ARTICLE III ADDITIONAL PROVISIONS

Section 3.1 Notice.

Any notice referenced in this Agreement must be in writing and shall be deemed given at the addresses shown below: (1) when delivered by a nationally recognized delivery service such as FedEx or UPS with evidence of delivery signed by any person at the delivery address regardless of whether such person is the named addressee; or (2) 72 hours after deposited with the United States Postal Service, Certified Mail, Return Receipt Requested.

To the City:	Attn: City Manager City of Celina 302 W. Walnut St. Celina, Texas 75009 TEL: (972) 382-2682 FAX: (972) 382-3736
With a copy to:	Attn: Julie Fort Messer, Rockefeller & Fort , P.L.L.C. 6371 Preston Rd., Ste. 200 Frisco, Texas 75034 E-mail: julie@txmunicipallaw.com TEL: (972) 668-6400 FAX: (972) 668-6414
To the Developer:	Attn: Frank Murphy W/J CR 55 LP 600 N. Pearl, Suite 650, LB 149 Dallas, Texas 75201 E-mail: fmurphy@wynnejackson.com TEL: (214) 880-8792 FAX: (214) 880-8709
With a copy to:	Attn: Misty Ventura Shupe Ventura, PLLC 9406 Biscayne Blvd. Dallas, Texas 75218 E-mail: misty.ventura@svlandlaw.com TEL: (214)328-1101 FAX: (800) 519-3768

Any party may change its address by delivering notice of the change in accordance with this section.

Section 3.2 Failure; Default; Remedies.

(a) If either party fails to perform an obligation imposed on such party by this Agreement (a "Failure") and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a "Default." Upon the occurrence of a Failure by a non-performing party, the other party shall notify the non-performing party in writing specifying in reasonable detail the nature of the Failure. The non-performing party to whom notice of a Failure is given shall have at least thirty (30) days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within thirty (30) days and the non-performing party has diligently pursued a cure within such thirty (30) day period and has provided written notice to the other party that additional time is needed, then the cure period shall be extended for a mutually agreed upon time period but not more than an additional thirty (30) day period so long as the non-performing party is diligently pursuing a cure.

(b) If the Developer is in Default, the City shall have available all remedies at law or in equity, provided that no Default by the Developer shall: (1) affect the obligations of the City to use the amounts transferred to the Project Fund from the Developer Improvement Account; or (2) entitle the City to terminate this Agreement.

(c) If the City is in Default, the Developer's sole and exclusive remedies shall be to: (1) seek a writ of mandamus to compel performance by the City; (2) seek specific enforcement of this Agreement; or (3) terminate this Agreement.

Section 3.3 Entire Agreement; Amendments.

This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof. This Agreement may only be amended by written agreement of the parties.

Section 3.4 Conflict.

In the event of any conflict between this Agreement and any other agreement between the City and the Developer directly or indirectly related to the conditions set forth in the PID Reimbursement Agreement that must be satisfied prior to authorizing disbursements of the funds held in the Phase #2 Improvement Account and the Developer Improvement Account of the Project Fund for the payment of Actual Costs of the Phase #2 Improvements, the parties intend that the provisions and intent of this Agreement shall control. All other provisions and terms of the PID Reimbursement Agreement shall remain unchanged and shall control.

Section 3.5 Time is of the Essence.

Time is of the essence for the performance of the obligations of the parties hereunder.

Section 3.6 Parties Bound.

This Agreement is binding upon and shall inure to the benefit of the Developer and the City, and their respective successors and assigns.

Section 3.7 Venue.

This Agreement shall be construed in accordance with the laws of the State of Texas and shall be performable in Denton County, Texas.

Section 3.8 Counterparts.

This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. A facsimile signature will also be deemed to constitute an original if properly executed.

Section 3.9 Savings/Severability.

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 3.10 Waiver of Breach.

A waiver by either party of a breach of the Agreement by the other party does not constitute a continuing wavier or a waiver of any subsequent breach of the Agreement.

Section 3.11 Third-Party Beneficiaries.

Nothing in this Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and the Developer any rights, remedies, or claims under or by reason of this Agreement, and all covenants, conditions, promises, and agreements in this Agreement shall be for the sole and exclusive benefit of the City and the Developer.

Section 13.12 No Boycott of Israel.

The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Developer understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit."

Section 3.13 Iran, Sudan, and Foreign Terrorist Organizations.

The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The

Developer understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

[Execution Pages Follow]

CITY OF CELINA, TEXAS

By: _____
Mayor

ATTEST:

By: _____
City Secretary

Attachment: Celina - Glen Crossing Phase #2 2018 - Bond Ordinance (with attachments) (2018 - 59 : Glen Crossing PID Phase 2 Bond

W/J CR 55 LP, a Texas limited partnership

By: W/J CELINA GP, LLC
a Texas limited liability company,
its general partner

By: _____

Name: _____

Title: _____

Exhibit A**CERTIFICATE FOR DISBURSEMENT FORM**

The undersigned is an agent for W/J CR 55 LP (the "Developer") and requests payment from the applicable account of the Project Fund from the City of Celina, Texas (the "City") in the amount of \$_____ for labor, materials, fees, and/or other general costs related to the creation, acquisition, or construction of certain Phase #2 Improvements providing a special benefit to property within the Glen Crossing Public Improvement District (as defined in the Service and Assessment Plan). Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Disbursement Agreement between the Developer and the City (the "Disbursement Agreement").

In connection with the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized representative of the Developer, is qualified to execute this Certificate for Disbursement Form on behalf of the Developer, and is knowledgeable as to the matters set forth herein.
2. The payment requested for the below referenced Phase #2 Improvements has not been the subject of any prior payment request submitted for the same work to the City or, if previously requested, no disbursement was made with respect thereto.
3. The amount listed for the Phase #2 Improvements below is a true and accurate representation of the Actual Costs associated with the acquisition, construction or installation of said Phase #2 Improvement, and such costs are consistent with the Service and Assessment Plan.
4. The Developer is in compliance with the terms and provisions of the PID Reimbursement Agreement, the Bond Indenture, the Service and Assessment Plan, the Disclosure Agreement of the Developer, and the Development Agreement.
5. The Developer has timely paid all ad valorem taxes and annual installments of Phase #2 Assessments it or an entity under common control with the Developer owes, related to the property located in the Glen Crossing Public Improvement District and has no outstanding delinquencies for such taxes or installments.
6. All conditions set forth in the Bond Indenture (as defined in the Disbursement Agreement) for the payment hereby requested have been satisfied.
7. The work with respect to the Phase #2 Improvements referenced below (or its completed segment) has been completed, and the City has inspected such Phase #2 Improvement (or its completed segment).
8. The Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.
9. No more than ninety-five percent (95%) of the budgeted or contracted hard costs for the Phase #2 Improvements identified may be paid until the work with respect to such Phase #2 Improvements (or segment thereof) has been completed and the City has accepted such Phase #2 Improvements (or segment thereof). One hundred percent (100%) of soft costs (e.g.,

engineering costs, inspection fees and the like) may be paid prior to City acceptance of such Phase #2 Improvements (or segment thereof).

10. If the amounts previously paid from the Phase #2 Improvement Account of the Project Fund plus the amount requested under this Certificate for Disbursement equal or exceed _____ **DOLLARS AND** _____ (**\$**_____), and this Certificate for Disbursement is filed in connection with a request for the disbursement of funds from the Phase #2 Improvement Account of the Project Fund, then the Developer hereby further certifies that at the time of the execution of this Certificate for Disbursement:

- a. The Developer has separately tracked the completion of homes on 50 foot lots and 60 foot lots in Phase #2 based on Certificates of Occupancy issued by the City.
- b. Using the estimated average price of homes for 50 foot lots and 60 foot lots and the price of the remaining lots, all as set forth in the SAP, the Developer calculates the estimated taxable value for the total of the remaining lots and completed homes (based on Certificates of Occupancy issued by the City) as follows
 - i. The estimated taxable value of the completed homes is: \$_____.
 - ii. The estimated taxable value of the total remaining lots is: \$_____.
- c. Following the sale of the Phase #2 Bonds, \$_____ was either (i) retained by the initial purchaser of the Phase #2 Bonds as an underwriting discount or (ii) transferred to accounts created by the Bond Indenture for costs of issuance, debt service reserves, or capitalized interest).
- d. The Developer has previously received \$_____ in disbursements from the Phase #2 Improvement Account of the Project Fund.
- e. The Developer currently requests \$_____ be disbursed from the Phase #2 Improvement Account of the Project Fund.
- f. The total of (c) and (d) above plus the amount currently requested to be disbursed (from e above) equals \$_____.
- g. The ratio of the estimated taxable value of the completed homes (from b(i) above) plus the estimated taxable value of the total remaining lots (from b(ii) above) compared to the total amount from f above is equal to or greater than 3:1.

[Remainder of page left blank intentionally. Signature pages follow.]

I hereby declare that the above representations and warranties are true and correct.

W/J CR 55 LP, a Texas limited partnership

By: W/J CELINA GP, LLC
a Texas limited liability company,
its general partner

By: _____

Name: _____

Title: _____

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Certificate for Disbursement, acknowledges the Certificate for Disbursement and the certifications contained therein, acknowledges that any additional documents accompanying the Certificate for Disbursement have been inspected by the City, and otherwise finds the Certificate for Disbursement to be in order. After reviewing the Certificate for Disbursement, the City approves the Certificate for Disbursement and shall include said payments in the City Certificate submitted to the Trustee directing payments to be made from the appropriate account of the Project Fund to the Developer.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____



Engineering
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Andy Glasgow, Asst Director of Engineering
Date: November 13, 2018
Re: SE Sector Sewer Phase 5B Construction Contract Award

Action Requested:

Consider and act to authorize the City Manager to execute a contract between the City of Celina and Dickerson Construction Co. Inc. in the amount of \$2,705,440.50 for the Southeast Sector Sewer Line 5B (Brawner)

Background Information:

The Southeast Sector Sewer Phase 5B consists of the installation of approximately nine thousand (9,000) liner feet of 27-, 24-, and 21-inch gravity sewer line including all manholes, fittings, embedment and necessary appurtenances to provide a functioning wastewater main from the northern termination point of Phase 5A to the Parks of Wilson Creek.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

2015 & 2018 Bond Issuance.

Legal Review:

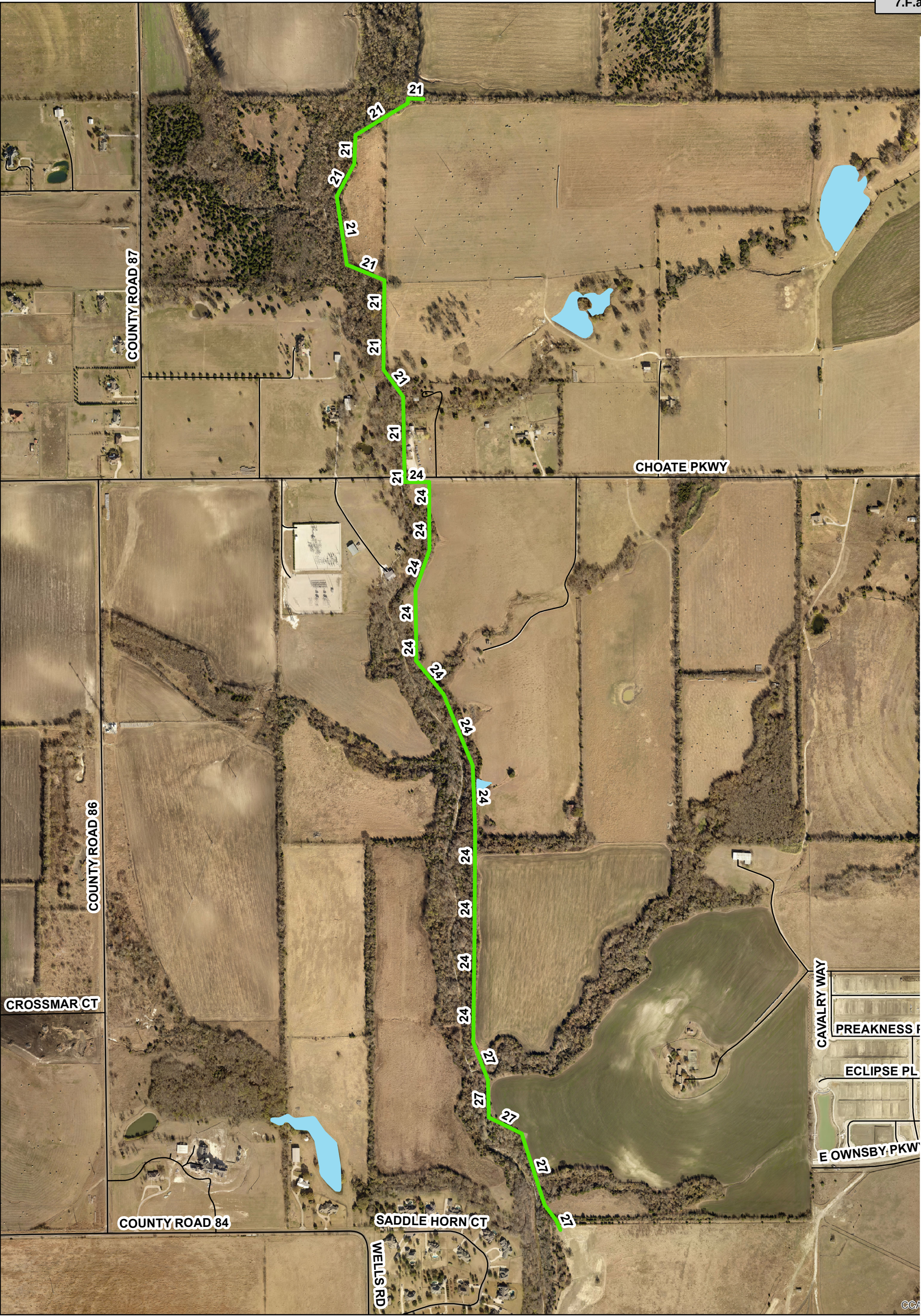
City Attorney would have to review

Supporting Documents:

Letter of Recommendation & Bid Tab
Cover Sheet/Vicinity Map
Bid form

Staff Recommendation:

Staff Recommends approval of the contract.

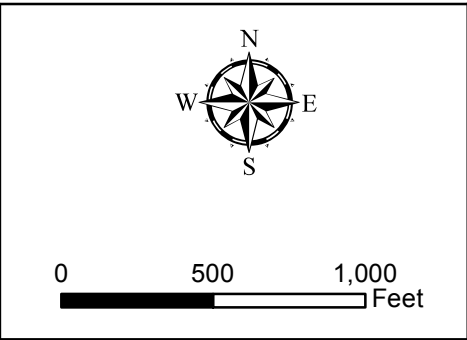


Attachment: SESector5B_10292018 (SE Sector Sewer Line 5B)



**Wastewater Line
Southeast Sector 5B**

Date: 10/29/2018



Legend

- SE Sector 5B
- Roads

Packet Pg. 378

CONSTRUCTION CONTRACT DOCUMENTS**FOR****27, 24, 21 & 18-INCH SOUTHEAST SECTOR SEWER
INTERCEPTOR ~ PHASE 5B
(PWK SEW 2014-06)****FOR THE****CITY OF CELINA****142 North Ohio
Celina, Texas 75009****OCTOBER, 2018**

TX REG. ENGINEERING FIRM F-14439
TX REG. SURVEYING FIRM LS-101938-05
7557 Rambler Road, Suite 1400, Dallas, Texas 75231
(972) 235-3031 Fax (972) 235-9544 www.pkce.com

PK PROJECT NO. 3551-14.141



Attachment: Dickerson Form (SE Sector Sewer Line 5B)

Section 00 42 00

BID PROPOSAL

TO:

City of Celina
142 North Ohio
Celina, Texas 75009

Date: 10-30-18Name of Bidder: DICKERSON CONSTRUCTION CO. INC.Phone: 972-382-2123Street Address: 1130 N. LOUISIANAP.O. Box 181City and State: Celina, TexasZip: 75009Mailing Address: P.O. Box 181City and State: Celina, TexasZip: 75009

The undersigned BIDDER, having examined the site and the Construction Contract Documents, HEREBY PROPOSES to furnish all labor, materials, tools, supplies, and necessary equipment to construct, complete in place and ready for use:

**27, 24, 24 & 18--INCH INTERCEPTOR CONNECTION TO DOE BRANCH TRUNK SEWER
~PHASE 5B
SOUTHEAST SECTOR (PWK SEW 2014-06)**

For the Total Price of:

In Words: two Million Seven Hundred Five thousand Four Hundred forty Dollarsand Fifty CentsIn Figures: \$ 2,705,440 ⁵⁰/₁₀₀

Maximum contract time required by the Contractor for completion of these improvements, beginning on the date specified in the Notice to Proceed, is 210 Calendar days.

Receipt is acknowledged of the following Addenda:

Addendum No. 1 10-16-18Addendum No. 2 10-26-18

Addendum No. 3 _____

SUPPLEMENTS TO THIS BID:

The following Supplements are attached as an integral part of this Bid:

Document 00 43 10 - Bid Bond Form (Form May be Supplied by Bidder)
 Document 00 45 10 - Form of Business
 Document 00 45 13 - Statement of Bidder's Qualifications
 Document 00 45 15 - Certificate of Bidder's Experience & Qualifications
 Document 00 45 18 - Vendor Compliance with State Law
 Document 00 45 19 - Non-Collusion Affidavit
 Document 00 45 43 - Resolution of Corporation (Form May be Supplied by Bidder)
 Document 00 45 50 - Conflict of Interest Questionnaire (CIQ)

This Proposal, when accepted by the OWNER, shall constitute the CONTRACT between the Parties, together with the appurtenant documents presented in the Table of Contents.

The undersigned, as Bidder, declares that the only person or parties interested in this Proposal as principals are those named herein, that this Proposal is made without collusion with any other person, firm or corporation.

Bidder: Dickerson Const Co Inc.
 [Print the full name of your proprietorship, partnership, corporation, or joint venture.*]

By: [Signature] 10-30-18
 [Signature**] [Date]

Name: Lewis Dickerson Pres.
 [Print name] [Title]

(Seal - if Bidder is
 a Corporation)

ATTEST:

[Signature]

* If the Bid is a joint venture, add additional Bid form signature sheets for each member of the joint venture.

** The undersigned, as bidder, certifies that the only person or parties interested in this proposal as principals are those named herein; that the Bidder has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with the Contract for the Project.

Note: This document constitutes a government record, as defined by § 37.01 of the Texas Penal Code. Submission of a false government record is punishable as provided in § 37.10 of the Texas Penal Code.

END OF SECTION

Section 00 42 10

UNIT PRICE BID FORM

ITEM NO.	ESTIMATED QUANTITY	ITEM DESCRIPTION (SPECIFICATION NO.) PRICES TO BE WRITTEN IN WORDS	UNIT PRICE	TOTAL PRICE
1	1	LS Mobilization, Demobilization, Bonds, Insurance (Spec No. TxDOT 500) <u>Seventy thousand</u> DOLLARS AND <u>NO</u> CENTS PER LS	\$ <u>70.00</u>	\$ <u>70.000</u>
2	1	LS Traffic Control & Barricades (Spec No. TxDOT 502) <u>two thousand five hundred</u> DOLLARS AND <u>NO</u> CENTS PER LS	\$ <u>2500</u>	\$ <u>2500</u>
3	2	EA Project Sign (Spec No. 107.2) <u>ONE thousand</u> DOLLARS AND <u>NO</u> CENTS PER EA	\$ <u>1.000</u>	\$ <u>2.000</u>
4	1	LS Temporary Erosion, Sedimentation and Water Pollution Prevention (SWPPP) (Spec No. 201) <u>SEVENTEEN thousand five hundred</u> DOLLARS AND <u>NO</u> CENTS PER LS	\$ <u>17,500</u>	\$ <u>17,500</u>
5	1	LS General Site Preparation (Spec No. 203.3) <u>Twenty thousand</u> DOLLARS AND <u>NO</u> CENTS PER LS	\$ <u>20.000</u>	\$ <u>20.000</u>
6	1	EA Remove Existing Wood Chemical Building (9416 CR 88) (Spec No.) <u>two thousand five hundred</u> DOLLARS AND <u>NO</u> CENTS PER EA	\$ <u>2500</u>	\$ <u>2500</u>

Attachment: Dickerson Form (SE Sector Sewer Line 5B)

ITEM NO.	ESTIMATED QUANTITY		ITEM DESCRIPTION (SPECIFICATION NO.) PRICES TO BE WRITTEN IN WORDS	UNIT PRICE	TOTAL PRICE
7	1	EA	Remove Existing Metal Storage Building (9416 CR 88) (Spec No.) <u>Five thousand</u> DOLLARS AND <u>NO</u> CENTS PER EA	\$ 5,000.00	\$ 5,000.00
8	25	EA	60" Diameter Sanitary Sewer Manhole, Precast with Conshield (Spec No. Tech Spec) <u>Nine thousand Seven Hundred & fifty</u> DOLLARS AND <u>NO</u> CENTS PER EA	\$ 9,750-	\$ 243,750-
9	6	EA	60" Diameter Sanitary Sewer Manhole with Outside Drop Connections, Precast with Conshield <u>Eleven thousand Seven Hundred & fifty</u> DOLLARS AND <u>NO</u> CENTS PER EA	\$ 11,750-	\$ 70,500-
10	392	VF	60" Diameter Sanitary Sewer Manhole Extra Depth, Precast with Conshield (Spec No. Tech Spec) <u>Six Hundred & fifty</u> DOLLARS AND <u>NO</u> CENTS PER VF	\$ 650-	\$ 254,800-
11	12	EA	Sanitary Sewer Manhole Vent (Spec No. Tech Spec) <u>Six thousand</u> DOLLARS AND <u>NO</u> CENTS PER EA	\$ 6,000-	\$ 72,000-
12	1,542	LF	27" PVC (F679 PS115) Sanitary Sewer Main (Spec No. 501.17) <u>One Hundred Sixty-five</u> DOLLARS AND <u>NO</u> CENTS PER LF	\$ 165-	\$ 254,430-
13	4,244	LF	24" PVC (F679 PS115) Sanitary Sewer Main (Spec No. 501.17) <u>One Hundred & fifty</u> DOLLARS AND <u>NO</u> CENTS PER LF	\$ 150-	\$ 636,600-
14	3,166	LF	21" PVC (F679 PS115) Sanitary Sewer Main (Spec No. 501.17) <u>One Hundred Forty-five</u> DOLLARS AND <u>NO</u> CENTS PER LF	\$ 145-	\$ 459,070-

Attachment: Dickerson Form (SE Sector Sewer Line 5B)

Phase 5B

ITEM NO.	ESTIMATED QUANTITY		ITEM DESCRIPTION (SPECIFICATION NO.) PRICES TO BE WRITTEN IN WORDS	UNIT PRICE	TOTAL PRICE
15	111	LF	21" PVC (F679 PS115) Sanitary Sewer Main (Spec No. 501.17) (BOTOC) <u>Eight Hundred</u> DOLLARS AND <u>NO</u> CENTS PER LF	\$ <u>800⁻</u>	\$ <u>88,800⁻</u>
16	50	LF	12" PVC (F679 PS115) Sanitary Sewer Main (Spec No. 501.17) <u>One Hundred fifty-five</u> DOLLARS AND <u>NO</u> CENTS PER LF	\$ <u>155⁻</u>	\$ <u>7,750⁻</u>
17	141	LF	8" PVC (F679 PS115) Sanitary Sewer Main (Spec No. 501.17) <u>One Hundred f.f.ty</u> DOLLARS AND <u>NO</u> CENTS PER LF	\$ <u>150⁻</u>	\$ <u>21,150⁻</u>
18	102	LF	Remove and install 4' Wire Fence (Spec 801) <u>Ten</u> DOLLARS AND <u>NO</u> CENTS PER LF	\$ <u>10⁻</u>	\$ <u>1,020⁻</u>
19	31	EA	Vacuum Test Sanitary Sewer Manhole (Spec No. Tech Spec) <u>One Hundred seventy-five</u> DOLLARS AND <u>NO</u> CENTS PER EA	\$ <u>175⁻</u>	\$ <u>5,425⁻</u>
20	9,064	LF	Television Inspection (Spec No. 507.5) <u>One</u> DOLLARS AND <u>Fifty</u> CENTS PER LF	\$ <u>1⁵⁰</u>	\$ <u>13,596⁻</u>
21	50	SY	Install HMAC Pavement (2")(Ty D) (Spec No. 302) <u>forty</u> DOLLARS AND <u>NO</u> CENTS PER SY	\$ <u>40⁻</u>	\$ <u>2,000⁻</u>
22	50	SY	Install HMAC Pavement (4")(Ty B) (Spec No. 302) <u>Seventy</u> DOLLARS AND <u>NO</u> CENTS PER SY	\$ <u>70⁻</u>	\$ <u>3,500⁻</u>

Attachment: Dickerson Form (SE Sector Sewer Line 5B)

Phase 5B

ITEM NO.	ESTIMATED QUANTITY		ITEM DESCRIPTION (SPECIFICATION NO.) PRICES TO BE WRITTEN IN WORDS	UNIT PRICE	TOTAL PRICE
23	50	SY	Install Temporary Paving (Spec No. 302.9) <u>forty</u> DOLLARS AND <u>NO</u> CENTS PER SY	\$ <u>40</u>	\$ <u>2,000</u>
24	377	SY	Remove and Replace 6" Thickness Flexbase Drive (Spec No. 402.4) <u>60</u> DOLLARS AND <u>NO</u> CENTS PER CY	\$ <u>10</u>	\$ <u>3,770</u>
25	1,801	CY	Flowable Backfill (Spec No. 504.6) <u>Ninety-seven</u> DOLLARS AND <u>NO</u> CENTS PER CY	\$ <u>97</u>	\$ <u>174,697</u>
26	506	LF	36" Steel casing not including Carrier Pipe (Spec No.) <u>three Hundred</u> DOLLARS AND <u>NO</u> CENTS PER LF	\$ <u>300</u>	\$ <u>151,800</u>
27	821	CY	Rock Riprap - Type A (Spec No. 803.3) <u>Fifty-five</u> DOLLARS AND <u>NO</u> CENTS PER CY	\$ <u>55</u>	\$ <u>45,155</u>
28	49,735	SY	Hydromulch Seeding of Work Zone (Spec No. 202) <u>NO</u> DOLLARS AND <u>fifty</u> CENTS PER SY	\$ <u>50</u>	\$ <u>24,867⁵⁰</u>
29	8,952	LF	Trench Safety & Support (Spec No. 107.19) <u>five</u> DOLLARS AND <u>NO</u> CENTS PER LF	\$ <u>5</u>	\$ <u>44,760</u>
30	3	EA	Investigation (Spec No. Tech Spec) <u>ONE thousand five Hundred</u> DOLLARS AND <u>NO</u> CENTS PER EA	\$ <u>1,500</u>	\$ <u>4,500</u>
TOTAL PROJECT BID				\$ <u>2,705,440⁵⁰</u>	

Attachment: Dickerson Form (SE Sector Sewer Line 5B)

31	31	EA	Alt #1 60" Diameter Polymer Wastewater Manhole <u>Twenty thousand</u> DOLLARS AND <u>NO</u> CENTS PER EA	\$ <u>20,000</u>	\$ <u>620,000</u>
32	1,542	LF	Alt #2 30" SaniTite HP Sanitary Sewer Main <u>ONE Hundred fifty-five</u> DOLLARS AND <u>NO</u> CENTS PER EA	\$ <u>155</u>	\$ <u>239,010</u>
33	4,244	LF	Alt #3 24" SaniTite HP Sanitary Sewer Main <u>ONE Hundred Forty-five</u> DOLLARS AND <u>NO</u> CENTS PER EA	\$ <u>145</u>	\$ <u>615,380</u>
34	3,166	LF	Alt #4 21" SaniTite HP Sanitary Sewer Main <u>ONE Hundred forty</u> DOLLARS AND <u>NO</u> CENTS PER EA	\$ <u>140</u>	\$ <u>443,240</u>
35	111	LF	Alt #5 21" SaniTite HP Sanitary Sewer Main (BOTOC) <u>Eight Hundred</u> DOLLARS AND <u>NO</u> CENTS PER EA	\$ <u>800</u>	\$ <u>88,800</u>

Attachment: Dickerson Form (SE Sector Sewer Line 5B)



For All the Commitments You Make®

BID BOND

KNOW ALL MEN BY THESE PRESENTS: That we,

Dickerson Construction Company, Inc.

, Principal and

Continental Casualty Company

Surety, are held and firmly bound unto

City of Celina

, Obligee, in the sum of

Five Percent of the Greatest Amount Bid----

Dollars (\$ 5% of G.A.B.)

for the payment of which we bind ourselves, our legal representatives, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal has submitted or is about to submit a proposal to Obligee on a contract for

Southeast Sector Sewer Interceptor Phase 5 B

NOW, THEREFORE, if the said contract be awarded to Principal and Principal shall, within such time as may be specified, enter into the contract in writing and give such bond or bonds as may be specified in the bidding or contract documents with surety acceptable to Obligee; or if Principal shall fail to do so, pay to Obligee the damages which Obligee may suffer by reason of such failure not exceeding the penalty of this bond, then this obligation shall be null and void; otherwise to remain in full force and effect.

Signed, sealed and dated **October 30, 2018.**

Dickerson Construction Company, Inc.

(Principal)

By: _____

(Seal)

Continental Casualty Company

(Surety)

By: _____

Roxanne G. Brune, Attorney-in-Fact

Attachment: Dickerson Form (SE Sector Sewer Line 5B)



For All the Commitments You Make®

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That Continental Casualty Company, an Illinois insurance company, National Fire Insurance Company of Hartford, an Illinois insurance company, and American Casualty Company of Reading, Pennsylvania, a Pennsylvania insurance company (herein called "the CNA Companies"), are duly organized and existing insurance companies having their principal offices in the City of Chicago, and State of Illinois, and that they do by virtue of the signatures and seals herein affixed hereby make, constitute and appoint

Sue Kohler, David R Groppell, Beverly A Ireland, Sharen Groppell, Roxanne G Brune, Sharon Cavanaugh, Kurt A Risk, Francine Hay, Gloria Villa, Individually

of Houston, TX, their true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on their behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind them thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of their insurance companies and all the acts of said Attorney, pursuant to the authority hereby given is hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law and Resolutions, printed on the reverse hereof, duly adopted, as indicated, by the Boards of Directors of the insurance companies.

In Witness Whereof, the CNA Companies have caused these presents to be signed by their Vice President and their corporate seals to be hereto affixed on this 1st day of August, 2016.



Continental Casualty Company
National Fire Insurance Company of Hartford
American Casualty Company of Reading, Pennsylvania

Paul T. Bruflat
Paul T. Bruflat Vice President

State of South Dakota, County of Minnehaha, ss:

On this 1st day of August, 2016, before me personally came Paul T. Bruflat to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is a Vice President of Continental Casualty Company, an Illinois insurance company, National Fire Insurance Company of Hartford, an Illinois insurance company, and American Casualty Company of Reading, Pennsylvania, a Pennsylvania insurance company described in and which executed the above instrument; that he knows the seals of said insurance companies; that the seals affixed to the said instrument are such corporate seals; that they were so affixed pursuant to authority given by the Boards of Directors of said insurance companies and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said insurance companies.



My Commission Expires June 23, 2021

J. Mohr
J. Mohr Notary Public

CERTIFICATE

I, D. Bult, Assistant Secretary of Continental Casualty Company, an Illinois insurance company, National Fire Insurance Company of Hartford, an Illinois insurance company, and American Casualty Company of Reading, Pennsylvania, a Pennsylvania insurance company do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that the By-Law and Resolution of the Board of Directors of the insurance companies printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said insurance companies this 30th day of October, 2018.



Continental Casualty Company
National Fire Insurance Company of Hartford
American Casualty Company of Reading, Pennsylvania

D. Bult
D. Bult Assistant Secretary

Form F6853-4/2012

Authorizing By-Laws and Resolutions

ADOPTED BY THE BOARD OF DIRECTORS OF CONTINENTAL CASUALTY COMPANY:

This Power of Attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the Board of Directors of the Company at a meeting held on May 12, 1995:

"RESOLVED: That any Senior or Group Vice President may authorize an officer to sign specific documents, agreements and instruments on behalf of the Company provided that the name of such authorized officer and a description of the documents, agreements or instruments that such officer may sign will be provided in writing by the Senior or Group Vice President to the Secretary of the Company prior to such execution becoming effective."

This Power of Attorney is signed by Paul T. Bruflat, Vice President, who has been authorized pursuant to the above resolution to execute power of attorneys on behalf of Continental Casualty Company.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company by unanimous written consent dated the 25th day of April, 2012:

"Whereas, the bylaws of the Company or specific resolution of the Board of Directors has authorized various officers (the "Authorized Officers") to execute various policies, bonds, undertakings and other obligatory instruments of like nature; and

Whereas, from time to time, the signature of the Authorized Officers, in addition to being provided in original, hard copy format, may be provided via facsimile or otherwise in an electronic format (collectively, "Electronic Signatures"); Now therefore be it resolved: that the Electronic Signature of any Authorized Officer shall be valid and binding on the Company."

ADOPTED BY THE BOARD OF DIRECTORS OF NATIONAL FIRE INSURANCE COMPANY OF HARTFORD:

This Power of Attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the Board of Directors of the Company by unanimous written consent dated May 10, 1995:

"RESOLVED: That any Senior or Group Vice President may authorize an officer to sign specific documents, agreements and instruments on behalf of the Company provided that the name of such authorized officer and a description of the documents, agreements or instruments that such officer may sign will be provided in writing by the Senior or Group Vice President to the Secretary of the Company prior to such execution becoming effective."

This Power of Attorney is signed by Paul T. Bruflat, Vice President, who has been authorized pursuant to the above resolution to execute power of attorneys on behalf of National fire Insurance Company of Hartford.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company by unanimous written consent dated the 25th day of April, 2012:

"Whereas, the bylaws of the Company or specific resolution of the Board of Directors has authorized various officers (the "Authorized Officers") to execute various policies, bonds, undertakings and other obligatory instruments of like nature; and

Whereas, from time to time, the signature of the Authorized Officers, in addition to being provided in original, hard copy format, may be provided via facsimile or otherwise in an electronic format (collectively, "Electronic Signatures"); Now therefore be it resolved: that the Electronic Signature of any Authorized Officer shall be valid and binding on the Company."

ADOPTED BY THE BOARD OF DIRECTORS OF AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA:

This Power of Attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the Board of Directors of the Company by unanimous written consent dated May 10, 1995:

"RESOLVED: That any Senior or Group Vice President may authorize an officer to sign specific documents, agreements and instruments on behalf of the Company provided that the name of such authorized officer and a description of the documents, agreements or instruments that such officer may sign will be provided in writing by the Senior or Group Vice President to the Secretary of the Company prior to such execution becoming effective."

This Power of Attorney is signed by Paul T. Bruflat, Vice President, who has been authorized pursuant to the above resolution to execute power of attorneys on behalf of American Casualty Company of Reading, Pennsylvania.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company by unanimous written consent dated the 25th day of April, 2012:

"Whereas, the bylaws of the Company or specific resolution of the Board of Directors has authorized various officers (the "Authorized Officers") to execute various policies, bonds, undertakings and other obligatory instruments of like nature; and

Whereas, from time to time, the signature of the Authorized Officers, in addition to being provided in original, hard copy format, may be provided via facsimile or otherwise in an electronic format (collectively, "Electronic Signatures"); Now therefore be it resolved: that the Electronic Signature of any Authorized Officer shall be valid and binding on the Company."

Attachment: Dickerson Form (SE Sector Sewer Line 5B)

Figure: 28 TAC §1.601(a)(3)

1 IMPORTANT NOTICE

To obtain information or make a complaint:

2 You may contact Continental Casualty Company, National Fire Insurance Company, American Casualty Company or Continental Insurance Company at 312-822-5000.

3 You may call Continental Casualty Company, National Fire Insurance Company, American Casualty Company or Continental Insurance Company's toll-free telephone number for information or to make a complaint at:

1-877-672-6115

4 You may also write to Continental Casualty Company, National Fire Insurance Company, American Casualty Company or Continental Insurance Company at:

CNA Surety
333 South Wabash
Chicago, IL 60604

5 You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

6 You may write the Texas Department of Insurance:

P.O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: <http://www.tdi.state.tx.us>
E-Mail: ConsumerProtection@tdi.state.tx.us

7 PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact Continental Casualty Company, National Fire Insurance Company, American Casualty Company or Continental Insurance Company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

8 ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.

Form F8277

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Puede comunicarse con Continental Casualty Company, National Fire Insurance Company, American Casualty Company or Continental Insurance Company al 312-822-5000.

Usted puede llamar al numero de telefono gratis de Continental Casualty Company, National Fire Insurance Company, American Casualty Company or Continental Insurance Company's para informacion o para someter una queja al:

1-877-672-6115

Usted tambien puede escribir a Continental Casualty Company, National Fire Insurance Company, American Casualty Company or Continental Insurance Company:

CNA Surety
333 South Wabash
Chicago, IL 60604

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

P.O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: <http://www.tdi.state.tx.us>
E-Mail: ConsumerProtection@tdi.state.tx.us

DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el Continental Casualty Company, National Fire Insurance Company, American Casualty Company or Continental Insurance Company primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA: Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

Attachment: Dickerson Form (SE Sector Sewer Line 5B)

SECTION 00 01 15
ADDENDA
ADDENDUM No.1

**PROJECT NAME: City of Celina ~ 27, 24, 21 & 18-Inch Southeast Sector Sewer
Interceptor (PWK SEW 2014-06) - Phase 5B**

ISSUED: October 16, 2018

BID DATE: Tuesday October 30, 2018 at 3:30 P.M.

FROM: Pacheco Koch LLC
7557 Rambler Road, Suite 1400
Dallas, Texas 75231

TO: Prospective Bidders

This Addendum forms a part of the Bidding Documents and will be incorporated into Contract Documents, as applicable. Insofar as the original Contract Documents and Specifications and Construction Plans are inconsistent, this Addendum governs. Acknowledge receipt of this addendum by signing and attaching it to the Contract Documents (inside). Note receipt of the Addendum in the Bid Proposal and on the outer envelope of your bid. **FAILURE TO DO SO MAY SUBJECT BIDDER TO DISQUALIFICATION.**

CLARIFICATIONS

- Technical error with Contract Documents where pages were repeating themselves and PDF of the contract documents had pages repeating itself.

CONTRACT DOCUMENTS

1. **REMOVE** previously attached Contract Documents in its entirety, **REPLACE** with attached Contract Documents in its entirety.

All other provisions of the plans, specifications and contract documents for the project which are not expressly amended herein shall remain in full force and effect.

Failure to return a signed copy of the addendum with the proposal shall be grounds for rendering the bid non-responsive. A signed copy of this addendum shall be placed into the proposal at the time of bid submittal.

RECEIPT ACKNOWLEDGED:

By:  _____

By:  _____
Clint A. Bissett, P.E.,
Senior Project Manager

END OF SECTION



SECTION 00 01 15
ADDENDA
ADDENDUM No.2

PROJECT NAME: **City of Celina ~ 27, 24, 21 & 18-Inch Southeast Sector Sewer
 Interceptor (PWK SEW 2014-06) - Phase 5B**

ISSUED: October 26, 2018

BID DATE: Tuesday October 30, 2018 at 3:30 P.M.

FROM: Pacheco Koch, LLC
 7557 Rambler Road, Suite 1400
 Dallas, Texas 75231

TO: **Prospective Bidders**

This Addendum forms a part of the Bidding Documents and will be incorporated into Contract Documents, as applicable. Insofar as the original Contract Documents and Specifications and Construction Plans are inconsistent, this Addendum governs. Acknowledge receipt of this addendum by signing and attaching it to the Contract Documents (inside). Note receipt of the Addendum in the Bid Proposal and on the outer envelope of your bid. **FAILURE TO DO SO MAY SUBJECT BIDDER TO DISQUALIFICATION.**

CLARIFICATIONS

- Backfill for the bore pits shall be native backfill compacted in accordance with the specifications. Flowable fill is not required as backfill for the bore pits.
- The annular spaces shall be grout filled in the casing pipe for open cut installations as well as installation by other than open cut.
- If no 100 year floodplain elevation is shown on the plans vent pipes on the manholes shall be installed to the height indicated in the Plans and Specifications.
- Brush can be disposed of by burning if the area is not under an active burn ban, but the contractor will need to obtain a burn permit from the City and pay the required daily fee.

CONTRACT DOCUMENTS

1. Table of Contents: **ADD** Specification section 34 01 01 ADS SaniTite HP Pipe.
2. **REMOVE** previously attached Unit Price Bid Form in its entirety, **REPLACE** with attached Unit Price Bid Form in its entirety.
3. **REMOVE** previously attached Specification Section 02 00 00 Project Technical Specification in its entirety, **REPLACE** with attached Specification Section 02 00 00 Project Technical Specification in its entirety.
4. Specification Section 33 05 23.10 Sanitary Sewer Installation By Other Than Open Cut – Pipe Augering, Paragraph 2.1.A, **DELETE** existing text in its entirety and **REPLACE** with the following text, “Provide a casing pipe which is straight, circular in section, welded steel pipe coated with red oxide primer.”
5. **ADD** the attached Geotechnical Report in its entirety.

PLANS

1. **REMOVE** previously attached Plan Sheet 3, Quantity Sheet in its entirety, **REPLACE** with attached Plan Sheet 3, Quantity Sheet in its entirety.

All other provisions of the plans, specifications and contract documents for the project which are not expressly amended herein shall remain in full force and effect.

Failure to return a signed copy of the addendum with the proposal shall be grounds for rendering the bid non-responsive. A signed copy of this addendum shall be placed into the proposal at the time of bid submittal.

RECEIPT ACKNOWLEDGED:

By: _____

By: _____

Clint A. Bissett, P.E.,
Senior Project Manager

END OF SECTION



Attachment: Dickerson Form (SE Sector Sewer Line 5B)

Section 00 45 10

FORM OF BUSINESS

Fill in the appropriate area describing your firm's form of business and include the relevant attachments.

Corporation:

Corporate Name: Dickerson Construction Co., Inc
 State of Incorporation: Texas
 Mailing Address: P.O. Box 181 Celina, Tx 75009

- Certificate of Assumed Name, if operating under a name different than that on the corporate charter (the Certificate must have been issued within the past ten years to be valid)
- Certificate of Good Standing*
- Certificate of Existence (if non-Texas corporation, Certificate of Authority) *

Partnership/Joint Venture:

Partnership/Joint Venture Name: _____
 Mailing Address: _____

- Copy of the Partnership or Joint Venture Agreement, or Affidavit with the name of the partnership or joint venture, the names of the individual partners or participants in the joint venture, and a statement that the partnership or joint venture is in existence
- Certificate of Assumed Name, (the Certificate must have been issued within the past ten years to be valid)
- If firm is a limited partnership, the Certificate of Limited Partnership
- If any partner or joint venture is a corporation, the above information relating to corporation must be included as to each sum partner or joint venture.

Sole Proprietorship

Name: _____
 Mailing Address: _____

- Certificate of Assumed Name, if operating under a name different than that of the sole proprietor (the Certificate must have been issued within the past ten years to be valid)

* *Must be furnished upon request of the Owner and must be less than 90 days old.*

LEWIS DICKERSON PRESIDENT

[Printed Name and Title of Authorized Representative]



[Signature of Authorized Representative]

10-25-18
 [Date]

END OF SECTION

Attachment: Dickerson Form (SE Sector Sewer Line 5B)

SECTION 00 45 13

STATEMENT OF BIDDER'S QUALIFICATIONS

The Bidder may provide his Statement of Bidder's Qualifications on separate typewritten sheets including all the information requested herein:

1. ORGANIZATION

1.1 How many years has your organization been in business as a Contractor? _____

1.2 How many years has your organization been in business under its present business name?

1.2.1 Under what other or former names has your organization operated?

1.3 If your organization is a corporation, answer the following:

1.3.1 Date of incorporation: _____

1.3.2 State of incorporation: _____

1.3.3 President's name: _____

1.3.4 Vice-president's name(s): _____

1.3.5 Secretary's name: _____

1.3.6 Treasurer's name: _____

1.4 If your organization is a partnership, answer the following:

1.4.1 Date of organization: _____

1.4.2 Type of partnership
(if applicable): _____

1.4.3 Name(s) of general
partner(s): _____

1.5 If your organization is individually owned, answer the following:

1.5.1 Date of organization: _____

1.5.2 Name of owner: _____

Attachment: Dickerson Form (SE Sector Sewer Line 5B)

- 1.6 If the form of your organization is other than those listed above, describe it and name the principals:

3. EXPERIENCE

- 3.1 On a separate sheet attached hereto, list the major projects your organization has completed in the past three years, giving the name of project, owner, architect, contract amount, date of completion and percentage of the cost of the work performed with your own forces.

4. REFERENCES

- 4.1 Each bidder shall provide a minimum of three (3) verifiable references (with current addresses and phone numbers) in which the bidder has provided this type of construction.

Name of Reference

Address

Phone No.

See Attached

5. SIGNATURE

Name of Organization:

By:

Printed Name:

Title:

Dickerson Const. Co., Inc

[Signature]

LEWIS DICKERSON

President

END OF SECTION

P. O. BOX 181
1130 N LOUISIANA DRIVE
CELINA, TEXAS 75009

(972) 382-2123

email: dcc.jld@sbcglobal.net

fax (972) 382-2043

page 1 of 2

STATEMENT OF BIDDER'S QUALIFICATIONS**TYPE OF BUSINESS:**

UTILITY PIPELINE CONSTRUCTION

IN BUSINESS SINCE:

1968

INCORPORATED:

11/13/1978

STATE OF INCORPORATION:

TEXAS

LOCATION OF PRINCIPAL OFFICE:

1130 N. LOUISIANA DR, COLLIN COUNTY, CELINA, TX 75009

FEDERAL ID#:

75-1622797

OTHER &/FORMER COMPANIES:

JLD TRUCKING, INC
CELINA READY MIX

OWNERSHIP:

PRESIDENT

50%

LEWIS DICKERSON

D.L.# 05321393

P. O. BOX 181

(972) 382-2123

CELINA, TX 75009

SECRETARY/TREASURER

50%

JERRY DICKERSON

D.L.# 05903585

P. O. BOX 181

(972) 382-2123

CELINA, TX 75009

VICE-PRESIDENT

BLAKE DICKERSON

D.L. # 13911121

5555 CR 52

(972) 382-2123

CELINA, TX 75009

TYPES OF CONSTRUCTION PERFORMED:

PIPELINE - WATER, SEWER, STORM SEWER
SEWER LIFT STATIONS AND PLANTS
WATER PUMP STATIONS
CONCRETE - STRUCTURAL, PAVING
EXCAVATION

EMPLOYEE EXPERIENCE:

LEWIS DICKERSON - ALL PHASES AND TYPES OF CONSTRUCTION PERFORMED
OVER 40 YEARS EXPERIENCE

BLAKE DICKERSON - ALL PHASES AND TYPES OF CONSTRUCTION PERFORMED
OVER 25 YEARS EXPERIENCE

CECIL JOSLIN - PIPELINE, LIFT STATION, EXCAVATION, CONCRETE
OVER 30 YEARS EXPERIENCE - SUPERINTENDENT

HILARIO MERCADO - PIPELINE, LIFT STATION, EXCAVATION, CONCRETE
OVER 20 YEARS EXPERIENCE - SUPERINTENDENT

DICKERSON CONSTRUCTION COMPANY, INC., IT'S OFFICERS AND PRINCIPALS, HAVE NEVER FAILED TO COMPLETE ANY AWARDED WORK. THERE ARE NO JUDGMENTS, CLAIMS, ARBITRATION PROCEEDINGS OR SUITE AGAINST OUR COMPANY AND WE HAVE NOT FILED ANY LAW SUITS IN THE LAST FIVE YEARS.

Attachment: Dickerson Form (SE Sector Sewer Line 5B)

STATEMENT OF BIDDER'S QUALIFICATIONS**BONDING AGENT:**

MARSH & McLENNAN AGENCY, LLC - HOUSTON, TX
2500 CITY WEST BOULEVARD, SUITE 2400
HOUSTON, TX 77042
PHONE # (713) 780-6100

REFERENCES:

LEGACY TEXAS BANK
ACC # 20027219

P. O. BOX 869111
PLANO, TX 75086

PHONE # (972) 461-1300
FAX # (972) 461-4814

CORE & MAIN LP
ACC # 155674

7197 LATHAM DR.
RICHLAND HILLS, TX 76118

PHONE # (817) 595-0580
FAX # (817) 589-0179

FERGUSON WATERWORKS
ACC # 26268

2650 S. PIPELINE RD.
EULESS, TX 76040

PHONE # (817) 858-0714
FAX # (817) 540-8022

REDI-MIX CONCRETE
ACC # 1700056

331 NORTH MAIN
EULESS, TX 76039

PHONE # (817) 835-4100

SIGNATURE:

Name of Organization: DICKERSON CONSTRUCTION COMPANY, INC.

By: 

Printed Name: LEWIS DICKERSON

Title: PRESIDENT

Attachment: Dickerson Form (SE Sector Sewer Line 5B)

**CERTIFICATE OF BIDDER'S
EXPERIENCE & QUALIFICATIONS**

The undersigned bidder certifies that he is, at the time of bidding, and shall be, throughout the period of the Contract, licensed by the State of Texas to do the type of work called for in the contract documents.

The bidder represents that he is competent, knowledgeable and has special skills on the nature, extent and inherent conditions of the work to be performed. Bidder further acknowledges that there are certain peculiar and inherent conditions existent in the construction of the particular facilities that may create, during the construction program, unusual or peculiar unsafe conditions hazardous to persons and property. Bidder expressly acknowledges that he is aware of such peculiar risks and that he has the skill and experience to foresee and to adopt protective measures to adequately and safely perform the construction work with respect to such hazards.

Signed this _____ day of _____, 20_____.

_____ DICKERSON CONSTRUCTION COMPANY, INC.

Name of Bidder

Contractor's License No. and State

Signature of Bidder

_____ LEWIS DICKERSON PRESIDENT
Printed Name and Title

Attachment: Dickerson Form (SE Sector Sewer Line 5B)

P. O. BOX 181

CELINA, TEXAS 75009

(972) 382-2123

fax (972) 382-2043

email: dcc.jld@sbcglobal.net

CURRENT CONTRACTS

CITY OF ANNA

US75 WATER UTILITY RELOCATIONS

Contract Amount \$1,311,884.50

Engineer: Birkhoff, Hendricks & Carter LLP

LCMUA

Point Vista 16" Waterline

Contract Amount \$249,944.00

Engineer: Belcheff & Associates, Inc.

CITY OF POTTSBORO

TxCDBG Sewer

Contract Amount \$180,427.00

Engineer: Freeman-Millican

COMPLETED CONTRACTS

CITY OF SANGER

No. Interstate 35 Outfall Sewer Phase III

Contract Amount \$1,033,669.50

Pacheco Koch

Date of Completion: 7/18

CITY OF SANGER

No. Interstate 35 Outfall Sewer Phase II

Contract Amount \$1,594,118.00

Pacheco Koch

Date of Completion: 1/18

CITY OF DENTON

Pecan Creek Water and Sewer Interceptor IV

Contract Amount \$1,048,830.50

City of Denton

Date of Completion: 12/17

LCMUA

I-35E Water and Sewer Relocations

12" West ROW Waterline Phase II

Contract Amount \$1,519,993.51

Belcheff & Associates, Inc.

Date of Completion: 12/17

State of TEXAS)
 County of COLLIN)

LEWIS DICKERSON, being first duly sworn, deposes and says that:

(1) He/She is PRESIDENT of DICKERSON CONSTRUCTION COMPANY, INC., the Bidder that has submitted the attached Bid:

(2) He/She is fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such Bid:

(3) Such Bid is genuine and is not a collusive Bid:

(4) Neither the said Bidder nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly with another Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm or person to fix the price or prices in the attached Bid or of any other Bidder, or to fix an overhead, profit or cost element of the Bid price or the Bid price of any other Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against _____ (Local Public Agency) or any person interested in the proposed Contract, and

(5) The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

(Signed)

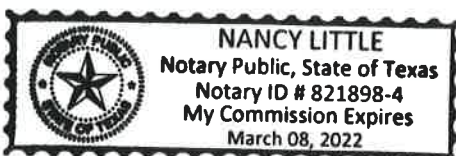


LEWIS DICKERSON

PRESIDENT

Title

SUBSCRIBED AND SWORN TO ME THIS 25th DAY OF October, 20 18.



BY:

Nancy Little
 Notary Public

MY COMMISSION EXPIRES

3-8-22

Attachment: Dickerson Form (SE Sector Sewer Line 5B)

VENDOR COMPLIANCE WITH STATE LAW

The 1985 Session of Texas Legislature passed House Bill 620 relative to the award of Contracts to non-resident bidders. This law provided for non-resident bidders to bid projects for construction, improvements, supplies or services in Texas/ To be awarded these Contracts, non-resident bidder must bid an amount lower than the lowest Texas resident bidder by the same amount that a Texas resident bidder would be required to underbid a non-resident bidder to obtain a comparable Contract in the state of the non-resident's principal place of business.

NOTE: A non-resident bidder is a Contractor whose corporate office or principal place of business is located outside of the State of Texas.

Item A: ALL BIDDERS

I hereby certify that our principal place of business is in the State of Texas.

YES ☒

NO _____

Item B: NON-RESIDENT BIDDERS

Non-resident vendors in _____ (State), our principal place of business, are required to bid _____ % lower than resident bidders by State Law.

Non-resident vendors in _____ (State), our principal place of business, are **NOT** required to underbid resident bidders.

AFFIDAVIT AGAINST PROHIBITED ACTS

I hereby affirm that I am aware of the provisions of the Texas Penal Code Sec. 36.02, 36.08, 36.09 and 36.10, dealing with Bribery and Gifts to Public Servants. I further affirm that I will adhere to such rules and instruct and require all agents, employees, and subcontractors to do the same. I am aware that any violation of these rules subjects this agreement to one or more of the following: revocation, removal from bid lists, prohibiting future ~~Contract~~/Subcontract work, revocation of permits and/or prosecution.

Signature LEWIS DICKERSON
PRINTED NAME

Date 10-25-18

Nancy Little
Attest (if Contractor is a Corporation)

10-25-18
Date

CONFLICT OF INTEREST QUESTIONNAIRE**FORM CIQ**

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1

Name of vendor who has a business relationship with local governmental entity.

DICKERSON CONSTRUCTION COMPANY, INC.

2

☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3

Name of local government officer about whom the information is being disclosed.

LEWIS DICKERSON

4

Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

NOT APPLICABLE

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

____ YES

____ NO

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

____ YES

____ NO

5

Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

6

☐ **Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).**

7

Signature of vendor doing business with the governmental entity

Date

10-25-16

Attachment: Dickerson Form (SE Sector Sewer Line 5B)

Section 00 45 43

RESOLUTION OF CORPORATION

I hereby certify that it was RESOLVED by a quorum of the directors of

Dickerson Construction Company, Inc.

[Name of Corporation / Contractor]

meeting on this 31st day of December, 2006, that Lewis Dickerson,

[Corporate Representative]

be, and hereby is, authorized to act on behalf of the Corporation, as its representative, in all business transactions conducted in the State of Texas, and that the above resolution was unanimously ratified by the Board of Directors at said meeting and that the resolution has not been rescinded or amended and is now in full force and effect; and in authentication of the adoption of this resolution, I subscribe my name and affix the seal of the Corporation on this

20th day of, July, 2015.



Secretary/Assistant Secretary

[Seal]

END OF SECTION



November 1, 2018
PK No.: 3551-14.141

Ms. Kimberly Brawner, P.E., PTOE
Director of Engineering
CITY OF CELINA
142 North Ohio Street
Celina, Texas 75009

Re: **SOUTHEAST SECTOR SEWER PHASE 5B**
Recommendation of Award
Celina, Collin County, Texas

Dear Ms. Brawner:

BID RESULTS

Attached is the Bid Tabulation for the bids received October 30, 2018 for the referenced project for your use.

The lowest of five bids received was from Dickerson Construction. Based on the estimated quantities in the Bid Proposal and the unit prices bid by Dickerson Construction, the total amount of the base bid for contract award is \$2,705,440.50.

CONTRACTOR QUALIFICATIONS

Dickerson Construction provided a list of experience and references for this project. Pacheco Koch personnel contacted a number of the references who gave favorable references for the contractor with regards to workmanship and in meeting project schedules and budgets.

RECOMMENDATION

Based on the information we have received to date, we recommend award of the contract for the referenced project to Dickerson Construction as lowest responsive and responsible bidder for the Bid amount of \$2,705,440.50.

Should you have any questions about the information contained herein, please do not hesitate to call.

Sincerely,

Clint A. Bissett, P.E.

CAB/mrm
3551-14.141_Recommendation of Award

Attachments:
Bid Tabulation

Xc: File

Attachment: Recommendation of Award Dickerson (SE Sector Sewer Line 5B)

CITY OF CELINA

BID TABULATION



SOUTHEAST SECTOR SEWER INTERCEPTOR, PHASE 5B
PK No. 3551-14.141

BIDS OPENED: October 30, 2018 CONTRACT TIME:				Dickerson Construction Co, Inc. 1130 North Louisiana Drive Celina, TX 75009		Mountain Cascade of Texas, LLC 11729 E. FM 917 Alvarado, TX 76247		Condie Construction Company 402 Gulf Avenue Justin, TX 76247		Dowager Utility Construction, Ltd. 2464 Manana Drive, #A Dallas, TX 75220		Venus Construction 1426 S. Main Mansfield, TX 76063		Blue Star Utilities, LLC 130 W. Broad Street Mansfield, TX 76063	
ITEM	DESCRIPTION	BID QTY	UNIT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT
1	MOBILIZATION (5%)	1	LS	\$ 70,000.00	\$ 70,000.00	\$ 130,000.00	\$ 130,000.00	\$ 106,000.00	\$ 106,000.00	\$ 140,000.00	\$ 140,000.00	\$ 155,000.00	\$ 155,000.00	\$ 100,000.00	\$ 100,000.00
2	TRAFFIC CONTROL	1	LS	\$ 2,500.00	2,500.00	\$ 5,000.00	5,000.00	\$ 7,600.00	7,600.00	\$ 2,000.00	2,000.00	\$ 2,500.00	2,500.00	\$ 5,500.00	5,500.00
3	PROJECT SIGNS	2	EA	\$ 1,000.00	2,000.00	\$ 350.00	700.00	\$ 625.00	1,250.00	\$ 500.00	1,000.00	\$ 800.00	1,600.00	\$ 1,100.00	2,200.00
4	TEMPORARY EROSION, SEDIMENTATION, AND SWPPP	1	LS	\$ 17,500.00	17,500.00	\$ 20,000.00	20,000.00	\$ 26,500.00	26,500.00	\$ 40,000.00	40,000.00	\$ 44,000.00	44,000.00	\$ 16,500.00	16,500.00
5	GENERAL SITE PREPARATION	1	LS	\$ 20,000.00	20,000.00	\$ 62,000.00	62,000.00	\$ 5,700.00	57,000.00	\$ 40,000.00	40,000.00	\$ 130,000.00	130,000.00	\$ 65,515.00	65,515.00
6	REMOVE EXISTING WOOD BUILDING	1	EA	\$ 2,500.00	2,500.00	\$ 5,000.00	5,000.00	\$ 5,550.00	5,550.00	\$ 2,000.00	2,000.00	\$ 7,500.00	7,500.00	\$ 4,952.00	4,952.00
7	REMOVE EXISTING METAL BUILDING	1	EA	\$ 5,000.00	5,000.00	\$ 5,000.00	5,000.00	\$ 5,000.00	5,000.00	\$ 5,000.00	5,000.00	\$ 5,000.00	5,000.00	\$ 5,000.00	5,000.00
8	60" DIA. SS MANHOLE (CONSHIELD)	25	EA	\$ 9,750.00	243,750.00	\$ 12,300.00	307,500.00	\$ 9,800.00	245,000.00	\$ 10,000.00	250,000.00	\$ 9,000.00	225,000.00	\$ 7,374.00	184,350.00
9	60" DIA. SS MANHOLE W OUTSIDE DROP CONNECTION (CONSHIELD)	6	EA	\$ 11,750.00	70,500.00	\$ 15,000.00	90,000.00	\$ 12,800.00	76,800.00	\$ 12,000.00	72,000.00	\$ 11,250.00	67,500.00	\$ 9,250.00	55,500.00
10	60" DIA. SS MANHOLE EXTRA DEPTH	392	VF	\$ 650.00	254,800.00	\$ 348.00	136,416.00	\$ 456.00	178,752.00	\$ 600.00	235,200.00	\$ 400.00	156,800.00	\$ 375.00	147,000.00
11	SANITARY SEWER MANHOLE VENT	12	EA	\$ 6,000.00	72,000.00	\$ 3,000.00	36,000.00	\$ 5,300.00	63,600.00	\$ 2,000.00	24,000.00	\$ 12,000.00	144,000.00	\$ 7,367.00	88,404.00
12	27" PVC SANITARY SEWER MAIN	1542	LF	\$ 165.00	254,430.00	\$ 184.00	283,728.00	\$ 187.00	288,354.00	\$ 190.00	292,980.00	\$ 185.00	285,270.00	\$ 228.00	351,576.00
13	24" PVC SANITARY SEWER MAIN	4244	LF	\$ 150.00	636,600.00	\$ 126.00	534,744.00	\$ 183.00	776,652.00	\$ 170.00	721,480.00	\$ 165.00	700,260.00	\$ 214.00	908,216.00
14	21" PVC SANITARY SEWER MAIN	3166	LF	\$ 145.00	459,070.00	\$ 116.00	367,256.00	\$ 167.00	528,722.00	\$ 140.00	443,240.00	\$ 155.00	490,730.00	\$ 204.00	645,864.00
15	21" PVC SANITARY SEWER MAIN (BOTOC)	111	LF	\$ 800.00	88,800.00	\$ 845.00	93,795.00	\$ 784.00	87,024.00	\$ 1,000.00	111,000.00	\$ 80.00	8,880.00	\$ 361.00	40,071.00
16	12" PVC SANITARY SEWER MAIN (BOTOC)	50	LF	\$ 155.00	7,750.00	\$ 90.00	4,500.00	\$ 205.00	10,250.00	\$ 100.00	5,000.00	\$ 200.00	10,000.00	\$ 113.00	5,650.00
17	8" PVC SANITARY SEWER MAIN (BOTOC)	141	LF	\$ 150.00	21,150.00	\$ 70.00	9,870.00	\$ 170.00	23,970.00	\$ 100.00	14,100.00	\$ 175.00	24,675.00	\$ 100.00	14,100.00
18	REMOVE AND INSTALL 4' WIRE FENCE	102	LF	\$ 10.00	1,020.00	\$ 15.00	1,530.00	\$ 9.00	918.00	\$ 20.00	2,040.00	\$ 15.00	1,530.00	\$ 26.00	2,652.00
19	VACUUM TEST SANITARY SEWER MANHOLE	31	EA	\$ 175.00	5,425.00	\$ 150.00	4,650.00	\$ 179.00	5,549.00	\$ 200.00	6,200.00	\$ 300.00	9,300.00	\$ 220.00	6,820.00
20	TELEVISION INSPECTION	9064	LF	\$ 1.50	13,596.00	\$ 1.00	9,064.00	\$ 1.00	9,064.00	\$ 3.00	27,192.00	\$ 2.00	18,128.00	\$ 3.00	27,192.00
21	INSTALL HMAC PAVEMENT (2")(TY D)	50	SY	\$ 40.00	2,000.00	\$ 36.00	1,800.00	\$ 20.00	1,000.00	\$ 100.00	5,000.00	\$ 30.00	1,500.00	\$ 41.00	2,050.00
22	INSTALL HMAC PAVEMENT (4")(TY B)	50	SY	\$ 70.00	3,500.00	\$ 50.00	2,500.00	\$ 40.00	2,000.00	\$ 140.00	7,000.00	\$ 60.00	3,000.00	\$ 42.00	2,100.00
23	INSTALL TEMPORARY PAVING	50	SY	\$ 40.00	2,000.00	\$ 75.00	3,750.00	\$ 40.00	2,000.00	\$ 100.00	5,000.00	\$ 35.00	1,750.00	\$ 45.00	2,250.00
24	REMOVE AND REPLACE 6" THICKNESS FLEX BASE	377	SY	\$ 10.00	3,770.00	\$ 64.00	24,128.00	\$ 20.00	7,540.00	\$ 40.00	15,080.00	\$ 15.00	5,655.00	\$ 27.00	10,179.00
25	FLOWABLE BACKFILL	1801	CY	\$ 97.00	174,697.00	\$ 135.00	243,135.00	\$ 152.00	273,752.00	\$ 160.00	288,160.00	\$ 225.00	405,225.00	\$ 260.00	468,260.00
26	36" STEEL CASING (1/2") NOT INCLUDING CARRIER PIPE	506	LF	\$ 300.00	151,800.00	\$ 445.00	225,170.00	\$ 283.00	143,198.00	\$ 300.00	151,800.00	\$ 500.00	253,000.00	\$ 272.00	137,632.00
27	ROCK RIPRAP - TYPE A	821	CY	\$ 55.00	45,155.00	\$ 120.00	98,520.00	\$ 44.00	36,124.00	\$ 110.00	90,310.00	\$ 100.00	82,100.00	\$ 85.00	69,785.00
28	HYDROMULCH SEEDING OF WORK ZONE	49735	SY	\$ 0.50	24,867.50	\$ 0.60	29,841.00	\$ 0.50	24,867.50	\$ 0.60	29,841.00	\$ 0.50	24,867.50	\$ 1.00	49,735.00
29	TRENCH SAFETY AND SUPPORT	8952	LF	\$ 5.00	44,760.00	\$ 1.00	8,952.00	\$ 1.00	8,952.00	\$ 5.00	44,760.00	\$ 1.00	8,952.00	\$ 1.00	8,952.00
30	INVESTIGATION	3	EA	\$ 1,500.00	4,500.00	\$ 1,500.00	4,500.00	\$ 1,800.00	5,400.00	\$ 1,000.00	3,000.00	\$ 1,500.00	4,500.00	\$ 3,301.00	9,903.00
TOTAL BASE BID				\$ 2,705,440.50		\$ 2,749,049.00		\$ 3,008,388.50		\$ 3,074,383.00		\$ 3,278,222.50		\$ 3,437,908.00	
BOND				BOND		BOND		BOND		BOND		BOND		BOND	
Yes				Yes		Yes		Yes		Yes		Yes		Yes	

31	60" DIA. POLYMER WASTEWATER MANHOLE	31	EA	\$ 20,000.00	620,000.00	\$ 23,920.00	741,520.00	\$ 21,400.00	663,400.00	\$ 18,000.00	558,000.00	\$ 18,870.00	584,970.00	\$ 15,896.00	492,776.00
32	30" SANITITE HP SANITARY SEWER MAIN	1542	LF	\$ 155.00	239,010.00	\$ 175.00	269,850.00	\$ 225.00	346,950.00	\$ 200.00	308,400.00	\$ 170.00	262,140.00	\$ 217.00	334,614.00
33	24" SANITITE HP SANITARY SEWER MAIN	4244	LF	\$ 145.00	615,380.00	\$ 121.00	513,524.00	\$ 182.00	772,408.00	\$ 165.00	700,260.00	\$ 155.00	657,820.00	\$ 208.00	882,752.00
34	21" SANITITE HP SANITARY SEWER MAIN	3166	LF	\$ 140.00	443,240.00	\$ 112.00	354,592.00	\$ 168.00	531,888.00	\$ 140.00	443,240.00	\$ 147.00	465,402.00	\$ 200.00	633,200.00
35	21" SANITITE HP SANITARY SEWER MAIN (BOTOC)	111	LF	\$ 800.00	88,800.00	\$ 841.00	93,351.00	\$ 792.00	87,912.00	\$ 1,100.00	122,100.00	\$ 80.00	8,880.00	\$ 350.00	38,850.00

Base Bid	\$ 2,705,440.50	\$ 2,749,049.00	\$ 3,008,388.50	\$ 3,074,383.00	\$ 3,278,222.50	\$ 3,437,908.00
Bid With Alternate Manholes	\$ 2,756,390.50	\$ 2,956,653.00	\$ 3,171,236.50	\$ 3,075,183.00	\$ 3,413,892.50	\$ 3,543,834.00
Bid with Alternate Pipe	\$ 2,652,970.50	\$ 2,700,843.00	\$ 3,066,794.50	\$ 3,079,683.00	\$ 3,187,324.50	\$ 3,284,507.00
Bid with All Alternates	\$ 2,703,920.50	\$ 2,908,447.00	\$ 3,229,642.50	\$ 3,080,483.00	\$ 3,322,994.50	\$ 3,437,908.00



Engineering
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Kim Brawner, Director of Engineering
Date: November 13, 2018
Re:

Action Requested:

Consider and act to authorize the City Manager to execute an amendment to the Construction Manager at Risk Agreement to Establish the Guaranteed Maximum Price for Phase 1 of Fire Station #2 by and between the City of Celina and Hangartner, LLC in the amount of \$2,968,594.00 (Brawner)

Background Information:

The City of Celina executed a Contract Manager at Risk Agreement (CMAR) with Hangartner Commercial, Inc. on August 13, 2018 to construct Fire Stations #2, #3, and #4. The CMAR will serve as an independent contractor who works directly for the City of Celina as a construction manager to maximize the city's effort and will serve as the day-to-day manager of the project.

This Guaranteed Maximum Price (GMP) amendment includes the cost of the site utility work for Fire Station #2 at Light Farms. The site work includes all underground utilities, paving, building foundation, and steel frame for this fire station. A second amendment will be brought to City Council in approximately February 2019 that will cover the cost of completing the remainder of the project which will include interior finish out of the building, landscaping, and franchise work.

The current GMP is \$2,968,594.00.

Board Review/Citizen Input:

N/A

Alternatives:

The City could chose to not proceed with the project.

Financial Considerations:

The cost of this construction will be funded from the 2018 CO Bonds.

Legal Review:

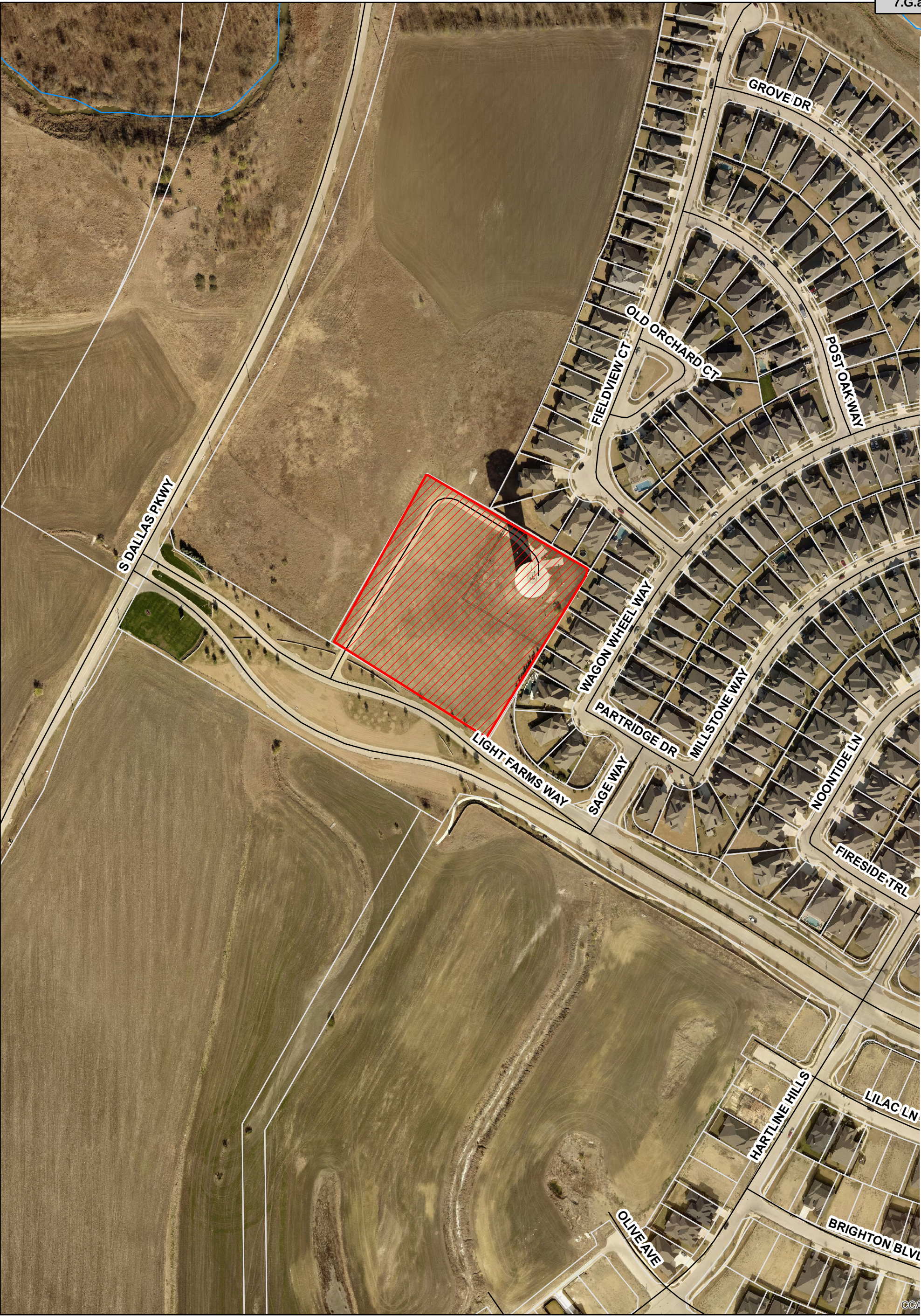
Staff is utilizing standard AIA construction documents.

Supporting Documents:

A133-2009 Exhibit A
Location Map

Staff Recommendation:

Staff recommends approval of the GMP.



Attachment: FireStation_LightFarms_10182018 (GMP Light Farms Fire Station Phase 1)



**Fire Station #2
Light Farms**

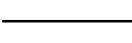
Date: 10/18/2018



0 165 330 Feet

Legend

 Fire Station

 Roads



BUDGET SUMMARY - SITE WORK & BUILDING SHELL

CITY OF CELINA - FIRE STATION NO 2

CELINA, TX

11/7/2018

CSI	DESCRIPTION	TOTAL
01000	GENERAL CONDITIONS	199,966
01000	GENERAL REQUIREMENTS	45,538
02000	EARTHWORK	170,000
02000	SITE SPECIALTIES	17,700
02000	LANDSCAPING & IRRIGATION	75,000
02000	UTILITIES	177,500
03000	CONCRETE	699,553
04000	MASONRY	142,500
05000	STRUCTURAL & MISCELLANEOUS STEEL	250,000
06000	CARPENTRY	58,500
07000	THERMAL & MOISTURE PROTECTION	29,600
07000	ROOFING	INCL
08000	DOORS, FRAMES & HARDWARE	56,500
08000	ENTRANCES, STOREFRONTS & CURTAINWALLS	30,000
09000	DRYWALL / ACOUSTICAL	63,500
09000	FLOORING	37,500
09000	PAINT & WALLCOVERING	40,000
10000	SPECIALTIES	19,250
12000	FURNISHINGS	50,250
15000	HVAC	79,950
15000	PLUMBING	55,000
15000	FIRE SUPPRESSION	22,000
16000	ELECTRICAL	200,000
17000	MISC ITEMS - ALTERNATES (SEE BELOW)	189,939
	INSURANCE	19,851
	PAYMENT & PERFORMANCE BOND	40,646
	BUILDING PERMIT - ALLOWANCE	-
	CONTINGENCY	85,861
	FEE	112,488

TOTAL

2,968,594

Attachment: Early Out GMP - Exhibit A (GMP Light Farms Fire Station Phase 1)

BUDGET QUALIFICATIONS - SITE WORK & BUILDING SHELL

CITY OF CELINA - FIRE STATION NO 2

CELINA, TX

11/7/2018

- 1 This proposal is based upon the following documents:
 - Early Out Drawings prepared by BRW Architects, dated October 15, 2018
 - Civil Drawings prepared by Pacheco Koch, stamped October 18, 2018
 - Project Manual Specifications prepared by BRW Architects, dated October 15, 2018
- 2 THIS PROPOSAL FOR THE GMP IS FOR THE SITE WORK AND BUILDING SHELL PER THE DRAWINGS AND PROJECT MANUAL MENTIONED ABOVE. ASSUMPTIONS HAVE BEEN MADE FOR ALL INTERIOR FINISHES, LANDSCAPING, IRRIGATION, EXTERIOR SITE FINISHES, PLUMBING FIXTURES, LIGHTING FIXTURES, SECTIONAL DOORS AND ANY OTHER ITEMS NOT SPECIFIED. THESE ASSUMPTIONS ARE TO BE CONSIDERED ALLOWANCES UNTIL FINAL CONSTRUCTION DOCUMENTS ARE ISSUED AND A SECOND PUBLIC BID HAS OCCURRED FOR CONTRACTING OF THESE ITEMS.
- 3 Project is considered new construction, therefore standard sales tax applies
- 4 This proposal is based upon a construction duration of 10 months
- 5 General Conditions are not fixed or guaranteed on a line item basis and will be reimbursed subject to the overall contract. An allowance of 2.5 days per month (non-accumulating) is included in the project schedule for adverse weather or other delays beyond the control of Hangartner Commercial. This allowance is on a month-by-month basis and unused days do not carry over to subsequent months. Hangartner will be entitled to a time extension and contract adjustment by change order for pro-rated per day general conditions as per contract budget for all days in excess of this allowance.
- 6 The quote includes approximately \$TBD for the future site (site utilities, earthwork, landscape/irrigation, site paving, entry approach and striping)
- 7 The building permit and plan review fee is EXCLUDED
- 8 Development, impact, deposits, roadway use, utility inspection and/or prorata fees are excluded
- 9 Testing services are excluded
- 10 Testing for abatement of hazardous or contaminated materials, including mold is excluded
- 11 Utility company design/construction charges or fees are excluded
- 12 Payment and performance bond is included
- 13 Premium costs for sustainable construction/materials is excluded
- 14 Overtime or project expediting is excluded
- 15 This proposal is based upon mutually agreeable contract terms
- 16 This proposal is based upon monthly draw payments being received by the 20th day of each month
- 17 Soil stabilization of any kind has been excluded
- 18 Rock excavation is excluded
- 19 Any work associated with Oncore, AT&T/Verizon and Atmos piping rough-in is excluded
- 20 6 - 18" dia Pier Casing @ 35' = \$12,250.00
- 21 22 - 30" dia Pier Casing @ 43' = \$72,000.00
- 22 This proposal is based upon one install of carton void forms. Separate charges to remove and replace weathered carton void forms will be billed on a Time & Material basis.
- 23 Fire protection system is based upon shell/finished out building coverage. Hile pile storage/in-rack coverage is excluded
- 24 The proposal is based on spreading foundation beam spoils, foundation pier spoils and electric underground trench spoils on future building site.
- 25 We exclude all furniture, window treatments, telephone/data wiring/terminations and/or equipment, security and/or controlled access systems.
- 26 We have included standard color selections for millwork, toilet partitions and interior doors.

Alternates:

1	ADD DUMPSTER ENCLOSURE	\$39,939
2	ADD BATTENLOK IN LIEU OF ULTRADEK	\$7,000
3	ADD SPRAY FOAM INSULATION IN LIEU OF FIBERGLASS BATT	\$17,500
4	ADD METAL LINER PANEL BELOW ROOF INSULATION IN APP BAY	\$10,500
5	ADD 2000 GALLON FUELLING STATION	\$100,000
6	ADD STORAGE MEZZANINE DECKING	\$15,000
TOTAL ALTERNATES:		\$189,939

CITY OF CELINA - FIRE STATION 2																
CELINA, TX																
ESTIMATE SUMMARY SHEET																
CSI	DESCRIPTION	LINK	QTY	UNIT	LABOR U/P	LABOR	PT&I	MATERIAL U/P	MATLS	SALES TAX	SUB U/P	SUBS	TOTAL	SUB BONDS	\$ SF	
01000	GENERAL CONDITIONS		1	LS		99,000	99,000	38,610	50,075	50,075	4,131	46,760.00	46,760	199,966		33.33
	JOBSITE OVERHEAD		1	LS					9,920	9,920	818	34,800.00	34,800	45,538		7.59
	GENERAL REQUIREMENTS		1	LS												
	IMPACT / TAP FEES - EXCLUDE		1	LS												
02000	EATHWORK														DIV 2	\$ 170,000
	EARTHWORK	SUB	1	LS							170,000.00	170,000	170,000		28.33	
	CLEAR & GRUB	SUB	4	ACRE												
	CUT & FILL	SUB	1	LS												
		SUB	1	LS												
	STRIP & STOCKPILE TOPSOIL	SUB	1	LS												
	MOISTURE CONDITION BUILDING PAD	SUB	1	SF												
	SELECT FIL CAP AT BUILDING PAD	SUB	1	SF												
	RESPREAD TOP SOIL	SUB	1	LS												
	EXCAVATE / GRADE SIDEWALKS	SUB	1	SF												
	LAYOUT FOR EARTHWORK	SUB	1	LS												
	DEMO CONCRETE	SUB	1	LS												
	EROSION CONTROL	SUB	1	LS												
	CONSTRUCTION ENTRANCE	SUB	1	LS												
	STAGING AREA - AGGREGATE	SUB	1	LS												
	GRAVEL ACCESS ROAD	SUB	1	LS												
	INLET PROTECTION	SUB	1	LS												
	EROSION CONTROL	SUB	1	LS												
	REMOVE EROSION CONTROL	SUB	1	LS												
02100	SITE SPECIALTIES														DIV 2	\$ 17,700
	PAVEMENT MARKINGS	SUB	1	LS							6,500.00	6,500	6,500		1.08	
	PARKING SPACES	SUB	1	EA												
	FIRE LANE STRIPING	SUB	1	LF												
	HANDICAP PARKING SYMBOLS	SUB	1	EA												
	HANDICAP PARKING SIGNS	SUB	1	EA												
	CROSSWALK STRIPING	SUB	1	LF												
	WHEELSTOPS	SUB	1	EA												
	POWER WASH PAVING	SUB	1	SF												
	STOP SIGNS	SUB	3	EA							1,100.00	3,300	3,300		0.55	
	FLAG POLES	SUB	2	EA							3,500.00	7,000	7,000		1.17	
	TERMITE TREATMENT	SUB	1	LS												
	TERMITE TREATMENT	SUB	6000	SF							0.15	900	900		0.15	
02000	LANDSCAPE & IRRIGATION														DIV2	\$ 75,000
	LANDSCAPE	SUB	1	LS							35,000.00	35,000	35,000		5.83	
	LANDSCAPE	SUB	1	LS												
	SHUMARD RED OAK - 3", 10'-12"	SUB	1	EA												
	LACEBARK ELM - 3", 10'-12"	SUB	1	EA												
	CHINESE PISTACHIO - 3", 10'-12"	SUB	1	EA												
	YALPON HOLLY - 6"	SUB	1	EA												
	RED FLOWERING CREPE MYRTLE - 8"	SUB	1	EA												
	DWARF BUFORD HOLLY - 5 GAL	SUB	1	EA												
	RED YUCCA - 5 GAL	SUB	1	EA												
	DWARF YALPON HOLLY - 5 GAL	SUB	1	EA												
	MEXICAN FEATHER GRASS - 1 GAL	SUB	1	EA												
	STEEL EDGING	SUB	1	LF												
	BERMUDA SOD	SUB	1	SY												
	BED PREP	SUB	1	LS												
	IRRIGATION	SUB	1	LS							35,000.00	35,000	35,000		5.83	
	SLEEVES	SUB	1	LS							5,000.00	5,000	5,000		0.83	
02000	UTILITIES														DIV 2	\$ 177,500
	WATER	SUB	1	LS							117,500.00	117,500	117,500		19.58	
	WATER MAIN - 12"	SUB	1	LF												
	WATER MAIN - 8"	SUB	1	LF												
	WATER MAIN - 6"	SUB	1	LF												
	FIRE HYDRANTS	SUB	1	EA												
	1" IRRIGATION METER	SUB	1	EA												
	2" IRRIGATION METER	SUB	1	EA												
	DOMESTIC/IRRIGATION WATER LINE	SUB	1	LF												
	CASED BORE	SUB	1	LF												
	SANITARY SEWER	SUB	1	LS							53,500.00	53,500	53,500		8.92	
	SANITARY SEWER - 8"	SUB	1	LF												
	SANITARY SEWER - 6"	SUB	1	LF												
	SS MANHOLES	SUB	1	EA												
	STORM DRAIN	SUB	1	LS							2,500.00	2,500	2,500		0.42	
	STORM PIPE - RCP	SUB	1	LF												
	18"	SUB	1	LF												
	12"	SUB	1	LF												
	HEADWALLS	SUB	1	EA												
	4X4 Y INLET	SUB	1	EA												
	GRATE INLETS	SUB	1	LF												
	CATCH BASINS	SUB	1	EA												
	GROUTED RIP-RAP	SUB	1	LS												
	MISCELLANEOUS	SUB	1	LS												
	PLATES, BARRICADES, TRAFFIC CONTROL	SUB	1	LS							4,000.00	4,000	4,000		0.67	
	LAYOUT	SUB	1	LS												
	TRENCH SAFETY	SUB	1	LS												
	PIPE TESTING	SUB	1	LS												
	INSPECTION FEE - 4.5%	SUB	1	LS												
	PERMITS	SUB	1	LS												
03000	CONCRETE														DIV 3	\$ 699,553
	BUILDING CONCRETE	SUB	1	LS												
	18" PIERS	SUB	1	EA							10,011.00	10,011	10,011		1.67	

	Building	Site	Finishes
40.92	66,655 15,179	66,655 15,179	66.65 15.17
28.33		170,000	
2.95		6,500	
	900	3,300 7,000	
12.50		35,000	
29.58		35,000 5,000	
116.59	10,011		

Attachment: Early Out GMP - Exhibit A (GMP Light Farms Fire Station Phase 1)

Attachment: Early Out GMP - Exhibit A (GMP Light Farms Fire Station Phase 1)

[illegible]

9.42

5.00

10.58

6.25

6.67

Attachment: Early Out GMP - Exhibit A (GMP Light Farms Fire Station Phase 1)

	TAPE, BED & PAINT	SUB	1	LS	-	-	-	-	-	-	40,000.00	40,000	40,000		6.67
	TAPE & BED	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	PAINTING	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	PAINT EXPOSED STRUCTURE	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	PAINT RAILINGS	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	PAINT DUMPSTER ENCLOSURE AND GATES	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	PAINT BOLLARDS	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	PAINT HM DOOR FRAMES	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	PAINT HM DOORS	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
10000	SPECIALTIES													DIV 10	\$ 19,250
	FENCING	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	WOOD FENCE	SUB	1	LF	-	-	-	-	-	-	5,000.00	5,000	5,000		0.83
	SIGNAGE	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	INTERIOR SIGNAGE	SUB	1	LS	-	-	-	-	-	-	10,000.00	10,000	10,000		1.67
	- WAYFINDING SIGNS, DIRECTORIES, PLAQUE, ETC	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	- CODE REQUIRED SIGNAGE	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	INSTALLATION	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	TOILET PARTITIONS	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	TOILET PARTITIONS - OVERHEAD HUNG, PLASTIC LAMINATE	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	URINAL SCREEN - WALL HUNG, PLASTIC LAMINATE	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	INSTALLATION	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	TOILET ACCESSORIES	SUB	1	LS	-	-	-	-	-	-	3,000.00	3,000	3,000		0.50
	TOILET ACCESSORIES	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	INSTALLATION	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	FIRE EXTINGUISHERS & CABINETS	SUB	1	LS	-	-	-	-	-	-	600.00	600	600		0.10
	FIRE EXTINGUISHERS & CABINETS	SUB	1	EA	-	-	-	-	-	-	-	-	-		-
	INSTALLATION	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	KNOX BOX	SUB	1	LS	-	-	-	-	-	-	650.00	650	650		0.11
	KNOX BOX	SUB	1	EA	-	-	-	-	-	-	-	-	-		-
	INSTALLATION	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	PROJECTION SCREENS & PROJECTOR MOUNTS	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	PROJECTION SCREEN - ELEC OPERATED - 6'X8'	SUB	1	EA	-	-	-	-	-	-	-	-	-		-
	INSTALLATION	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
11000	EQUIPMENT													DIV 11	\$ -
	NOT USED														-
12000	FURNISHINGS													DIV 12	\$ 50,250
	BLINDS	SUB	1	EA	-	-	-	-	-	-	2,500.00	2,500	2,500		0.42
	BLACK OUT SHADES	SUB	1	EA	-	-	-	-	-	-	750.00	750	750		0.13
	FURNISHINGS, FIXTURES & EQUIPMENT	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	BUNKER GEAR	SUB	6	LS	-	-	-	-	-	-	2,000.00	12,000	12,000		2.00
	APPLIANCES	SUB	1	LS	-	-	-	-	-	-	35,000.00	35,000	35,000		5.83
15000	FIRE SUPPRESSION														\$ 22,000
	WET PIPE SYSTEM	SUB	1	SF	-	-	-	-	-	-	22,000.00	22,000	22,000		3.67
	PIPE - SCHEDULE 10	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	BACKFLOW PREVENTER - INSIDE BUILDING	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	FDC - WALL MOUNT	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
15000	HVAC														\$ 79,950
	RTU	SUB	15	TONS	-	-	-	-	-	-	5,250.00	78,750	78,750		13.13
	DUCTLESS SPLIT SYSTEM	SUB	1	EA	-	-	-	-	-	-	-	-	-		-
	ELECTRIC UNIT HEATER	SUB	1	A	-	-	-	-	-	-	-	-	-		-
	ROOF MOUNTED EXHAUST FAN	SUB	1	EA	-	-	-	-	-	-	-	-	-		-
	INLINE EXHAUST FAN AND LOUVER	SUB	1	EA	-	-	-	-	-	-	-	-	-		-
	FRILLED AND DIFFUSERS	SUB	1	EA	-	-	-	-	-	-	-	-	-		-
	TEST AND BALANCE	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	RTU CURBS	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	FACTORY MOUNTED DISCONNECTS	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	MISCELLANEOUS	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	MECHANICAL IDENTIFICATION	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	ACCESS PANELS	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	FIRESTOP PENETRATIONS	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	HOISTING	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	BUILDING ENERGY MODELING	SUB	1	LS	-	-	-	-	-	-	1,200.00	1,200	1,200		0.20
15000	PLUMBING													DIV 15	\$ 55,000
	PLUMBING	SUB	1	LS	-	-	-	-	-	-	55,000.00	55,000	55,000		9.17
	DOMESTIC WATER PIPING	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	SANITARY SEWER PIPING	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	FIXTURES	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	GAS PIPING AT BUILDING	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	GAS LIG PRIVATE LINE	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	GAS SERVICE - ATMOS	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
16000	ELECTRICAL													DIV 16	\$ 200,000
	SITE ELECTRICAL	SUB	1	LS	-	-	-	-	-	-	200,000.00	200,000	200,000		33.33
	UNDERGROUND TELEPHONE CONDUIT	SUB	1	LF	-	-	-	-	-	-	-	-	-		-
	PRIMARY CONDUITS	SUB	1	LF	-	-	-	-	-	-	-	-	-		-
	SECONDARY SERVICE TO BUILDING	SUB	1	LF	-	-	-	-	-	-	-	-	-		-
	SITE LIGHTING	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	BUILDING	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	LIGHTING	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	POWER FOR SYSTEMS - PHONE, F/A, SECURITY AND IRRIGATION	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	POWER TO RTU'S	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	POWER TO FPB'S	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	WIRING DEVICES	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	800 AMP SERVICE	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	CONDUIT AND PULL STRING FOR PHONE	SUB	1	LS	-	-	-	-	-	-	-	-	-		-
	GROUNDING	SUB	1	LS	-	-	-	-	-	-	-	-	-		-

3.21

650

8.38

3.67

13.33

9.17

33.33

Attachment: Early Out GMP - Exhibit A (GMP Light Farms Fire Station Phase 1)

[illegible]

SUBTOTALS		99,000	38,610	59,995	4,950	2,545,802	2,709,747	451.62	\$ 2,709,747
PT&F RATE	39%				EXCLUDE	0.00%			
SALES TAX	2.25%					0.00%	108,390	18.06	
BLDG AREA	6,000					1.50%	40,646	6.77	
SITE AREA	-					BR INSURANCE	3,252	0.54	
						TOTAL	2,862,034	477.01	
						ADJUSTMENTS			
						GL INSURANCE	14,310	2.39	
						SAFETY	2,290	0.38	
						BUILDING PERMIT	-	-	
					EXCLUDE	-	-	-	
						CONTINGENCY	85,861	14.31	
						FEE ON ADJUSTMENTS	4,098	0.68	
							-	-	
						ADJUSTED TOTAL =	2,968,594	494.77	\$ 2,968,594
							-	-	
						FINAL		-	
						FINAL BID AMOUNT =		-	

2019	2020	2021
31.66		
	39,939	
7,000		
17,500		10,500
15,000	100,000	
451.62		
1,051,462	1,015,400	642,880
36,129.95	36,129.95	36,129.95
13,548.73	13,548.73	13,548.73
1,083.90	1,083.90	1,083.90
4,770.06	4,770.06	4,770.06
763.21	763.21	763.21
28,620.34	28,620.34	28,620.34
1,366.14	1,366.14	1,366.14
1,137,744	1,101,682	729,160
189.62	183.61	121.5

AIA Document A133™ - 2009 Exhibit A

Guaranteed Maximum Price Amendment

for the following PROJECT:

Fire Station #2 – Light Farms
1803 Light Farms Way
Celina, TX 75009

THE OWNER:

City of Celina, Texas
142 N. Ohio
Celina, Texas 75009

THE CONSTRUCTION MANAGER:

Hangartner Commercial, Inc.
239 W Pecan St. Suite 102
Celina, TX 75009

ARTICLE A.1

§ A.1.1 Guaranteed Maximum Price

Pursuant to Section 2.2.6 of the Agreement, the Owner and Construction Manager hereby amend the Agreement to establish a Guaranteed Maximum Price. As agreed by the Owner and Construction Manager, the Guaranteed Maximum Price is an amount that the Contract Sum shall not exceed. The Contract Sum consists of the Construction Manager's Fee plus the Cost of the Work, as that term is defined in Article 6 of this Agreement.

§ A.1.1.1 The Contract Sum is guaranteed by the Construction Manager not to exceed **Two Million Nine Hundred Sixty-Eight Thousand Five Hundred Ninty Four Dollars and Zero Cents (\$ 2,968,594.00)**, subject to additions and deductions by Change Order as provided in the Contract Documents.

§ A.1.1.2 Itemized Statement of the Guaranteed Maximum Price. Provided below is an itemized statement of the Guaranteed Maximum Price organized by trade categories, allowances, contingencies, alternates, the Construction Manager's Fee, and other items that comprise the Guaranteed Maximum Price.

Reference Attached Budget Summary Worksheet – Exhibit “A”

§ A.1.1.3 The Guaranteed Maximum Price is based on the following alternates, if any, which are described in the Contract Documents and are hereby accepted by the Owner: *(State the numbers or other identification of accepted alternates. If the Contract Documents permit the Owner to accept other alternates subsequent to the execution of this Amendment, attach a schedule of such other alternates showing the amount for each and the date when the amount expires.)*

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201™-2007, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

Attachment: A133-2009 - Early Out GMP (GMP Light Farms Fire Station Phase 1)

Alternate No. 1 – ADD DUMPSTER ENCLOSURE	\$39,939.00
Alternate No. 2 – ADD BATTENLOK ROOF IN LIEU OF ULTRADEK ROOF	\$7,000.00
Alternate No. 3 – ADD SPRAY FOAM INSULATION IN LIEU OF FIBERGLASS BATT	\$17,500.00
Alternate No. 4 – ADD METAL LINER PANEL BELOW ROOF INSULATION IN APP BAY	\$10,500.00
Alternate No. 5 – ADD 2000 GALLON FUELING STATION	\$100,000.00
Alternate No. 6 – ADD STORAGE MEZZANINE DECKING	\$15,000.00

§ **A.1.1.4** Allowances included in the Guaranteed Maximum Price, if any:
(Identify allowance and state exclusions, if any, from the allowance price.)

ITEM	PRICE:
Contractor's Contingency	3% of GMP
P&P Bond	1.5% of GMP
BR Insurance	0.12% of GMP
GL Insurance	0.5% of GMP

§ **A.1.1.5** Assumptions, if any, on which the Guaranteed Maximum Price is based:

This contract sum for the GMP is for the Site Work and Building Shell per the Drawings and Project Manual mentioned in Sections A.1.1.7 and A.1.1.8 of this Document. Assumptions have been made for all Interior Finishes, Landscaping, Irrigation, Exterior Site Finishes, Plumbing Fixtures, Lighting Fixtures, Sectional Doors and any other items not specified in the Site Work and Building Shell package issued by BRW Architects October 15, 2018 and updated Bid Documents on October 19, 2018. These assumptions are to be considered allowances until final Construction Documents are issued and a second Public Bid has occurred for contracting of these items. Assumptions and allowances are subject to additions and deductions by Change Order as provided in the Contract Documents.

§ **A.1.1.6** The Guaranteed Maximum Price is based upon the following Supplementary and other Conditions of the Contract:

Document	Title	Date	Pages
AIA A133-2009	Agreement between Owner and Construction Manager	08/14/2018	16

§ **A.1.1.7** The Guaranteed Maximum Price is based upon the following Specifications:
(Either list the Specifications here, or refer to an exhibit attached to this Agreement.)

Section	Title	Date	Pages
Project Manual	Fire Station No. 2 – Light Farms	10/15/2018	497
Volume 1	Site Work and Building Shell Project Manual		

§ **A.1.1.8** The Guaranteed Maximum Price is based upon the following Drawings:
(Either list the Drawings here, or refer to an exhibit attached to this Agreement.)

Number	Title	Date
Drawing Set	Fire Station No. 2 – Light Farms	10/15/2018
	Site Work and Building Shell Drawing Set	

§ **A.1.1.9** The Guaranteed Maximum Price is based upon the following other documents and information:
(List any other documents or information here, or refer to an exhibit attached to this Agreement.)

Addendum 1 – CONSTRUCTION MANAGER AT RISK AGREEMENT

Addendum 2 – AIA A201-2007 GENERAL CONDITIONS OF THE CONTRACT FOR CONSTRUCTION

Addendum 3 – SUPPLEMENTARY CONDITIONS TO AIA A133-2009

ARTICLE A.2

§ **A.2.1** The anticipated date of Substantial Completion established by this Amendment:

01/15/2019

OWNER (Signature)

CONSTRUCTION MANAGER (Signature)

(Printed Name and Title)

Ben Hangartner, President

(Printed Name and Title)

Attachment: A133-2009 - Early Out GMP (GMP Light Farms Fire Station Phase 1)



Engineering
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Kim Brawner, Director of Engineering
 Date: November 13, 2018
 Re: Temporary Building Contract

Action Requested:

Consider and act to authorize the City Manager to execute a contract between the City of Celina and KS State Bank in the amount of \$340,818.00 for purchase of a modular building. (Brawner)

Background Information:

The City purchased the building located at 112 N Colorado Street from the First United Methodist Church and is referred to as the "Annex". All public meetings have since been held in the Annex. During the business week, the Annex houses the Engineering and Development Services departments of City Hall. City staff moved into the building with minimal modification. As the city has continued to grow, the existing building infrastructure does not meet the needs of the public. Developers and citizens do not have direct access to engineering and development services staff and the existing ADA access is minimal. The public has to knock on a basement door to enter the building. In addition, the existing office space does not provide sufficient space for current and authorized staff.

Council has approved a contract to allow the Annex to undergo extensive remodeling to bring into compliance with current design standards for ADA, wiring, and plumbing and to make the space more usable for the Engineering and Development Services departments. In addition to the Annex remodeling, the utility billing and finance areas of city hall will also undergo some minor remodeling to accommodate staffing increases and the EDC building located at 302 W Walnut Street will be remodeled. During the reconstruction of these buildings, approximately 40 staff members will need to be relocated.

The proposed resolution authorizes a contract between the City of Celina and KS State Bank for the purchase of a modular building. This modular building will house engineering, developments services, and EDC for the duration of the remodel project. After the reconstruction is complete, the building will be turned over to the City of Celina Police Department for use as their office space until such time that a new facility is constructed for the Police Department.

Board Review/Citizen Input:

Staff presented the information for this remodel at the October 2018 City Council workshop. Staff was directed to proceed with the contract negotiation.

Alternatives:

City council could not approve the contract.

Financial Considerations:

Financing for this contract will be provided from existing allocated funds.

Legal Review:

City attorney has reviewed the attached contract.

Supporting Documents:

Contract

Staff Recommendation:

Staff recommends approval of the resolution.

EXHIBIT D

OBLIGOR RESOLUTION

RE: Government Obligation Contract dated as of November 15, 2018, between KS StateBank (Obligee) and City of Celina, Texas (Obligor)

At a duly called meeting of the Governing Body of the Obligor (as defined in the Contract) held on November 13, 2018 the following resolution was introduced and adopted:

BE IT RESOLVED by the Governing Body of Obligor as follows:

1. **Determination of Need.** The Governing Body of Obligor has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit A of the Government Obligation Contract dated as of November 15, 2018, between City of Celina, Texas (Obligor) and KS StateBank (Obligee).
2. **Personal Property Finance Act.** The Governing Body of Obligor will enter into the Contract, together with all related documents, as authorized by the Public Property Finance Act, Subchapter A, Chapter 271, Local Government Code (the "PPFA").
3. **Pledge of Taxes.** For each year in which Contract Payments are due pursuant to the Contract, there shall be levied, as authorized by the PPFA, an ad valorem tax within the limits prescribed by law that is sufficient (together with other funds lawfully available to Obligor and applied for such purpose) to provide for the timely payment of Contract Payments when due.
4. **Approval and Authorization.** The Governing Body of Obligor has determined that the Contract, substantially in the form presented to this meeting, is in the best interests of the Obligor for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Contract by the Obligor and hereby designates and authorizes the following person(s) to execute and deliver the Contract on Obligor's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Contract.

Authorized Individual(s): Jason Laumer, City Manager

(Typed or Printed Name and Title of individual(s) authorized to execute the Contract)

5. **Adoption of Resolution.** The signatures below from the designated individuals from the Governing Body of the Obligor evidence the adoption by the Governing Body of this Resolution.

Signature: _____

(Signature of Secretary, Board Chairman or other member of the Governing Body)

Printed Name & Title: _____

(Printed Name and Title of individual who signed directly above)

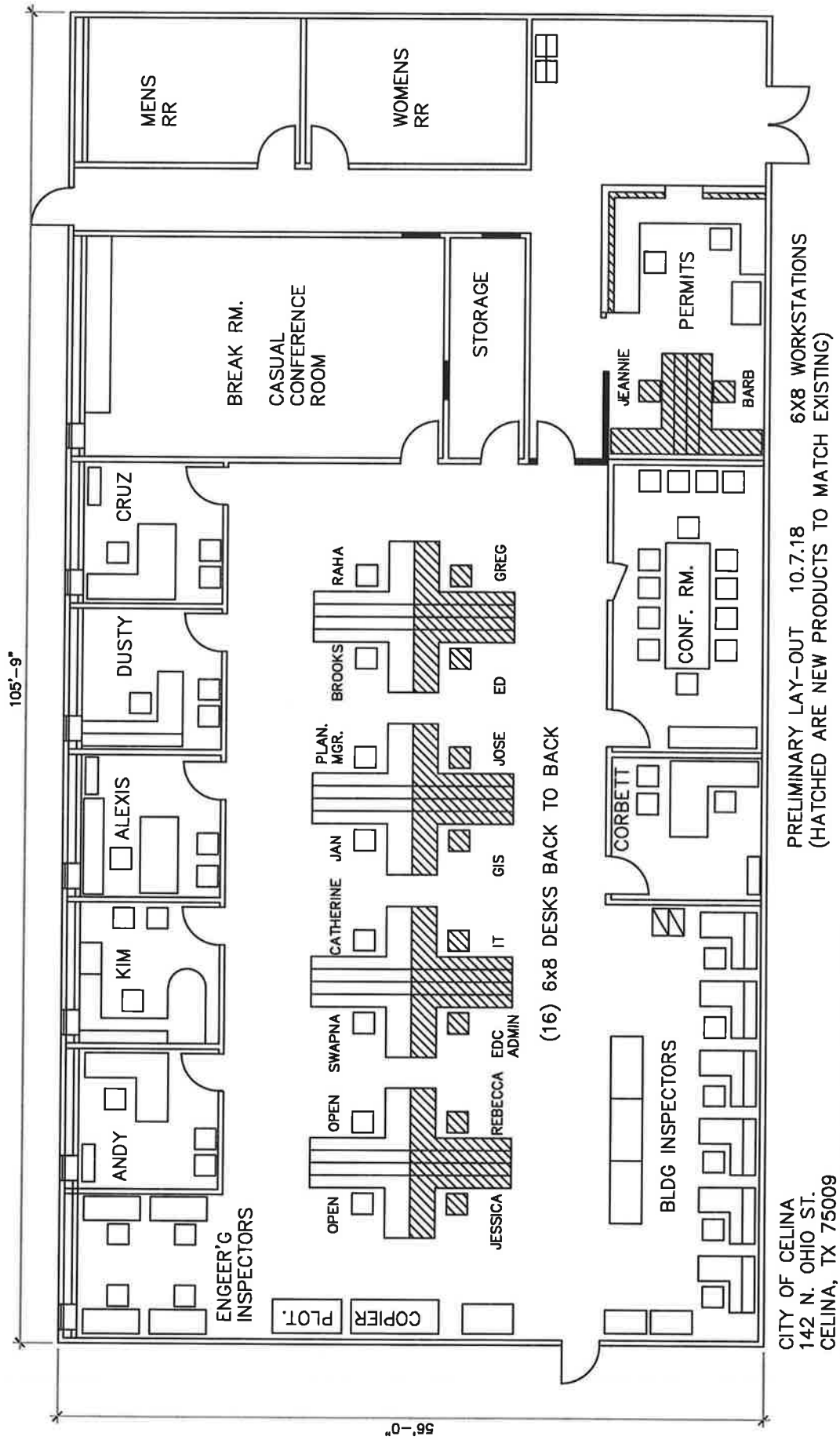
Attested By: _____

(Signature of one additional person who can witness the passage of this Resolution)

Printed Name & Title: _____

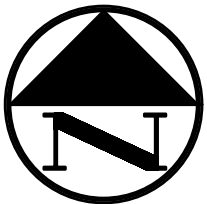
(Printed Name of individual who signed directly above)

Attachment: pg 11 - GOC - 3354490 (Temporary Facility)



Attachment: modular building 10.09.18 (Temporary Facility)

D:\COVER
9/17/2016 5:41 PM
M:\VWC-38\3800-18.216\DWG\CIVIL C3D 2016\EXHIBIT.DWG



LEGEND

B.	BOLLARD
EM	ELECTRIC METER
PP.	POWER POLE
LS.	LIGHT STANDARD
WM.	WATER METER
WV.	WATER VALVE
ICV.	IRRIGATION CONTROL VALVE
FH.	FIRE HYDRANT
CO.	CLEANOUT
MH.	MANHOLE
TSC.	TRAFFIC SIGNAL CONTROL
TSP.	TRAFFIC SIGNAL POLE
TELE.	TELEPHONE BOX
FL.	FLOOD LIGHT
FP.	FLAG POLE
SIG.	TRAFFIC SIGN
IRS	1/2-INCH IRON ROD
(C.M.)	W/"PACHECO KOCH" CAP SET
---	CONTROLLING MONUMENT
---	PROPERTY LINE
---	FENCE
⊕	COORDINATE DESIGNATION
---	PROPOSED FENCE

7557 RAMBLER ROAD, SUITE 1400
DALLAS, TX 75231 972.235.3031
TX REG. ENGINEERING FIRM F-469
TX REG. SURVEYING FIRM LS-10008000

EXHIBIT

CITY OF CELINA, COLLIN COUNTY, TEXAS

DESIGN	DRAWN	DATE	SCALE	NOTES	FILE	NO.
DEV	DMG	SEPT 2018	1"=10'			EX1



Engineering
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Catherine Oduro, Engineer
CC: Kim Brawner, Director of Engineering
Date: November 13, 2018
Re: Decommission Downtown Lift Station

Action Requested:

Consider and act to authorize the City Manager to execute a contract between the City of Celina and ANA Construction in the amount of \$123,998.75 (includes 15% contingency) for the decommission of an existing lift station in downtown behind Lucy's restaurant. (Brawner)

Background Information:

The recent Wastewater modeling indicated the Lucy's Lift Station to be decommission. The exiting force main runs under the covered concrete patio for future Bongo Beaux restaurant which will be undergoing construction soon. The City would like to abandon the force main and install a new gravity line in an obtained easement on the western edge of the Bongo Beaux's property.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

Funds are available within the 2018 bond funds.

Legal Review:

Standard contract documents are being utilized which the City Attorney has previously reviewed and approved.

Supporting Documents:

Location Map; Standard Form of Agreement; Bid Tabulations

Staff Recommendation:

Approve the proposed contract.

**PROPOSALS, SPECIFICATIONS
CONTRACT & BOND FORMS**



**CITY OF CELINA
DECOMMISSIONING OF LUCY'S LIFT STATION
S-06 (CIP-18-5442)**

CITY COUNCIL

Sean Terry, Mayor

Bill Webber, Council Member Place 1

Wayne Nabors, Council Member Place 2

Andy Hopkins, Council Member Place 3

Carmen Roberts, Council Member Place 4

Mindy Koehne, Council Member Place 5

Chad Anderson, Council Member Place 6, Mayor Pro Tem

CITY STAFF

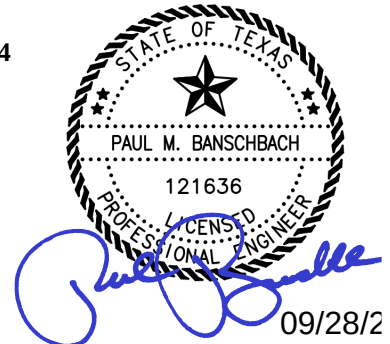
Jason Laumer, City Manager

Vicki Faulkner, City Secretary

Kimberly Brawner, P.E., Director of Engineering

GARVER LLC,
3010 GAYLORD PARKWAY, SUITE 190, FRISCO TX-75034
817-740-9575
972-377-8380
T.B.P.E. FIRM REGISTRATION # F-5713

SEPTEMBER, 2018



REGISTRATION NO.

F-5713

Packet Pg. 427

**CITY OF CELINA
DECOMMISSIONING OF LUCY'S LIFT STATION
PROJECT NUMBER: S06 (CIP- 18-5442)**

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APPENDIX

Appendix A.....Approved Material list



**CITY OF CELINA
ADVERTISEMENT FOR BID**

The **City of Celina** is soliciting Bids for the following Project:

DECOMMISSIONING OF LUCY'S LIFT STATION

The project is located at the intersection of W. Walnut (FM 455) and the alley behind Lucy's restaurant and includes but not limited to the following:

1. Construction of approximately 280 LF of 8" gravity sewer lines by open cut, approximately 70-LF of 8" gravity sewer lines and 18" steel casing pipe by other than open cut, and associated manholes;
2. In-place abandonment of approximately 365-LF of 6" sewer line and an existing wet well;
3. Rerouting all service connections at the existing wet well to a new proposed manhole

Sealed Bids will be received at the Celina City Hall located at 142 N. Ohio Drive, Celina, Texas 75009 until 3:00 PM on October 24, 2018 and then publicly opened and read aloud at this same time and place. Bids received after this time will be returned unopened.

Address Bids to **Catherine Oduro, Engineering Services Department.**

Plans, specifications and bid documents are available at Garver's online plan room (<http://planroom.garverusa.com>) for a fee of **\$30**. These documents may be downloaded by entering Quest Project Number **5968825** on the "Browse Projects" page and selecting this project from the "Plan Room" link. For assistance and free membership registration, contact QuestCDN at 952.233.1632 or info@questcdn.com.

Addendums to the bid package will be issued through the online Plan Holders List; therefore, all prime bidders shall be responsible for downloading the bid documents from the online plan room in order to be included in the Plan Holder List. Prime bidders should be registered on the Plan Holders List in order to submit a bid on the project.

Published: Celina Record, October 12, 2018 and October 19, 2018

SECTION 00200
INFORMATION FOR BIDDERS

PART 1 - GENERAL

1.1 SCOPE OF PROJECT

- A. The City of Celina, Texas (herein called Owner) invites proposals for the decommissioning of the existing Lucy's lift station, complete in accordance with the plans and specifications contained herein.
- B. Bidders will familiarize themselves with the location of the project and the various types of work to be done as well as the type of material that is to be excavated.

1.2 DEFINED TERMS

- A. Terms used in these Instructions to Bidders which are defined in the Standard General Conditions of the Construction Contract have the meanings assigned to them in distinct from a sub-bidder, who submits a bid to a Bidder. The term "Successful Bidder" means the lowest, qualified, responsible and responsive Bidder to whom OWNER (on the basis of OWNER's evaluation as hereinafter provided) makes an award. The term "Bidding Documents" includes the Advertisement or Notice to Contractors, Instructions to Bidders, the Bid Form, the proposed Contract Documents, and the plans and specifications (including all Addenda issued prior to receipt of Bids.)
- B. Other terms used in the Bidding Documents and not defined elsewhere have the following meanings which are applicable to both the singular and plural thereof:
 - 1. The term "Shall" means mandatory. The term "May" means permission is required by the OWNER or ENGINEER.

1.3 PROPOSALS AND METHOD OF BIDDING

- A. The proposal consists of various items of work. Bidders will provide prices for each item in the proposal. The unit prices will be entered in the appropriate spaces in both script and figures. Should the Bidder have costs for any incidental work where a bid item does not occur, the costs of such work will be reflected in the unit costs of the bid items in the proposal. No separate payment will be made for any work other than those items occurring in the proposal.
- B. Complete sets of the Bidding Documents in the number and for the deposit sum, stated in the Advertisement, may be obtained from the offices of the Engineer. The deposit is non-refundable.
- C. Complete sets of the Bidding Documents must be used in preparing Bids; neither OWNER nor ENGINEER assume any responsibility for errors or misinterpretations resulting from the use of incomplete sets of Bidding Documents.

- D. OWNER and ENGINEER in making copies of Bidding Documents available on the above terms do so only for the purpose of obtaining Bids on the Work and do not confer a license or grant for any other use.
- E. The decommissioning of the Lucy's lift station includes, but is not limited to the following items of work:
 1. Construction of approximately 280 LF of 8" gravity sewer lines by open cut, approximately 70-LF of 8" gravity sewer lines and 18" steel casing pipe by other than open cut, and associated manholes;
 2. In-place abandonment of approximately 365-LF of 6" sewer line and an existing wet well;
 3. Rerouting all service connections at the existing wet well to a new proposed manhole

1.4 OBLIGATION OF BIDDER

- A. It is the responsibility of each Bidder before submitting a Bid, to (a) examine the Contract Documents thoroughly, (b) visit the site to become familiar with local conditions that may affect cost, progress, performance or furnishing of the Work, (c) consider federal, state and local Laws and Regulations that may affect cost, progress, performance or furnishing of the work, (d) study and carefully correlate Bidder's observations with the Contract documents, and (e) notify ENGINEER of all conflicts, errors or discrepancies in the Contract Documents. The failure or omission of any Bidder to examine any form, instrument or document shall in no way relieve any Bidder from any obligation in respect of his bid.
- B. Information and data reflected in the Contract Documents with respect to Underground Facilities at or contiguous to the site is based upon information and data furnished to OWNER and ENGINEER by owners of such Underground Facilities or others, and OWNER does not assume responsibility for the accuracy or completeness thereof unless it is expressly provided otherwise in the Supplementary Conditions.
- C. Provisions concerning responsibilities for the adequacy of data furnished to prospective Bidders on subsurface conditions. Underground Facilities and other physical conditions, and possible changes in the Contract Documents due to differing conditions of the Contract Documents.
- D. Before submitting a Bid, each Bidder will, at Bidder's own expense, make or obtain any additional examinations, investigations, explorations, tests and studies and obtain any additional information and data which pertain to the physical conditions (surface, subsurface and Underground Facilities) at or contiguous to the site or otherwise which may affect cost, progress, performance or furnishing of the Work and which Bidder deems necessary to determine its Bid for performing and furnishing the work in accordance with the time, price and other terms and conditions of the Contract Documents.
- E. On request in advance, OWNER will provide each Bidder access to the site to conduct such explorations and tests as each Bidder deems necessary for submission of a Bid. Bidder shall fill all holes, clean up and restore the site to its former condition upon completion of such exploration.
- F. The lands upon which the Work is to be performed, rights-of-way and easements for access thereto and other lands designated for use by Contractor in performing the Work are identified in the contract Documents. All additional lands and access thereto required for temporary

construction facilities or storage of materials and equipment are to be provided by Contractor. Easements for permanent structures or permanent changes in existing structures are to be obtained and paid for by OWNER unless otherwise provided in the Contract Documents.

- G. The submission of a Bid will constitute an incontrovertible representation by Bidder that Bidder has complied with every requirement of this section, that without exception the Bid is premise upon performing and furnishing the Work required by the Contract Documents and such means, methods, techniques, sequences or procedures of construction as may be indicated in or required by the contract Documents, and that the contract Documents are sufficient in scope and detail to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

1.5 INTERPRETATIONS AND ADDENDA

- A. All questions about the meaning or intent of the contract Documents are to be directed to ENGINEER. Interpretations or clarifications considered necessary by ENGINEER in response to such questions will be issued by Addenda mailed or delivered to all parties recorded by ENGINEER as having received the Bidding Documents. Questions received less than two days prior to the date for opening of Bids may not be answered. Only questions answered by formal written Addenda will be binding. Oral and other interpretations or clarifications will be without legal effect.
- B. Addenda may also be issued to modify the Bidding Documents as deemed advisable by OWNER or ENGINEER. EACH ADDENDA, if so issued, shall be acknowledged by the CONTRACTOR and included with the documents presented at the bid opening. Receipt of Addenda must be acknowledged in the spaces provided in the bid form.

1.6 CONTRACT TIME

- A. The numbers of days within which the Work is to be completed and ready for final payment (the Contract Time) are set forth in the Bid Form and the Agreement.

1.7 LIQUIDATED DAMAGES FOR FAILURE TO COMPLETE ON TIME

- A. Provisions for liquidated damages are set forth in the Agreement.

1.8 RECEIPT AND OPENING OF BIDS

- A. Bids will be received by the Owner at the City of Celina until **3:00pm** on **October 24, 2018** and then at said place be publicly opened and read aloud. The envelopes containing bids must be sealed, addressed to the City of Celina, Attn: Catherine Oduro, 142 N Ohio Celina, Texas, 75009, will be received at the City hall front desk. Bidders shall acknowledge receipt of all addenda on outside of sealed envelope.

1.9 QUALIFICATIONS OF BIDDER

- A. Bidders may be required to submit evidence that they have a practical knowledge of the particular Work bid upon, and that they have the financial resources to complete the proposed Work.

- B. In determining the Bidder's qualifications, the following factors will be considered: Work previously completed by the Bidder and whether the Bidder (a) maintains a permanent place of business, (b) has adequate personnel and equipment to do the Work properly and expeditiously, (c) has the financial resources to meet all obligations incidental to the Work, and (d) has appropriate technical experience.
- C. Each Bidder's claim history may be reviewed in the evaluation of the bid. The Bidder may be required to show that he has handled former work so that no just claims are pending against such work. No bid will be accepted from a Bidder who is engaged on any work which would impair his ability to perform or finance his Work.

1.10 BID FORM

- A. Submit bids on the bid forms provided with the Contract Documents for each contract Bid. Include supplemental data to be furnished in the same sealed envelope with Bid.
- B. Bid forms must be completed in ink. The bid price of each item on the form must be stated in words and/or numerals. Words take precedence in case of a conflict. In the case of a conflict between the unit price indicated and the extended amount shown, the unit price indicated multiplied by the stated quantity shall govern.
- C. Execute Bids by corporations in the corporate name by the president or a vice-president or other corporate officer accompanied by evidence of authority to sign. The corporate address and state of incorporation shall be shown below the signature.
- D. Execute Bids by partnerships in the partnership name. Forms are to be signed by a partner. Print the name below the signature. Write the title of the Partner and show the official address of the partnership shown below the signature.
- E. Acknowledge receipt of all Addenda on the bid form by signing beside the Addenda

1.11 POWER OF ATTORNEY

- A. Attorneys-in-Fact who sign bid bonds or contract bonds must file with each bond a certified and effectively dated copy of their power of attorney.

1.12 LAWS AND REGULATIONS

- A. The Bidder's attention is directed to the fact that all applicable State laws, municipal ordinances and the rules and regulations of all authorities having jurisdiction over construction of the project shall apply to the Contract throughout, and they will be deemed to be included in the Contract the same as though written out in full.

1.13 SUBCONTRACTS

- A. The Bidder is specifically advised that any person, firm or other party to whom it is proposed to award a Contract under this Contract must be acceptable to the Owner and Engineer.

1.14 MODIFICATION AND WITHDRAWAL OF BIDS

- A. Bids may be modified or withdrawn by an appropriate document duly executed (in the manner that a bid must be executed) and delivered to the place where Bids are to be submitted at any time prior to the opening of Bids.

1.15 BIDS TO REMAIN SUBJECT TO ACCEPTANCE

- A. All bids will remain subject to acceptance for ninety (90) days after the day of the Bid opening, but OWNER may, in its sole discretion, release any Bid and return the Bid security prior to that date.

1.16 METHOD OF AWARD

- A. Owner may reject Bids, waive formalities, or disregard nonconforming, conditional Bids or counter proposals.
- B. Owner may consider the following in evaluating the Bids and awarding the Contract:
 1. Contractor's qualifications and ability to demonstrate current capability to complete the Project in conformance with the requirements of the Contract Documents.
 2. Compliance of the Bids with requirements of the Contract Documents.
 3. Alternates and unit prices if requested in the bid forms.
 4. The amount bid.
 5. Proposed date of completion and the ability to meet intermediate Milestones that may have been established for the Project.
- C. The Contract will be awarded to the Bidder whose evaluation by Owner indicates that the award will provide best value to the Owner if a contract is to be awarded.
- D. Each Bidder agrees to waive any claim it has or may have against the Owner, the Engineer, and their respective employees, arising out of or in connection with the administration, evaluation, or recommendation of any Bid.

1.17 CONTRACT SECURITY

- A. Paragraph 5.1 of the General Conditions and the Supplementary Conditions set forth by OWNER's requirements as to performance and payment Bonds. When the successful Bidder delivers the executed Agreement to OWNER, it must be accompanied by the required performance and payment Bonds.

1.18 SIGNING OF AGREEMENT

- A. When OWNER gives a Notice of Award to the Successful Bidder, it will be accompanied by the required number of unsigned counterparts of the Agreement with all other written Contract

documents attached. Within fifteen days thereafter contractor shall sign and deliver the required number of counterparts of the Agreement and attached documents to OWNER with the required Bonds. Within ten days thereafter OWNER shall deliver two fully signed counterparts to Contractor. Each counterpart is to be accompanied by a complete set of the Drawings with appropriate identification.

1.19 RETAINAGE

- A. The Amount Retained per Partial Payment shall be 5% of the Payment for all contracts awarded for any amount greater than or equal to \$400,000.00. Should the contract awarded be less than \$400,000.00, the amount of Retainage for Partial payment shall be 10%.

1.20 SALES AND USE TAXES

- A. Owner is exempt from Municipal and State Sales and Use Taxes on materials and equipment to be incorporated in the Work. Said taxes shall not be included in the Contract Price.

1.21 CONSULTING ENGINEER

- A. The term "Consulting Engineer" as used herein refers to Garver LLC., 3010 Gaylord Parkway, Suite 190, Frisco, Texas 75034, (817) 740-9575. "Consulting Engineer" is as defined in the Supplementary Conditions.

1.22 TRAFFIC CONTROL

- A. The contractor will be responsible for furnishing and using all barricades, warning lights, signs, etc. necessary to protect his work and maintain traffic flow satisfactory to the Owner. Warning devices shall be as required in the Texas Manual on Uniform Traffic Control Devices.

1.23 OWNERSHIP OF PROJECT

- A. Until final acceptance of the total project by the Owner and Engineer, the Contractor shall take full responsibility for the welfare of the partially completed work. Damage to the Contractor's work from any cause shall be repaired at the Contractor's expense.

1.24 REPLACEMENT OF MISCELLANEOUS IMPROVEMENTS

- A. The Contractor shall repair or replace all existing utilities, fences, concrete walls, sidewalks, concrete curbs, signs, culverts, and other miscellaneous improvements damaged by the Contractor due to his operations on this project to a condition equal to or better than their condition before construction, at no additional expense to the Owner. No direct payment will be made for this item.

1.25 CLEAN-UP

- A. Throughout the course of construction and after construction work is completed and before final acceptance of improvements by the Owner, the Contractor shall remove all debris from site of project to an approved place of disposal. Temporary structures, forms, equipment, objectionable rocks, concrete and other debris shall be removed in such manner as to leave the site of work in a neat and presentable condition throughout; and restore in an acceptable manner all property damaged in the progress of this work.
- B. No direct payment will be made for clean-up.

1.26 RECORD DRAWINGS

- A. The Contractor will be furnished one (1) set of plans on which he shall indicate all changes made during construction. All notes and comments necessary to give a clear conception of exactly how all items were constructed, including location, shall be shown. This set of plans shall be reviewed with the Engineer at that time.

1.27 NOTIFICATION OF CONSTRUCTION PROGRESS

- A. The Contractor shall keep the Owner and the Owner's Engineer informed as to his construction progress. The Contractor shall give the Owner's Engineer 48 hour sufficient notice so that he or his representative may be present for inspection of any subsurface activity.

1.28 EXISTING UTILITIES

- A. Existing surface and subsurface structures (gas mains, water mains, sewer mains, storm sewer, telephone cables, sprinkler systems, etc.) are shown on the plans if their location has been determined, but it shall be the responsibility of the Contractor to avoid damaging these existing structures whether or not they are shown on the plans. The Owner and Engineer assume no responsibility for failure to show any or all of these structures on the plans, or to show them in their exact location. It is mutually agreed that such failure to show these structures will not be considered sufficient basis for claims for additional compensation for extra work or for increasing the pay quantities in any manner whatsoever. If any structure is damaged by the Contractor, it shall be his responsibility to repair the damage at his own expense and restore the structure to its original condition, as determined by the Owner.
- B. Contractor shall locate and determine (verify if depth is shown on plans) elevation of all existing underground utilities a minimum of 500 feet ahead of trenching. If a utility is found to be in conflict with proposed grades, the Engineer shall be contacted and grades adjusted to avoid conflict. No Separate Pay.
- C. Existing water mains and service laterals may be difficult to locate. The approximate location of these facilities has been shown on the plans and City forces with budget constraints have not produced exact locations. The Contractor will be required to excavate and locate these facilities, and to conduct such investigations as necessary to perform the work contemplated on the plans. The City will provide liaison with property owners and the limited information it has concerning existing locations, sizes, materials, etc., but any delays or investigations required of the Contractor shall be deemed incidental to the project. No separate payment will be made. No machine time will be provided by the City in this regard.

1.29 POWER FOR CONSTRUCTION

- A. The Contractor shall purchase all power required for his operation. The Contractor shall furnish and install all necessary temporary wiring, and furnish and install area distribution boxes so located that the individual trades may use their own construction type extension cords to obtain adequate power and artificial lighting at all points to properly perform the work and for safety.

1.30 SUBSTITUTES AND "OR-EQUAL" ITEMS

- A. Whenever a material or article is specified or described by using the name of a proprietary product or the name of a particular manufacturer or vendor, the specified item shall be understood as establishing the type, function, and quality desired. Unless the specification states that no equivalent or "or equal" item is permitted, other manufacturers' products will be accepted, provided sufficient information is submitted to allow the Engineer to determine that the products proposed are equivalent to those named. Such items shall be submitted for review by the procedure set forth in the submittals section.
- B. Requests for review of equivalency will not be accepted from anyone except the Contractor.

1.31 OFFSITE STORAGE

- A. Offsite storage for any materials and equipment not incorporated into the Work but included in the Applications for Payment shall not be allowed.

1.32 LAND FOR CONSTRUCTION PURPOSES

- A. The Contractor will be permitted to use available land belonging to the Owner, on or near the site of the Work, for construction purposes and for storage of materials and equipment.
- B. The locations and extent of the areas so used shall be as indicated on the Drawings.
- C. The Contractor shall immediately move stored materials or equipment if any occasion arises, as determined by the Owner, requiring access to the storage area. Materials or equipment shall not be placed on the property of the Owner until the Owner has agreed to the location to be used for storage.

1.33 NOTICES TO OWNERS AND AUTHORITIES

- A. Utilities and other concerned agencies shall be notified at least 24 hours prior to excavating near underground utilities or pole lines.

1.34 UNFAVORABLE CONSTRUCTION CONDITIONS

- A. During unfavorable weather, wet ground, or other unsuitable conditions, The Contractor shall confine its operations to work which will not be affected adversely by such conditions. No portion of the Work shall be constructed under conditions which would affect adversely the quality or efficiency thereof, unless special means or precautions are taken by the Contractor to perform the Work in a proper and satisfactory manner.

1.35 APPLICABLE CODES

- A. References in the Contract Documents to local codes mean the codes adopted by the City of Celina, Texas.
- B. Other standard codes which apply to the Work are designated in the Specifications.

1.36 REFERENCE STANDARDS

- A. Reference to standards, specifications, manuals or codes of any technical society, organization, or association, or to the laws or regulations of any governmental authority, whether such reference be specific or by implication, shall mean the latest standard specification, manual code, or laws or regulations in effect at the time of opening of Bids (or on the Effective Date of the Agreement if there were no Bids), except as may be otherwise specifically stated. However, no provision of any referenced standard, specification, manual, or code, (whether or not specifically incorporated by reference in the Contract Documents) shall be effective to change the duties and responsibilities of the Owner, Contractor, or Consulting Engineer, or any of their Consultants, agents, or employees from those set forth in the Contract Documents, nor shall it be effective to assign to Consulting Engineer, or any of the Consulting Engineer's Consultants, agents, or employees, any duty or authority to supervise or direct the furnishing or performance of the Work.

1.37 SITE ADMINISTRATION

- A. The Contractor shall be responsible for all areas of the site used by it, and by all Subcontractors in the performance of the Work. The Contractor will exert full control over the actions of all employees and other persons with respect to the use and preservation of property and existing facilities, except such controls as may be specifically reserved to the Owner or others. The Contractor has the right to exclude from the site all persons who have no purpose related to the Work or its inspection, and may require all persons on the site (except Owner's employees) to observe the same regulations as the Contractor requires of its employees.

1.38 SALVAGE OF MATERIALS AND EQUIPMENT

- A. Existing materials and equipment removed, and not reused as a part of the Work, or listed herein to remain the property of the Owner, shall become the Contractor's property. The Contractor materials and equipment shall be salvaged or disposed of in strict accordance with local laws and rules.
- B. Materials and equipment that are to remain the Owner's property shall be removed and delivered to a pre-selected area on the plant site, as directed by the Owner. Removal of the materials and equipment shall be as directed by the Owner and Engineer. All damaged equipment by the Contractor shall be repaired at the Contractor's expense.

1.39 EXISTING STRUCTURES/EQUIPMENT

- A. Exact dimensions of existing structures, buildings, equipment roads, utility locations, etc., shown on the plans have not been field verified by the Engineer. Prior to submittal preparation by the Contractor, or construction activities as applicable, all dimensions of these existing items shall be

verified by the Contractor in the field. It shall be the Contractor's responsibility to verify all field dimensions.

1.40 VIDEO OF CONSTRUCTION AREA

- A. The Contractor shall provide the City with photos and a video tape showing the entire site detail prior to construction, to include audio on the video tape to describe locations.

1.41 PERMITTING

- A. All permits required by the Owner shall be obtained by the Contractor at no cost to the Contractor.

1.42 BOND REQUIREMENTS

- A. Maintenance Bond - The Contractor shall furnish a maintenance bond in the amount of 10% (10% percent) of the total contract price to the City to run two (2) years from the date of final acceptance of the system by the City.
- B. Performance Bond - The Contractor shall furnish a performance bond in the amount of 100% (one hundred percent) of the total contract price to the City to run two (2) years from the date of final acceptance of the system by the City.
- C. Payment Bond - The Contractor shall furnish a payment bond in the amount of 100% (one hundred percent) of the total contract price to the City to run two (2) years from the date of final acceptance of the system by the City.

1.43 AFFIDAVIT OF BILLS PAID

- A. Upon completion of the project and final acceptance by the Owner and Engineer, the Contractor shall be required to furnish the Owner with an Affidavit certifying that all suppliers and subcontractors have been paid, before final payment will be made by Owner.

1.44 CONTRACTOR'S RESPONSIBILITY AND LIABILITY FOR PERFORMANCE OF WORK

- A. It is expressly understood and agreed to by the Contractor that, regardless of the extent of inspection and supervision provided by the Owner and the Engineer, it is the Contractor's responsibility to perform and complete work in accordance with the drawings and specifications, and that the Owner and Engineer have no liability or responsibility whatever to the Contractor for any work performed by the Contractor which is not in accordance with the drawings and specifications regardless of the time when discovered and whether discovered at any time during the course of construction or after acceptance of the work.

1.45 CHANGE OF LOCATION

- A. No change in the alignment is contemplated; however, should a change be necessary, the Owner reserves the right to make such changes, unless it can be clearly shown that such change works an undue hardship on the Contractor, no extra compensation will be allowed the Contractor.

1.46 EXCAVATION CLASSIFICATION

- A. Excavation in this Contract shall be unclassified. There is no separate pay item under this Contract for excavation and its cost shall be included in such pay items as are provided in the Contract and proposal.
- B. Contractor shall include costs for dewatering if required for the installation of the utilities including storm sewer, water, sewer and irrigation. Dewatering will be considered subsidiary to the bid items and no separate pay will be made.

1.47 SANITARY FACILITIES

- A. The Contractor shall provide chemical toilet facilities for the use of his forces. Adequacy of these facilities will be subject to the approval of the Engineer and maintenance of same must be satisfactory to the Engineer at all times.

1.48 SUB-SURFACE CONDITIONS

- A. It shall be the responsibility of the Contractor to satisfy himself as to the soil conditions and nature and type of geological formations in and through which this project will be constructed, and to make appropriate allowances in the proposal he submits for doing the work. Such information as may be obtained from the test borings and accompanying notations shown on the plans is merely for the guidance of the Contractor and is not to be construed in any manner as a guarantee by the Owner that such conditions of sub-surface strata are infallible.

1.49 STAKING FOR CONSTRUCTION

- A. The Contractor will provide all construction staking services for the project. The cost of these services will be reflected in the unit price amount bid in the proposal. No separate payment will be made.

1.50 CONTRACT DRAWINGS AND SPECIFICATIONS

- A. All items shown on the drawings or included in the specifications shall be furnished, installed, and connected with accessories and appurtenances as shown or indicated on the plans and in the specifications.
- B. Any work or item called for on the drawings and not particularly mentioned in the specifications, or work and items described in the specifications and not shown on the drawings is to be regarded as included under the contract the same as if set forth in the specifications and exhibited on the drawings.

1.51 SETTLEMENT OF INSURANCE CLAIMS

- A. Losses insured under policies that include Owner/Engineer as a named insured shall be adjusted with Owner/Engineer and made payable to Owner/Engineer as trustee for the insureds, as their interests may appear.

- B. Owner/Engineer and Contractor waive all rights against each other for damages caused by fire or other perils to the extent covered by insurance, except such rights as they may have to insurance proceeds held by owner as trustee. Contractor shall require similar waivers by Subcontractors as provided in General Conditions.

1.52 SPECIFICATIONS

- A. The Specifications which govern materials and equipment to be furnished and the work to be performed under this contract are listed in the Table of Contents at the beginning of this volume.

1.53 BUY AMERICAN

- A. In accordance with the Buy American provision in Public Law 95-117 (section 215 of Public Law 92-500 as amended) the Contractor agrees that preference will be given to domestic material, by the contractor, subcontractors, materialmen, and suppliers and Owner in the performance of this contract.

1.54 SPOIL DISPOSAL

- A. The Contractor's bid shall include spoil disposal (offsite) in accordance with applicable TCEQ regulations.

1.55 INGRESS/EGRESS

- A. Ingress/Egress to the construction area by the Contractor shall be done only on the construction easements shown on the plans, no exceptions. No separate payment will be provided for these services.

1.56 COOPERATION AND COORDINATION WITH PUBLIC

- A. The Contractor shall conduct his work so as to cause the least amount of disruption to the public. Closing of any streets or lanes of traffic will be coordinated with City staff. All citizens along each street will be notified by the Contractor in advance of construction activities.

1.57 EXCAVATION, TRENCHING, AND SHORING

- A. All excavation, trenching, and shoring shall conform to the U.S. Department of Labor, Occupational Safety, and Health Administration Guidelines (Subpart P - Excavation, Trenching, and Shoring). The Contractor will be required to submit an excavation, trenching, and shoring plan to the Engineer for approval prior to construction. See Section 02228 of these specifications.

1.58 NO SEPARATE PAYMENT

- A. Several notes on the plans indicate work to be performed with "No Separate Payment". Contractor shall include the cost of this work in other bid items provided.

END OF SECTION

Attachment: LUCYS LS DECOMMISSIONING -Contract Document (Lucys Lift Station Decommissioning)

00300 BID PROPOSAL FORM

CITY OF CELINA
DECOMMISSIONING OF LUCY'S LIFT STATION
PROJECT NUMBER S06
BASIS OF BID

Item NO.	Description	unit	Estimated Quantity	Unit Price	Extended Amount
1	Mobilization	LS	1	\$15,880.00	\$15,880.00
2	Temporary Traffic Control	LS	1	\$1,875.00	\$1,875.00
3	Storm Water Pollution Prevention Plan	LS	1	\$1,875.00	\$1,875.00
4	18" steel casing by bore	LF	64	\$367.00	\$23,488.00
5	8" C900 PVC (DR-25)	LF	134	\$54.00	\$7,236.00
6	8" PVC (SDR 26)	LF	216	\$39.00	\$8,424.00
7	6" PVC (SDR 26)	LF	70	\$80.00	\$5,600.00
8	4' Diameter Manhole	EA	4	\$5,565.00	\$22,260.00
9	Remove and replace existing concrete	SF	720	\$13.00	\$9,360.00
10	Grout fill existing 6" sewer line	LF	373	\$14.00	\$5,222.00
11	Remove and dispose of existing 6" sewer lines	LS	1	\$2,500.00	\$2,500.00
12	Existing Lift station abandonment including pumps and electrical wiring	LS	1	\$2,905.00	\$2,905.00
13	Project Sign	EA	1	\$1,200.00	\$1,200.00
				TOTAL	\$107,825.00

SECTION 00400
EJCDC STANDARD FORM OF AGREEMENT
BETWEEN OWNER AND CONTRACTOR
ON THE BASIS OF A STIPULATED PRICE

THIS AGREEMENT is by and between _____ (hereinafter called OWNER) and
 _____, (hereinafter called CONTRACTOR).

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE 1 – WORK

1.01 CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

City of Celina
DECOMMISSIONING OF THE LUCY'S LIFT STATION

ARTICLE 2 – THE PROJECT

2.01 The Project for which the Work under the Contract Documents may be the whole or only a part is generally described as follows:

The project located at the intersection of W. Walnut (FM 455) and the alley behind Lucy's restaurant and includes but not limited to the following:

- Construction of approximately 280 LF of 8" gravity sewer lines by open cut, approximately 70-LF of 8" gravity sewer lines and 18" steel casing pipe by other than open cut, and associated manholes;
- In-place abandonment of approximately 365-LF of 6" sewer line and an existing wet well;
- Rerouting all service connections at the existing wet well to a new proposed manhole

ARTICLE 3 – ENGINEER

3.01 The Project has been designed by:

Garver LLC,
3010 Gaylord Parkway, Suite 190
Frisco, Texas 75034
(817) 740-9575

Which hereinafter called ENGINEER and which is to act as OWNER'S representative, assume all duties and responsibilities, and have the rights and authority assigned to ENGINEER in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

ARTICLE 4 – CONTRACT TIMES

4.01 *Time of the Essence*

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 *Days to Achieve Substantial Completion and Final Payment*

A. The Work will be substantially completed within **45 calendar days** after the date when the Contract Times commence to run as provided in paragraph 2.03 of the General Conditions, and completed and ready for final payment in accordance with paragraph 14.07 of the General Conditions within **60 calendar days** after the date when the Contract Times commence to run.

4.03 *Liquidated Damages*

A. CONTRACTOR and OWNER recognize that time is of the essence of this Agreement and that OWNER will suffer financial loss if the Work is not completed within the times specified in paragraph 4.02 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by OWNER if the Work is not completed on time. Accordingly, instead of requiring any such proof, OWNER and CONTRACTOR agree that as liquidate damages for delay (but not as a penalty), CONTRACTOR shall pay OWNER **\$500** for each day that expires after the time specified in paragraph 4.02 for Substantial Completion until the Work is substantially complete. After Substantial Completion, if CONTRACTOR shall neglect, refuse, or fail to complete the remaining Work within the Contract Time or any proper extension thereof granted by OWNER, CONTRACTOR shall pay OWNER **\$500** for each day that expires after the time specified in paragraph 4.02 for completion and readiness for final payment until the Work is completed and ready for final payment.

ARTICLE 5 – CONTRACT PRICE

5.01 OWNER shall pay CONTRACTOR for completion of the Work in accordance with the Contract Documents.

ARTICLE 6 – PAYMENT PROCEDURES

6.01 *Submittal and Processing of Payments*

A. CONTRACTOR shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by ENGINEER as provided in the General Conditions.

6.02 *Progress Payments; Retainage*

A. OWNER shall make progress payments on account of the Contract Price on the basis of CONTRACTOR'S Applications for Payment on or about the **last** day of each month during performance of the Work as provided in paragraphs 6.02.A.1 and 6.02.A.2 below. All such payments will be measured by the schedule of values established in paragraph 2.07.A of the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no schedule of values, as provided in the General Requirements:

1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as ENGINEER may determine or OWNER may withhold, in accordance with paragraph 14.02 of the General Conditions:
 - a. 90% of Work completed (with the balance being retainage).
 - b. 90% of cost of materials and equipment not incorporated in the Work (with the balance being retainage).
2. Upon Substantial Completion, OWNER shall pay an amount sufficient to increase total payments to CONTRACTOR to 90% of the Work completed, less such amounts as ENGINEER shall determine in accordance with paragraph 14.02.B.5 of the General Conditions and less 100% of ENGINEER's estimate of the value of Work to be completed or corrected as shown on the tentative list of items to be completed or corrected attached to the certificate of Substantial Completion.

6.03 Final Payment

A. Upon final completion and acceptance of the Work in accordance with paragraph 14.07 of the General Conditions, OWNER shall pay the remainder of the Contract Price as recommended by ENGINEER as provided in said paragraph 14.07.

ARTICLE 7 – INTEREST

7.01 All moneys not paid when due as provided in Article 14 of the General Conditions shall bear interest at the rate of 0% per annum.

ARTICLE 8 – CONTRACTOR'S REPRESENTATIONS

8.01 In order to induce OWNER to enter into this Agreement CONTRACTOR makes the following representations:

A. CONTRACTOR has examined and carefully studied the Contract Documents and the other related data identified in the Bidding Documents.

B. CONTRACTOR has visited the site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

C. CONTRACTOR is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work.

D. CONTRACTOR has carefully studied all: (1) Geotechnical Investigations, explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the Site which have been identified in the Supplementary Conditions as provided in paragraph 4.02 of the General Conditions.

E. CONTRACTOR does not consider that any further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.

F. CONTRACTOR is aware of the general nature of work to be performed by OWNER and others at the Site that relates to the Work as indicated in the Contract Documents.

G. CONTRACTOR has correlated the information known to CONTRACTOR, information and observations obtained from visits to the Site, reports and drawings identified in the Contract Documents, and all additional examinations, investigations, explorations, tests, studies, and data with the Contract Documents.

H. CONTRACTOR has given ENGINEER written notice of all conflicts, errors, ambiguities, or discrepancies that CONTRACTOR has discovered in the Contract Documents, and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR.

I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.`

ARTICLE 9 – CONTRACT DOCUMENTS

9.01 Contents

A. The Contract Documents consist of the following:

1. This Agreement (pages 1 to _____, inclusive);
2. Performance Bond (pages 1 to _____, inclusive);
3. Payment Bond (pages 1 to _____, inclusive);
4. Other bonds: _____ (pages 1 to _____, inclusive);
5. General Conditions (pages 1 to _____, inclusive);
6. Supplementary Conditions (pages 1 to _____, inclusive);
7. Specification as listed in the table of contents of the Project Manual;
8. Drawings consisting of a cover sheet and sheets numbered _____ through _____, inclusive, with each sheet bearing the following general title: _____;
9. Addenda (numbers _____ to _____, inclusive);
10. Exhibits to this Agreement (enumerated as follows):
 - a. CONTRACTOR’S Bid (pages _____ to _____, inclusive);
 - b. Documentation submitted by CONTRACTOR prior to Notice of Award (pages _____ to _____, inclusive);
11. The following which may be delivered or issued on or after the Effective Date of the Agreement and are not attached hereto:

- a. Written Amendments;
 - b. Work Change Directives;
 - c. Change Order(s).
- B. The documents listed in paragraph 9.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 9.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in paragraph 3.04 of the General Conditions.

ARTICLE 10 – MISCELLANEOUS

10.01 Terms

- A. Terms used in this Agreement will have the meanings indicated in the General Conditions.

10.02 Assignment of Contract

A. No assignment by a party hereto of any rights under or interests on the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

10.03 Successors and Assigns

A. OWNER and CONTRACTOR each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

10.04 Severability

A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law of Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon OWNER and CONTRACTOR, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

10.05 Contractor's Certifications

A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 10.05:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process or in the Contract execution;

2. “fraudulent practice” means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
3. “collusive practice” means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
4. “Coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

IN WITNESS WHEREOF, OWNER and CONTRACTOR have assigned this Agreement in duplicate. One counterpart each has been delivered to OWNER and CONTRACTOR. All portions of the Contract Documents have been signed or identified by OWNER and CONTRACTOR or on their behalf.

This Agreement will be effective on _____, 2018, (which is the Effective Date of the Agreement).

OWNER:

CONTRACTOR:

By: _____

By: _____

[CORPORATE SEAL]

[CORPORATE SEAL]

Attest _____

Attest _____

Address for giving notices:

Address for giving notices:

142 N Ohio

City of Celina, Texas 75009

(If OWNER is a corporation, attach evidence of authority to sign. If OWNER is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of Owner-CONTRACTOR Agreement.)

License
No. _____

(Where applicable)

Agent for service of process: _____

(If Contractor is a corporation or a partnership, attach evidence of authority to sign.)

Designated Representative:

Designated Representative:

Name: Jason Laumer

Name: _____

Title: City Manager

Title: _____

Address: 142 N Ohio

Address: _____

City of Celina, Texas 75009

Phone 972-382-2682

Phone: _____

Facsimile: 972-382-3736

Facsimile: _____

E-mail: _____

PERFORMANCE BOND

Any singular reference to Contractor, Surety, Owner, or other party shall be considered plural where applicable.

CONTRACTOR (Name and Address):

SURETY (Name and Address of Principal Place of Business):

OWNER (Name and Address):

CONTRACT

Date:

Amount:

Description (Name and Location):

BOND

Bond Number:

Date (Not earlier than Contract Date):

Amount:

Modifications to this Bond Form:

Surety and Contractor, intending to be legally bound hereby, subject to the terms printed on the reverse side hereof, do each cause this Performance Bond to be duly executed on its behalf by its authorized officer, agent, or representative.

CONTRACTOR AS PRINCIPAL

Company:

Signature: _____ (Seal)

Name and Title:

SURETY

(Seal)

Surety's Name and Corporate Seal

By:

Signature and Title

(Attach Power of Attorney)

(Space is provided below for signatures of additional parties, if required.)

Attest:

Signature and Title

CONTRACTOR AS PRINCIPAL

Company:

Signature: _____ (Seal)

Name and Title:

SURETY

(Seal)

Surety's Name and Corporate Seal

By:

Signature and Title

(Attach Power of Attorney)

Attest:

Signature and Title:

EJCDC No. C-610 (2002 Edition)

Originally prepared through the joint efforts of the Surety Association of America, Engineers Joint Contract Documents Committee, the Associated General Contractors of America, and the American Institute of Architects.

1. Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to Owner for the performance of the Contract, which is incorporated herein by reference.
2. If Contractor performs the Contract, Surety and Contractor have no obligation under this Bond, except to participate in conferences as provided in Paragraph 3.1.
3. If there is no Owner Default, Surety's obligation under this Bond shall arise after:
 - 3.1. Owner has notified Contractor and Surety, at the addresses described in Paragraph 10 below, that Owner is considering declaring a Contractor Default and has requested and attempted to arrange a conference with Contractor and Surety to be held not later than 15 days after receipt of such notice to discuss methods of performing the Contract. If Owner, Contractor and Surety agree, Contractor shall be allowed a reasonable time to perform the Contract, but such an agreement shall not waive Owner's right, if any, subsequently to declare a Contractor Default; and
 - 3.2. Owner has declared a Contractor Default and formally terminated Contractor's right to complete the Contract. Such Contractor Default shall not be declared earlier than 20 days after Contractor and Surety have received notice as provided in Paragraph 3.1; and
 - 3.3. Owner has agreed to pay the Balance of the Contract Price to:
 1. Surety in accordance with the terms of the Contract;
 2. Another contractor selected pursuant to Paragraph 4.3 to perform the Contract.
4. When Owner has satisfied the conditions of Paragraph 3, Surety shall promptly and at Surety's expense take one of the following actions:
 - 4.1. Arrange for Contractor, with consent of Owner, to perform and complete the Contract; or
 - 4.2. Undertake to perform and complete the Contract itself, through its agents or through independent contractors; or
 - 4.3. Obtain bids or negotiated proposals from qualified contractors acceptable to Owner for a contract for performance and completion of the Contract, arrange for a contract to be prepared for execution by Owner and Contractor selected with Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Contract, and pay to Owner the amount of damages as described in Paragraph 6 in excess of the Balance of the Contract Price incurred by Owner resulting from Contractor Default; or
 - 4.4. Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:
 1. After investigation, determine the amount for which it may be liable to Owner and, as soon as practicable after the amount is determined, tender payment therefor to Owner; or
 2. Deny liability in whole or in part and notify Owner citing reasons therefor.
5. If Surety does not proceed as provided in Paragraph 4 with reasonable promptness, Surety shall be deemed to be in default on this Bond 15 days after receipt of an additional written notice from Owner to Surety demanding that Surety perform its obligations under this Bond, and Owner shall be entitled to enforce any remedy available to Owner. If Surety proceeds as provided in Paragraph 4.4, and Owner refuses the payment tendered or Surety has denied liability, in whole or in part, without further notice Owner shall be entitled to enforce any remedy available to Owner.
6. After Owner has terminated Contractor's right to complete the Contract, and if Surety elects to act under Paragraph 4.1, 4.2, or 4.3 above, then the responsibilities of Surety to Owner shall not be greater than those of Contractor under the Contract, and the responsibilities of Owner to Surety shall not be greater than those of Owner under the Contract. To a limit of the amount of this Bond, but subject to commitment by Owner of the Balance of the Contract Price to mitigation of costs and damages on the Contract, Surety is obligated without duplication for:
 - 6.1. The responsibilities of Contractor for correction of defective Work and completion of the Contract;
 - 6.2. Additional legal, design professional, and delay costs resulting from Contractor's Default, and resulting from the actions or failure to act of Surety under Paragraph 4; and
 - 6.3. Liquidated damages, or if no liquidated damages are specified in the Contract, actual damages caused by delayed performance or non-performance of Contractor.
7. Surety shall not be liable to Owner or others for obligations of Contractor that are unrelated to the Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than Owner or its heirs, executors, administrators, or successors.
8. Surety hereby waives notice of any change, including changes of time, to Contract or to related subcontracts, purchase orders, and other obligations.
9. Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the Work or part of the Work is located and shall be instituted within two years after Contractor Default or within two years after Contractor ceased working or within two years after Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.
10. Notice to Surety, Owner, or Contractor shall be mailed or delivered to the address shown on the signature page.
11. When this Bond has been furnished to comply with a statutory requirement in the location where the Contract was to be performed, any provision in this Bond conflicting with said statutory requirement shall be deemed deleted herefrom and provisions conforming to such statutory requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.
12. Definitions.
 - 12.1. Balance of the Contract Price: The total amount payable by Owner to Contractor under the Contract after all proper adjustments have been made, including allowance to Contractor of any amounts received or to be received by Owner in settlement of insurance or other Claims for damages to which Contractor is entitled, reduced by all valid and proper payments made to or on behalf of Contractor under the Contract.
 - 12.2. Contract: The agreement between Owner and Contractor identified on the signature page, including all Contract Documents and changes thereto.
 - 12.3. Contractor Default: Failure of Contractor, which has neither been remedied nor waived, to perform or otherwise to comply with the terms of the Contract.
 - 12.4. Owner Default: Failure of Owner, which has neither been remedied nor waived, to pay Contractor as required by the Contract or to perform and complete or comply with the other terms thereof.

FOR INFORMATION ONLY – Name, Address and Telephone
 Surety Agency or Broker
 Owner's Representative (engineer or other party)

PAYMENT BOND

CONTRACTOR *(name and address):*

SURETY *(name and address of principal place of business):*

OWNER *(name and address):*

CONSTRUCTION CONTRACT

Effective Date of the Agreement:

Amount:

Description *(name and location):*

BOND

Bond Number:

Date *(not earlier than the Effective Date of the Agreement of the Construction Contract):*

Amount:

Modifications to this Bond Form: ☐ None ☐ See Paragraph 18

Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Payment Bond to be duly executed by an authorized officer, agent, or representative.

CONTRACTOR AS PRINCIPAL

SURETY

Contractor's Name and Corporate Seal

Surety's Name and Corporate Seal

By: _____
Signature

By: _____
Signature *(attach power of attorney)*

Print Name

Print Name

Title

Title

Attest: _____
Signature

Attest: _____
Signature

Title

Title

Notes: (1) Provide supplemental execution by any additional parties, such as joint venturers. (2) Any singular reference to Contractor, Surety, Owner, or other party shall be considered plural where applicable.

1. The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner to pay for labor, materials, and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.
2. If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies, and holds harmless the Owner from claims, demands, liens, or suits by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.
3. If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond shall arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Paragraph 13) of claims, demands, liens, or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, and tendered defense of such claims, demands, liens, or suits to the Contractor and the Surety.
4. When the Owner has satisfied the conditions in Paragraph 3, the Surety shall promptly and at the Surety's expense defend, indemnify, and hold harmless the Owner against a duly tendered claim, demand, lien, or suit.
5. The Surety's obligations to a Claimant under this Bond shall arise after the following:
 - 5.1 Claimants who do not have a direct contract with the Contractor,
 - 5.1.1 have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
 - 5.1.2 have sent a Claim to the Surety (at the address described in Paragraph 13).
 - 5.2 Claimants who are employed by or have a direct contract with the Contractor have sent a Claim to the Surety (at the address described in Paragraph 13).
6. If a notice of non-payment required by Paragraph 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Paragraph 5.1.1.
7. When a Claimant has satisfied the conditions of Paragraph 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:
 - 7.1 Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and
 - 7.2 Pay or arrange for payment of any undisputed amounts.
 - 7.3 The Surety's failure to discharge its obligations under Paragraph 7.1 or 7.2 shall not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Paragraph 7.1 or 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.
8. The Surety's total obligation shall not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Paragraph 7.3, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.
9. Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.
10. The Surety shall not be liable to the Owner, Claimants, or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to or give notice on behalf of Claimants, or otherwise have any obligations to Claimants under this Bond.

11. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders, and other obligations.
12. No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Paragraph 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.
13. Notice and Claims to the Surety, the Owner, or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.
14. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.
15. Upon requests by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.
16. **Definitions**
 - 16.1 **Claim:** A written statement by the Claimant including at a minimum:
 1. The name of the Claimant;
 2. The name of the person for whom the labor was done, or materials or equipment furnished;
 3. A copy of the agreement or purchase order pursuant to which labor, materials, or equipment was furnished for use in the performance of the Construction Contract;
 4. A brief description of the labor, materials, or equipment furnished;
 5. The date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
 - 16.2 **Claimant:** An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials, or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond shall be to include without limitation in the terms of "labor, materials, or equipment" that part of the water, gas, power, light, heat, oil, gasoline, telephone service, or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials, or equipment were furnished.
 - 16.3 **Construction Contract:** The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.
 - 16.4 **Owner Default:** Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.
 - 16.5 **Contract Documents:** All the documents that comprise the agreement between the Owner and Contractor.
17. If this Bond is issued for an agreement between a contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.
18. Modifications to this Bond are as follows:
6. The total amount earned by the Claimant for labor, materials, or equipment furnished as of the date of the Claim;
7. The total amount of previous payments received by the Claimant; and
8. The total amount due and unpaid to the Claimant for labor, materials, or equipment furnished as of the date of the Claim.

**SECTION 00520
MAINTENANCE BOND**

STATE OF TEXAS §

COUNTY OF §

THAT _____ as principal and _____ a corporation organized under the laws of _____ and _____ as sureties, said sureties being authorized to do business in the State of Texas, do hereby expressly acknowledge themselves to be held and bound to pay unto the _____ (OWNER), a municipal corporation, the sum of _____ dollars (\$_____) (10% of contract amount) for the payment of which sum will and truly to be made unto said OWNER, and its successors, said principal and sureties do hereby bind themselves, their assigns, and successors jointly and severally.

This obligation is conditioned, however, that whereas said _____ (Contractor) has this day entered into a written contract with the said OWNER to build and construct _____ which contract and the plans and specifications therein mentioned adopted by the OWNER, are hereby expressly made a part hereof as though the same were written and embodied herein.

WHEREAS, under the plans, specifications, and contract, it is provided that the Contractor will maintain and keep in good repair the work herein contracted to be done and performed for a period of Two (2) Year from the date of acceptance, and to do all necessary backfilling that may arise on account of sunken conditions in ditches, or otherwise, and to do and perform all necessary work and repair any defective condition growing out of or arising from the improper joining of the same, or on account of any breaking of the same caused by the said Contractor, in laying or building the same, or on account of any defect arising in any of said part of said work laid or contracted by the said Contractor, or on account of improper excavation or backfilling; it begin understood that the purpose of this section is to cover all defective conditions arising by reason of defective materials, work or labor performed by the said Contractor; and in case the said Contractor shall fail to do, it is agreed that the OWNER may do said work and supply such materials, and charge the same against the said Contractor and sureties on this obligation, and the said Contractor and sureties hereon shall be subject to the liquidated damages mentioned in said contract for each days failure on its part to comply with the terms of the said provisions of said contract;

NOW, THEREFORE, if the said Contractor shall keep and perform its said agreement to maintain said work and keep the same in repair for the said maintenance period of Two (2) Year, as provided, then these presents shall be null and void and have no further effect, but if default shall be made by the said Contractor in the performance of its contract to so maintain and repair said work, then these presents shall have full force and effect, and said OWNER shall have and recover from the Contractor and its sureties damages in the premises, as provide, and it is further understood and agreed that this obligation shall be a continuing one against the principal and sureties hereon and that successive recoveries may be had hereon for successive branches until

Project # S06

the full amount shall have been exhausted; and it is further understood that the obligation herein to maintain said work shall continue throughout said maintenance period, and the same shall not be changed, diminished, or in any manner affected from any cause during said time.

IN WITNESS WHEREOF, the said _____ has caused these presents to be executed by _____ and the said _____ has hereunto set his hand this the _____ day of _____, 2018.

_____	_____
Principal	Surety
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Address: _____	Address: _____
_____	_____

The name and address of the Resident Agent of Surety is:

Name: _____

Address: _____

Executed ____ originals

Project # S06

CERTIFICATE OF INSURANCE

Issued To: _____

Address: _____

THIS IS TO CERTIFY to _____ (Owner) that the following policies of insurance, subject to their terms, conditions and exclusions, have been issued by this Company covering the insured named below for the types of operations and at the locations described herein. It is understood and agreed that none of the policies referenced herein will be canceled, changed, or reduced in coverage without at least (30) thirty days advance written notice to the _____ (Owner) at the above address.

1. Name of Insured:
2. Address:
3. Status of Insured: Corporation:

Partnership: _____; Individual: _____

Other: _____

4. Location of Operations Covered:

5. Description of Operations Covered:

THIS CERTIFICATE OF INSURANCE NEITHER AFFIRMATIVELY OR NEGATIVELY AMENDS, EXTENDS, OR ALTERS THE COVERAGE AFFORDED BY THE POLICIES DESIGNATED HEREIN.

INSURANCE POLICIES IN FORCE

INSURANCE AFFORDED ONLY FOR HAZARDS INDICATED BY (X)

Type of Policy	X	Limits of Liability	Policy Number	Policy Term
(a) Standard Workmen's Compensation & Employer's and Occupational Disease Liability		Statutory W. C. Each Occurrence \$ _____ Aggregate Disease \$ _____		From: To:
(b) Longshoremen's & Harbor Workers Compensation		Statutory		From: To:
(c) General Liability <u>Bodily Injury</u> Premises – Operation Contractor's Protective Products & Completed Operations Contractual <u>Property Damage</u> Contractual Explosion, Collapse & Underground Damage (X.C.U.)		Each Person \$ _____ Each Occurrence \$ _____ Aggregate Products & Completed Operations \$ _____ Each Occurrence \$ _____ Aggregate Prem. Oper. \$ _____ Aggregate Protective \$ _____ Aggregate Products & Completed Operations \$ _____ Aggregate Contractual \$ _____ Aggregate X.C.U. \$ _____		From: To:
(d) Automobile Liability <u>Bodily Injury</u> Owned Automobiles Hired Automobiles Non-Owned Automobiles <u>Property Damage</u> Owned Automobiles Hired Automobiles Non-Owned Automobiles		Each Person \$ _____ Each Occurrence \$ _____ Each Occurrence \$ _____		From: To:
(e) <u>Other Insurance</u>				

CONTRACTUAL LIABILITY

Subject to policy terms, conditions and exclusions, specific Contractual Liability coverage is provided as follows:

- ☐ For liability assumed by the Insured under its Contract with _____ (Owner) for the operations described herein.
- ☐ All Contracts between the Insured and _____ (Owner).

Insurance Company

By: _____
Authorized Representative

Address

Date: _____

SECTION 00600
EQUAL EMPLOYMENT OPPORTUNITY

PART 1 - GENERAL

1.1 DESCRIPTION

- A. The Contractor shall take specific affirmative actions to ensure equal employment opportunity. The Contractor shall implement affirmative action steps at least as extensive as described herein.

1.2 WORKING ENVIRONMENT

- A. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Contractor's employees are assigned to work. The Contractor, where possible, will assign two (2) or more women to each construction project. The Contractor shall specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.

1.3 ON-THE-JOB TRAINING

- A. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Contractor's employment needs.

1.4 REVIEW

- A. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination, or other employment decisions including specific review of these items with on-site supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

1.5 DISSEMINATION

- A. Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, and providing written notification to and discussing the Contractor's EEO policy with other Contractors and Subcontractors with whom the Contractor does or anticipates doing business.

1.6 RECRUITMENT

- A. Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor's recruitment area and employment needs. Not later than one (1) month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.

1.7 INVENTORY

- A. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.

1.8 MONITORING

- A. Ensure that seniority practices, job classifications, work assignments, and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor's obligations under these specifications are being carried out.

1.9 FACILITIES

- A. Ensure that all facilities and company activities are non-segregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.

1.10 RECORDS

- A. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.

1.11 ADHERENCE

- A. Conduct a review, at least annually, of all supervisors' adherence to and performance under the Contractor's EEO policies and affirmative action obligations.

END OF SECTION

This document has important legal consequences; consultation with an attorney is encouraged with respect to its use or modification. This document should be adapted to the particular circumstances of the contemplated Project and the controlling Laws and Regulations.

STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

Prepared by

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These General Conditions have been prepared for use with the Suggested Forms of Agreement Between Owner and Contractor (EJCDC C-520 or C-525, 2007 Editions). Their provisions are interrelated and a change in one may necessitate a change in the other. Comments concerning their usage are contained in the Narrative Guide to the EJCDC Construction Documents (EJCDC C-001, 2007 Edition). For guidance in the preparation of Supplementary Conditions, see Guide to the Preparation of Supplementary Conditions (EJCDC C-800, 2007 Edition).

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STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

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ARTICLE 1 – DEFINITIONS AND TERMINOLOGY

1.01 *Defined Terms*

- A. Wherever used in the Bidding Requirements or Contract Documents and printed with initial capital letters, the terms listed below will have the meanings indicated which are applicable to both the singular and plural thereof. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.
1. *Addenda*—Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Requirements or the proposed Contract Documents.
 2. *Agreement*—The written instrument which is evidence of the agreement between Owner and Contractor covering the Work.
 3. *Application for Payment*—The form acceptable to Engineer which is to be used by Contractor during the course of the Work in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Contract Documents.
 4. *Asbestos*—Any material that contains more than one percent asbestos and is friable or is releasing asbestos fibers into the air above current action levels established by the United States Occupational Safety and Health Administration.
 5. *Bid*—The offer or proposal of a Bidder submitted on the prescribed form setting forth the prices for the Work to be performed.
 6. *Bidder*—The individual or entity who submits a Bid directly to Owner.
 7. *Bidding Documents*—The Bidding Requirements and the proposed Contract Documents (including all Addenda).
 8. *Bidding Requirements*—The advertisement or invitation to bid, Instructions to Bidders, Bid security of acceptable form, if any, and the Bid Form with any supplements.
 9. *Change Order*—A document recommended by Engineer which is signed by Contractor and Owner and authorizes an addition, deletion, or revision in the Work or an adjustment in the Contract Price or the Contract Times, issued on or after the Effective Date of the Agreement.
 10. *Claim*—A demand or assertion by Owner or Contractor seeking an adjustment of Contract Price or Contract Times, or both, or other relief with respect to the terms of the Contract. A demand for money or services by a third party is not a Claim.
 11. *Contract*—The entire and integrated written agreement between the Owner and Contractor concerning the Work. The Contract supersedes prior negotiations, representations, or agreements, whether written or oral.

12. *Contract Documents*—Those items so designated in the Agreement. Only printed or hard copies of the items listed in the Agreement are Contract Documents. Approved Shop Drawings, other Contractor submittals, and the reports and drawings of subsurface and physical conditions are not Contract Documents.
13. *Contract Price*—The moneys payable by Owner to Contractor for completion of the Work in accordance with the Contract Documents as stated in the Agreement (subject to the provisions of Paragraph 11.03 in the case of Unit Price Work).
14. *Contract Times*—The number of days or the dates stated in the Agreement to: (i) achieve Milestones, if any; (ii) achieve Substantial Completion; and (iii) complete the Work so that it is ready for final payment as evidenced by Engineer's written recommendation of final payment.
15. *Contractor*—The individual or entity with whom Owner has entered into the Agreement.
16. *Cost of the Work*—See Paragraph 11.01 for definition.
17. *Drawings*—That part of the Contract Documents prepared or approved by Engineer which graphically shows the scope, extent, and character of the Work to be performed by Contractor. Shop Drawings and other Contractor submittals are not Drawings as so defined.
18. *Effective Date of the Agreement*—The date indicated in the Agreement on which it becomes effective, but if no such date is indicated, it means the date on which the Agreement is signed and delivered by the last of the two parties to sign and deliver.
19. *Engineer*—The individual or entity named as such in the Agreement.
20. *Field Order*—A written order issued by Engineer which requires minor changes in the Work but which does not involve a change in the Contract Price or the Contract Times.
21. *General Requirements*—Sections of Division 1 of the Specifications.
22. *Hazardous Environmental Condition*—The presence at the Site of Asbestos, PCBs, Petroleum, Hazardous Waste, or Radioactive Material in such quantities or circumstances that may present a substantial danger to persons or property exposed thereto.
23. *Hazardous Waste*—The term Hazardous Waste shall have the meaning provided in Section 1004 of the Solid Waste Disposal Act (42 USC Section 6903) as amended from time to time.
24. *Laws and Regulations; Laws or Regulations*—Any and all applicable laws, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.
25. *Liens*—Charges, security interests, or encumbrances upon Project funds, real property, or personal property.
26. *Milestone*—A principal event specified in the Contract Documents relating to an intermediate completion date or time prior to Substantial Completion of all the Work.

27. *Notice of Award*—The written notice by Owner to the Successful Bidder stating that upon timely compliance by the Successful Bidder with the conditions precedent listed therein, Owner will sign and deliver the Agreement.
28. *Notice to Proceed*—A written notice given by Owner to Contractor fixing the date on which the Contract Times will commence to run and on which Contractor shall start to perform the Work under the Contract Documents.
29. *Owner*—The individual or entity with whom Contractor has entered into the Agreement and for whom the Work is to be performed.
30. *PCBs*—Polychlorinated biphenyls.
31. *Petroleum*—Petroleum, including crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute), such as oil, petroleum, fuel oil, oil sludge, oil refuse, gasoline, kerosene, and oil mixed with other non-Hazardous Waste and crude oils.
32. *Progress Schedule*—A schedule, prepared and maintained by Contractor, describing the sequence and duration of the activities comprising the Contractor's plan to accomplish the Work within the Contract Times.
33. *Project*—The total construction of which the Work to be performed under the Contract Documents may be the whole, or a part.
34. *Project Manual*—The bound documentary information prepared for bidding and constructing the Work. A listing of the contents of the Project Manual, which may be bound in one or more volumes, is contained in the table(s) of contents.
35. *Radioactive Material*—Source, special nuclear, or byproduct material as defined by the Atomic Energy Act of 1954 (42 USC Section 2011 et seq.) as amended from time to time.
36. *Resident Project Representative*—The authorized representative of Engineer who may be assigned to the Site or any part thereof.
37. *Samples*—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and which establish the standards by which such portion of the Work will be judged.
38. *Schedule of Submittals*—A schedule, prepared and maintained by Contractor, of required submittals and the time requirements to support scheduled performance of related construction activities.
39. *Schedule of Values*—A schedule, prepared and maintained by Contractor, allocating portions of the Contract Price to various portions of the Work and used as the basis for reviewing Contractor's Applications for Payment.

40. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information which are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work.
41. *Site*—Lands or areas indicated in the Contract Documents as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements for access thereto, and such other lands furnished by Owner which are designated for the use of Contractor.
42. *Specifications*—That part of the Contract Documents consisting of written requirements for materials, equipment, systems, standards and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable thereto.
43. *Subcontractor*—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work at the Site.
44. *Substantial Completion*—The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms “substantially complete” and “substantially completed” as applied to all or part of the Work refer to Substantial Completion thereof.
45. *Successful Bidder*—The Bidder submitting a responsive Bid to whom Owner makes an award.
46. *Supplementary Conditions*—That part of the Contract Documents which amends or supplements these General Conditions.
47. *Supplier*—A manufacturer, fabricator, supplier, distributor, materialman, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or Subcontractor.
48. *Underground Facilities*—All underground pipelines, conduits, ducts, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or attachments, and any encasements containing such facilities, including those that convey electricity, gases, steam, liquid petroleum products, telephone or other communications, cable television, water, wastewater, storm water, other liquids or chemicals, or traffic or other control systems.
49. *Unit Price Work*—Work to be paid for on the basis of unit prices.
50. *Work*—The entire construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction, and furnishing, installing, and incorporating all materials and equipment into such construction, all as required by the Contract Documents.
51. *Work Change Directive*—A written statement to Contractor issued on or after the Effective Date of the Agreement and signed by Owner and recommended by Engineer ordering an

addition, deletion, or revision in the Work, or responding to differing or unforeseen subsurface or physical conditions under which the Work is to be performed or to emergencies. A Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the change ordered or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order following negotiations by the parties as to its effect, if any, on the Contract Price or Contract Times.

1.02 Terminology

A. The words and terms discussed in Paragraph 1.02.B through F are not defined but, when used in the Bidding Requirements or Contract Documents, have the indicated meaning.

B. *Intent of Certain Terms or Adjectives:*

1. The Contract Documents include the terms “as allowed,” “as approved,” “as ordered,” “as directed” or terms of like effect or import to authorize an exercise of professional judgment by Engineer. In addition, the adjectives “reasonable,” “suitable,” “acceptable,” “proper,” “satisfactory,” or adjectives of like effect or import are used to describe an action or determination of Engineer as to the Work. It is intended that such exercise of professional judgment, action, or determination will be solely to evaluate, in general, the Work for compliance with the information in the Contract Documents and with the design concept of the Project as a functioning whole as shown or indicated in the Contract Documents (unless there is a specific statement indicating otherwise). The use of any such term or adjective is not intended to and shall not be effective to assign to Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility contrary to the provisions of Paragraph 9.09 or any other provision of the Contract Documents.

C. *Day:*

1. The word “day” means a calendar day of 24 hours measured from midnight to the next midnight.

D. *Defective:*

1. The word “defective,” when modifying the word “Work,” refers to Work that is unsatisfactory, faulty, or deficient in that it:
 - a. does not conform to the Contract Documents; or
 - b. does not meet the requirements of any applicable inspection, reference standard, test, or approval referred to in the Contract Documents; or
 - c. has been damaged prior to Engineer’s recommendation of final payment (unless responsibility for the protection thereof has been assumed by Owner at Substantial Completion in accordance with Paragraph 14.04 or 14.05).

E. *Furnish, Install, Perform, Provide:*

1. The word “furnish,” when used in connection with services, materials, or equipment, shall mean to supply and deliver said services, materials, or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.
 2. The word “install,” when used in connection with services, materials, or equipment, shall mean to put into use or place in final position said services, materials, or equipment complete and ready for intended use.
 3. The words “perform” or “provide,” when used in connection with services, materials, or equipment, shall mean to furnish and install said services, materials, or equipment complete and ready for intended use.
 4. When “furnish,” “install,” “perform,” or “provide” is not used in connection with services, materials, or equipment in a context clearly requiring an obligation of Contractor, “provide” is implied.
- F. Unless stated otherwise in the Contract Documents, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract Documents in accordance with such recognized meaning.

ARTICLE 2 – PRELIMINARY MATTERS

2.01 *Delivery of Bonds and Evidence of Insurance*

- A. When Contractor delivers the executed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner such bonds as Contractor may be required to furnish.
- B. *Evidence of Insurance:* Before any Work at the Site is started, Contractor and Owner shall each deliver to the other, with copies to each additional insured identified in the Supplementary Conditions, certificates of insurance (and other evidence of insurance which either of them or any additional insured may reasonably request) which Contractor and Owner respectively are required to purchase and maintain in accordance with Article 5.

2.02 *Copies of Documents*

- A. Owner shall furnish to Contractor up to ten printed or hard copies of the Drawings and Project Manual. Additional copies will be furnished upon request at the cost of reproduction.

2.03 *Commencement of Contract Times; Notice to Proceed*

- A. The Contract Times will commence to run on the thirtieth day after the Effective Date of the Agreement or, if a Notice to Proceed is given, on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within 30 days after the Effective Date of the Agreement. In no event will the Contract Times commence to run later than the sixtieth day after the day of Bid opening or the thirtieth day after the Effective Date of the Agreement, whichever date is earlier.

2.04 *Starting the Work*

- A. Contractor shall start to perform the Work on the date when the Contract Times commence to run. No Work shall be done at the Site prior to the date on which the Contract Times commence to run.

2.05 *Before Starting Construction*

- A. *Preliminary Schedules:* Within 10 days after the Effective Date of the Agreement (unless otherwise specified in the General Requirements), Contractor shall submit to Engineer for timely review:
 1. a preliminary Progress Schedule indicating the times (numbers of days or dates) for starting and completing the various stages of the Work, including any Milestones specified in the Contract Documents;
 2. a preliminary Schedule of Submittals; and
 3. a preliminary Schedule of Values for all of the Work which includes quantities and prices of items which when added together equal the Contract Price and subdivides the Work into component parts in sufficient detail to serve as the basis for progress payments during performance of the Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Work.

2.06 *Preconstruction Conference; Designation of Authorized Representatives*

- A. Before any Work at the Site is started, a conference attended by Owner, Contractor, Engineer, and others as appropriate will be held to establish a working understanding among the parties as to the Work and to discuss the schedules referred to in Paragraph 2.05.A, procedures for handling Shop Drawings and other submittals, processing Applications for Payment, and maintaining required records.
- B. At this conference Owner and Contractor each shall designate, in writing, a specific individual to act as its authorized representative with respect to the services and responsibilities under the Contract. Such individuals shall have the authority to transmit instructions, receive information, render decisions relative to the Contract, and otherwise act on behalf of each respective party.

2.07 *Initial Acceptance of Schedules*

- A. At least 10 days before submission of the first Application for Payment a conference attended by Contractor, Engineer, and others as appropriate will be held to review for acceptability to Engineer as provided below the schedules submitted in accordance with Paragraph 2.05.A. Contractor shall have an additional 10 days to make corrections and adjustments and to complete and resubmit the schedules. No progress payment shall be made to Contractor until acceptable schedules are submitted to Engineer.
 1. The Progress Schedule will be acceptable to Engineer if it provides an orderly progression of the Work to completion within the Contract Times. Such acceptance will not impose on Engineer responsibility for the Progress Schedule, for sequencing, scheduling, or progress of

the Work, nor interfere with or relieve Contractor from Contractor's full responsibility therefor.

2. Contractor's Schedule of Submittals will be acceptable to Engineer if it provides a workable arrangement for reviewing and processing the required submittals.
3. Contractor's Schedule of Values will be acceptable to Engineer as to form and substance if it provides a reasonable allocation of the Contract Price to component parts of the Work.

ARTICLE 3 – CONTRACT DOCUMENTS: INTENT, AMENDING, REUSE

3.01 *Intent*

- A. The Contract Documents are complementary; what is required by one is as binding as if required by all.
- B. It is the intent of the Contract Documents to describe a functionally complete project (or part thereof) to be constructed in accordance with the Contract Documents. Any labor, documentation, services, materials, or equipment that reasonably may be inferred from the Contract Documents or from prevailing custom or trade usage as being required to produce the indicated result will be provided whether or not specifically called for, at no additional cost to Owner.
- C. Clarifications and interpretations of the Contract Documents shall be issued by Engineer as provided in Article 9.

3.02 *Reference Standards*

- A. Standards, Specifications, Codes, Laws, and Regulations
 1. Reference to standards, specifications, manuals, or codes of any technical society, organization, or association, or to Laws or Regulations, whether such reference be specific or by implication, shall mean the standard, specification, manual, code, or Laws or Regulations in effect at the time of opening of Bids (or on the Effective Date of the Agreement if there were no Bids), except as may be otherwise specifically stated in the Contract Documents.
 2. No provision of any such standard, specification, manual, or code, or any instruction of a Supplier, shall be effective to change the duties or responsibilities of Owner, Contractor, or Engineer, or any of their subcontractors, consultants, agents, or employees, from those set forth in the Contract Documents. No such provision or instruction shall be effective to assign to Owner, Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, any duty or authority to supervise or direct the performance of the Work or any duty or authority to undertake responsibility inconsistent with the provisions of the Contract Documents.

3.03 *Reporting and Resolving Discrepancies*

A. *Reporting Discrepancies:*

1. *Contractor's Review of Contract Documents Before Starting Work:* Before undertaking each part of the Work, Contractor shall carefully study and compare the Contract Documents and check and verify pertinent figures therein and all applicable field measurements. Contractor shall promptly report in writing to Engineer any conflict, error, ambiguity, or discrepancy which Contractor discovers, or has actual knowledge of, and shall obtain a written interpretation or clarification from Engineer before proceeding with any Work affected thereby.
2. *Contractor's Review of Contract Documents During Performance of Work:* If, during the performance of the Work, Contractor discovers any conflict, error, ambiguity, or discrepancy within the Contract Documents, or between the Contract Documents and (a) any applicable Law or Regulation, (b) any standard, specification, manual, or code, or (c) any instruction of any Supplier, then Contractor shall promptly report it to Engineer in writing. Contractor shall not proceed with the Work affected thereby (except in an emergency as required by Paragraph 6.16.A) until an amendment or supplement to the Contract Documents has been issued by one of the methods indicated in Paragraph 3.04.
3. Contractor shall not be liable to Owner or Engineer for failure to report any conflict, error, ambiguity, or discrepancy in the Contract Documents unless Contractor had actual knowledge thereof.

B. Resolving Discrepancies:

1. Except as may be otherwise specifically stated in the Contract Documents, the provisions of the Contract Documents shall take precedence in resolving any conflict, error, ambiguity, or discrepancy between the provisions of the Contract Documents and:
 - a. the provisions of any standard, specification, manual, or code, or the instruction of any Supplier (whether or not specifically incorporated by reference in the Contract Documents); or
 - b. the provisions of any Laws or Regulations applicable to the performance of the Work (unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation).

3.04 Amending and Supplementing Contract Documents

- A. The Contract Documents may be amended to provide for additions, deletions, and revisions in the Work or to modify the terms and conditions thereof by either a Change Order or a Work Change Directive.
- B. The requirements of the Contract Documents may be supplemented, and minor variations and deviations in the Work may be authorized, by one or more of the following ways:
 1. A Field Order;
 2. Engineer's approval of a Shop Drawing or Sample (subject to the provisions of Paragraph 6.17.D.3); or

3. Engineer's written interpretation or clarification.

3.05 *Reuse of Documents*

A. Contractor and any Subcontractor or Supplier shall not:

1. have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents (or copies of any thereof) prepared by or bearing the seal of Engineer or its consultants, including electronic media editions; or
2. reuse any such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other project without written consent of Owner and Engineer and specific written verification or adaptation by Engineer.

B. The prohibitions of this Paragraph 3.05 will survive final payment, or termination of the Contract. Nothing herein shall preclude Contractor from retaining copies of the Contract Documents for record purposes.

3.06 *Electronic Data*

- A. Unless otherwise stated in the Supplementary Conditions, the data furnished by Owner or Engineer to Contractor, or by Contractor to Owner or Engineer, that may be relied upon are limited to the printed copies (also known as hard copies). Files in electronic media format of text, data, graphics, or other types are furnished only for the convenience of the receiving party. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk. If there is a discrepancy between the electronic files and the hard copies, the hard copies govern.
- B. Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it will perform acceptance tests or procedures within 60 days, after which the receiving party shall be deemed to have accepted the data thus transferred. Any errors detected within the 60-day acceptance period will be corrected by the transferring party.
- C. When transferring documents in electronic media format, the transferring party makes no representations as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by the data's creator.

ARTICLE 4 – AVAILABILITY OF LANDS; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS; REFERENCE POINTS

4.01 *Availability of Lands*

- A. Owner shall furnish the Site. Owner shall notify Contractor of any encumbrances or restrictions not of general application but specifically related to use of the Site with which Contractor must comply in performing the Work. Owner will obtain in a timely manner and pay for easements for permanent structures or permanent changes in existing facilities. If Contractor and Owner are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in the

Contract Price or Contract Times, or both, as a result of any delay in Owner's furnishing the Site or a part thereof, Contractor may make a Claim therefor as provided in Paragraph 10.05.

- B. Upon reasonable written request, Owner shall furnish Contractor with a current statement of record legal title and legal description of the lands upon which the Work is to be performed and Owner's interest therein as necessary for giving notice of or filing a mechanic's or construction lien against such lands in accordance with applicable Laws and Regulations.
- C. Contractor shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

4.02 *Subsurface and Physical Conditions*

A. *Reports and Drawings:* The Supplementary Conditions identify:

- 1. those reports known to Owner of explorations and tests of subsurface conditions at or contiguous to the Site; and
- 2. those drawings known to Owner of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities).

B. *Limited Reliance by Contractor on Technical Data Authorized:* Contractor may rely upon the accuracy of the "technical data" contained in such reports and drawings, but such reports and drawings are not Contract Documents. Such "technical data" is identified in the Supplementary Conditions. Except for such reliance on such "technical data," Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors with respect to:

- 1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto; or
- 2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or
- 3. any Contractor interpretation of or conclusion drawn from any "technical data" or any such other data, interpretations, opinions, or information.

4.03 *Differing Subsurface or Physical Conditions*

A. *Notice:* If Contractor believes that any subsurface or physical condition that is uncovered or revealed either:

- 1. is of such a nature as to establish that any "technical data" on which Contractor is entitled to rely as provided in Paragraph 4.02 is materially inaccurate; or
- 2. is of such a nature as to require a change in the Contract Documents; or
- 3. differs materially from that shown or indicated in the Contract Documents; or

4. is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;

then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith (except in an emergency as required by Paragraph 6.16.A), notify Owner and Engineer in writing about such condition. Contractor shall not further disturb such condition or perform any Work in connection therewith (except as aforesaid) until receipt of written order to do so.

- B. *Engineer's Review:* After receipt of written notice as required by Paragraph 4.03.A, Engineer will promptly review the pertinent condition, determine the necessity of Owner's obtaining additional exploration or tests with respect thereto, and advise Owner in writing (with a copy to Contractor) of Engineer's findings and conclusions.

C. *Possible Price and Times Adjustments:*

1. The Contract Price or the Contract Times, or both, will be equitably adjusted to the extent that the existence of such differing subsurface or physical condition causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:
 - a. such condition must meet any one or more of the categories described in Paragraph 4.03.A; and
 - b. with respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraphs 9.07 and 11.03.
2. Contractor shall not be entitled to any adjustment in the Contract Price or Contract Times if:
 - a. Contractor knew of the existence of such conditions at the time Contractor made a final commitment to Owner with respect to Contract Price and Contract Times by the submission of a Bid or becoming bound under a negotiated contract; or
 - b. the existence of such condition could reasonably have been discovered or revealed as a result of any examination, investigation, exploration, test, or study of the Site and contiguous areas required by the Bidding Requirements or Contract Documents to be conducted by or for Contractor prior to Contractor's making such final commitment; or
 - c. Contractor failed to give the written notice as required by Paragraph 4.03.A.
3. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in the Contract Price or Contract Times, or both, a Claim may be made therefor as provided in Paragraph 10.05. However, neither Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors shall be liable to Contractor for any claims, costs, losses, or damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) sustained by Contractor on or in connection with any other project or anticipated project.

4.04 *Underground Facilities*

A. *Shown or Indicated:* The information and data shown or indicated in the Contract Documents with respect to existing Underground Facilities at or contiguous to the Site is based on information and data furnished to Owner or Engineer by the owners of such Underground Facilities, including Owner, or by others. Unless it is otherwise expressly provided in the Supplementary Conditions:

1. Owner and Engineer shall not be responsible for the accuracy or completeness of any such information or data provided by others; and
2. the cost of all of the following will be included in the Contract Price, and Contractor shall have full responsibility for:
 - a. reviewing and checking all such information and data;
 - b. locating all Underground Facilities shown or indicated in the Contract Documents;
 - c. coordination of the Work with the owners of such Underground Facilities, including Owner, during construction; and
 - d. the safety and protection of all such Underground Facilities and repairing any damage thereto resulting from the Work.

B. *Not Shown or Indicated:*

1. If an Underground Facility is uncovered or revealed at or contiguous to the Site which was not shown or indicated, or not shown or indicated with reasonable accuracy in the Contract Documents, Contractor shall, promptly after becoming aware thereof and before further disturbing conditions affected thereby or performing any Work in connection therewith (except in an emergency as required by Paragraph 6.16.A), identify the owner of such Underground Facility and give written notice to that owner and to Owner and Engineer. Engineer will promptly review the Underground Facility and determine the extent, if any, to which a change is required in the Contract Documents to reflect and document the consequences of the existence or location of the Underground Facility. During such time, Contractor shall be responsible for the safety and protection of such Underground Facility.
2. If Engineer concludes that a change in the Contract Documents is required, a Work Change Directive or a Change Order will be issued to reflect and document such consequences. An equitable adjustment shall be made in the Contract Price or Contract Times, or both, to the extent that they are attributable to the existence or location of any Underground Facility that was not shown or indicated or not shown or indicated with reasonable accuracy in the Contract Documents and that Contractor did not know of and could not reasonably have been expected to be aware of or to have anticipated. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any such adjustment in Contract Price or Contract Times, Owner or Contractor may make a Claim therefor as provided in Paragraph 10.05.

4.05 *Reference Points*

- A. Owner shall provide engineering surveys to establish reference points for construction which in Engineer's judgment are necessary to enable Contractor to proceed with the Work. Contractor shall be responsible for laying out the Work, shall protect and preserve the established reference points and property monuments, and shall make no changes or relocations without the prior written approval of Owner. Contractor shall report to Engineer whenever any reference point or property monument is lost or destroyed or requires relocation because of necessary changes in grades or locations, and shall be responsible for the accurate replacement or relocation of such reference points or property monuments by professionally qualified personnel.

4.06 *Hazardous Environmental Condition at Site*

- A. *Reports and Drawings:* The Supplementary Conditions identify those reports and drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at the Site.
- B. *Limited Reliance by Contractor on Technical Data Authorized:* Contractor may rely upon the accuracy of the "technical data" contained in such reports and drawings, but such reports and drawings are not Contract Documents. Such "technical data" is identified in the Supplementary Conditions. Except for such reliance on such "technical data," Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors with respect to:
1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences and procedures of construction to be employed by Contractor and safety precautions and programs incident thereto; or
 2. other data, interpretations, opinions and information contained in such reports or shown or indicated in such drawings; or
 3. any Contractor interpretation of or conclusion drawn from any "technical data" or any such other data, interpretations, opinions or information.
- C. Contractor shall not be responsible for any Hazardous Environmental Condition uncovered or revealed at the Site which was not shown or indicated in Drawings or Specifications or identified in the Contract Documents to be within the scope of the Work. Contractor shall be responsible for a Hazardous Environmental Condition created with any materials brought to the Site by Contractor, Subcontractors, Suppliers, or anyone else for whom Contractor is responsible.
- D. If Contractor encounters a Hazardous Environmental Condition or if Contractor or anyone for whom Contractor is responsible creates a Hazardous Environmental Condition, Contractor shall immediately: (i) secure or otherwise isolate such condition; (ii) stop all Work in connection with such condition and in any area affected thereby (except in an emergency as required by Paragraph 6.16.A); and (iii) notify Owner and Engineer (and promptly thereafter confirm such notice in writing). Owner shall promptly consult with Engineer concerning the necessity for Owner to retain a qualified expert to evaluate such condition or take corrective action, if any. Promptly after consulting with Engineer, Owner shall take such actions as are necessary to

permit Owner to timely obtain required permits and provide Contractor the written notice required by Paragraph 4.06.E.

- E. Contractor shall not be required to resume Work in connection with such condition or in any affected area until after Owner has obtained any required permits related thereto and delivered written notice to Contractor: (i) specifying that such condition and any affected area is or has been rendered safe for the resumption of Work; or (ii) specifying any special conditions under which such Work may be resumed safely. If Owner and Contractor cannot agree as to entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times, or both, as a result of such Work stoppage or such special conditions under which Work is agreed to be resumed by Contractor, either party may make a Claim therefor as provided in Paragraph 10.05.
- F. If after receipt of such written notice Contractor does not agree to resume such Work based on a reasonable belief it is unsafe, or does not agree to resume such Work under such special conditions, then Owner may order the portion of the Work that is in the area affected by such condition to be deleted from the Work. If Owner and Contractor cannot agree as to entitlement to or on the amount or extent, if any, of an adjustment in Contract Price or Contract Times as a result of deleting such portion of the Work, then either party may make a Claim therefor as provided in Paragraph 10.05. Owner may have such deleted portion of the Work performed by Owner's own forces or others in accordance with Article 7.
- G. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition, provided that such Hazardous Environmental Condition: (i) was not shown or indicated in the Drawings or Specifications or identified in the Contract Documents to be included within the scope of the Work, and (ii) was not created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 4.06.G shall obligate Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
- H. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 4.06.H shall obligate Contractor to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
- I. The provisions of Paragraphs 4.02, 4.03, and 4.04 do not apply to a Hazardous Environmental Condition uncovered or revealed at the Site.

ARTICLE 5 – BONDS AND INSURANCE

5.01 *Performance, Payment, and Other Bonds*

- A. Contractor shall furnish performance and payment bonds, each in an amount at least equal to the Contract Price as security for the faithful performance and payment of all of Contractor's obligations under the Contract Documents. These bonds shall remain in effect until one year after the date when final payment becomes due or until completion of the correction period specified in Paragraph 13.07, whichever is later, except as provided otherwise by Laws or Regulations or by the Contract Documents. Contractor shall also furnish such other bonds as are required by the Contract Documents.
- B. All bonds shall be in the form prescribed by the Contract Documents except as provided otherwise by Laws or Regulations, and shall be executed by such sureties as are named in the list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (amended) by the Financial Management Service, Surety Bond Branch, U.S. Department of the Treasury. All bonds signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual's authority to bind the surety. The evidence of authority shall show that it is effective on the date the agent or attorney-in-fact signed each bond.
- C. If the surety on any bond furnished by Contractor is declared bankrupt or becomes insolvent or its right to do business is terminated in any state where any part of the Project is located or it ceases to meet the requirements of Paragraph 5.01.B, Contractor shall promptly notify Owner and Engineer and shall, within 20 days after the event giving rise to such notification, provide another bond and surety, both of which shall comply with the requirements of Paragraphs 5.01.B and 5.02.

5.02 *Licensed Sureties and Insurers*

- A. All bonds and insurance required by the Contract Documents to be purchased and maintained by Owner or Contractor shall be obtained from surety or insurance companies that are duly licensed or authorized in the jurisdiction in which the Project is located to issue bonds or insurance policies for the limits and coverages so required. Such surety and insurance companies shall also meet such additional requirements and qualifications as may be provided in the Supplementary Conditions.

5.03 *Certificates of Insurance*

- A. Contractor shall deliver to Owner, with copies to each additional insured and loss payee identified in the Supplementary Conditions, certificates of insurance (and other evidence of insurance requested by Owner or any other additional insured) which Contractor is required to purchase and maintain.
- B. Owner shall deliver to Contractor, with copies to each additional insured and loss payee identified in the Supplementary Conditions, certificates of insurance (and other evidence of insurance requested by Contractor or any other additional insured) which Owner is required to purchase and maintain.

- C. Failure of Owner to demand such certificates or other evidence of Contractor's full compliance with these insurance requirements or failure of Owner to identify a deficiency in compliance from the evidence provided shall not be construed as a waiver of Contractor's obligation to maintain such insurance.
- D. Owner does not represent that insurance coverage and limits established in this Contract necessarily will be adequate to protect Contractor.
- E. The insurance and insurance limits required herein shall not be deemed as a limitation on Contractor's liability under the indemnities granted to Owner in the Contract Documents.

5.04 *Contractor's Insurance*

- A. Contractor shall purchase and maintain such insurance as is appropriate for the Work being performed and as will provide protection from claims set forth below which may arise out of or result from Contractor's performance of the Work and Contractor's other obligations under the Contract Documents, whether it is to be performed by Contractor, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable:
 - 1. claims under workers' compensation, disability benefits, and other similar employee benefit acts;
 - 2. claims for damages because of bodily injury, occupational sickness or disease, or death of Contractor's employees;
 - 3. claims for damages because of bodily injury, sickness or disease, or death of any person other than Contractor's employees;
 - 4. claims for damages insured by reasonably available personal injury liability coverage which are sustained:
 - a. by any person as a result of an offense directly or indirectly related to the employment of such person by Contractor, or
 - b. by any other person for any other reason;
 - 5. claims for damages, other than to the Work itself, because of injury to or destruction of tangible property wherever located, including loss of use resulting therefrom; and
 - 6. claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle.
- B. The policies of insurance required by this Paragraph 5.04 shall:
 - 1. with respect to insurance required by Paragraphs 5.04.A.3 through 5.04.A.6 inclusive, be written on an occurrence basis, include as additional insureds (subject to any customary exclusion regarding professional liability) Owner and Engineer, and any other individuals or entities identified in the Supplementary Conditions, all of whom shall be listed as additional insureds, and include coverage for the respective officers, directors, members, partners,

employees, agents, consultants, and subcontractors of each and any of all such additional insureds, and the insurance afforded to these additional insureds shall provide primary coverage for all claims covered thereby;

2. include at least the specific coverages and be written for not less than the limits of liability provided in the Supplementary Conditions or required by Laws or Regulations, whichever is greater;
3. include contractual liability insurance covering Contractor's indemnity obligations under Paragraphs 6.11 and 6.20;
4. contain a provision or endorsement that the coverage afforded will not be canceled, materially changed or renewal refused until at least 30 days prior written notice has been given to Owner and Contractor and to each other additional insured identified in the Supplementary Conditions to whom a certificate of insurance has been issued (and the certificates of insurance furnished by the Contractor pursuant to Paragraph 5.03 will so provide);
5. remain in effect at least until final payment and at all times thereafter when Contractor may be correcting, removing, or replacing defective Work in accordance with Paragraph 13.07; and
6. include completed operations coverage:
 - a. Such insurance shall remain in effect for two years after final payment.
 - b. Contractor shall furnish Owner and each other additional insured identified in the Supplementary Conditions, to whom a certificate of insurance has been issued, evidence satisfactory to Owner and any such additional insured of continuation of such insurance at final payment and one year thereafter.

5.05 *Owner's Liability Insurance*

- A. In addition to the insurance required to be provided by Contractor under Paragraph 5.04, Owner, at Owner's option, may purchase and maintain at Owner's expense Owner's own liability insurance as will protect Owner against claims which may arise from operations under the Contract Documents.

5.06 *Property Insurance*

- A. Unless otherwise provided in the Supplementary Conditions, Owner shall purchase and maintain property insurance upon the Work at the Site in the amount of the full replacement cost thereof (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws and Regulations). This insurance shall:
 1. include the interests of Owner, Contractor, Subcontractors, and Engineer, and any other individuals or entities identified in the Supplementary Conditions, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of

them, each of whom is deemed to have an insurable interest and shall be listed as a loss payee;

2. be written on a Builder's Risk "all-risk" policy form that shall at least include insurance for physical loss or damage to the Work, temporary buildings, falsework, and materials and equipment in transit, and shall insure against at least the following perils or causes of loss: fire, lightning, extended coverage, theft, vandalism and malicious mischief, earthquake, collapse, debris removal, demolition occasioned by enforcement of Laws and Regulations, water damage (other than that caused by flood), and such other perils or causes of loss as may be specifically required by the Supplementary Conditions.
 3. include expenses incurred in the repair or replacement of any insured property (including but not limited to fees and charges of engineers and architects);
 4. cover materials and equipment stored at the Site or at another location that was agreed to in writing by Owner prior to being incorporated in the Work, provided that such materials and equipment have been included in an Application for Payment recommended by Engineer;
 5. allow for partial utilization of the Work by Owner;
 6. include testing and startup; and
 7. be maintained in effect until final payment is made unless otherwise agreed to in writing by Owner, Contractor, and Engineer with 30 days written notice to each other loss payee to whom a certificate of insurance has been issued.
- B. Owner shall purchase and maintain such equipment breakdown insurance or additional property insurance as may be required by the Supplementary Conditions or Laws and Regulations which will include the interests of Owner, Contractor, Subcontractors, and Engineer, and any other individuals or entities identified in the Supplementary Conditions, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, each of whom is deemed to have an insurable interest and shall be listed as a loss payee.
- C. All the policies of insurance (and the certificates or other evidence thereof) required to be purchased and maintained in accordance with this Paragraph 5.06 will contain a provision or endorsement that the coverage afforded will not be canceled or materially changed or renewal refused until at least 30 days prior written notice has been given to Owner and Contractor and to each other loss payee to whom a certificate of insurance has been issued and will contain waiver provisions in accordance with Paragraph 5.07.
- D. Owner shall not be responsible for purchasing and maintaining any property insurance specified in this Paragraph 5.06 to protect the interests of Contractor, Subcontractors, or others in the Work to the extent of any deductible amounts that are identified in the Supplementary Conditions. The risk of loss within such identified deductible amount will be borne by Contractor, Subcontractors, or others suffering any such loss, and if any of them wishes property insurance coverage within the limits of such amounts, each may purchase and maintain it at the purchaser's own expense.

- E. If Contractor requests in writing that other special insurance be included in the property insurance policies provided under this Paragraph 5.06, Owner shall, if possible, include such insurance, and the cost thereof will be charged to Contractor by appropriate Change Order. Prior to commencement of the Work at the Site, Owner shall in writing advise Contractor whether or not such other insurance has been procured by Owner.

5.07 *Waiver of Rights*

- A. Owner and Contractor intend that all policies purchased in accordance with Paragraph 5.06 will protect Owner, Contractor, Subcontractors, and Engineer, and all other individuals or entities identified in the Supplementary Conditions as loss payees (and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them) in such policies and will provide primary coverage for all losses and damages caused by the perils or causes of loss covered thereby. All such policies shall contain provisions to the effect that in the event of payment of any loss or damage the insurers will have no rights of recovery against any of the insureds or loss payees thereunder. Owner and Contractor waive all rights against each other and their respective officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them for all losses and damages caused by, arising out of or resulting from any of the perils or causes of loss covered by such policies and any other property insurance applicable to the Work; and, in addition, waive all such rights against Subcontractors and Engineer, and all other individuals or entities identified in the Supplementary Conditions as loss payees (and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them) under such policies for losses and damages so caused. None of the above waivers shall extend to the rights that any party making such waiver may have to the proceeds of insurance held by Owner as trustee or otherwise payable under any policy so issued.
- B. Owner waives all rights against Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them for:
1. loss due to business interruption, loss of use, or other consequential loss extending beyond direct physical loss or damage to Owner's property or the Work caused by, arising out of, or resulting from fire or other perils whether or not insured by Owner; and
 2. loss or damage to the completed Project or part thereof caused by, arising out of, or resulting from fire or other insured peril or cause of loss covered by any property insurance maintained on the completed Project or part thereof by Owner during partial utilization pursuant to Paragraph 14.05, after Substantial Completion pursuant to Paragraph 14.04, or after final payment pursuant to Paragraph 14.07.
- C. Any insurance policy maintained by Owner covering any loss, damage or consequential loss referred to in Paragraph 5.07.B shall contain provisions to the effect that in the event of payment of any such loss, damage, or consequential loss, the insurers will have no rights of recovery against Contractor, Subcontractors, or Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them.

5.08 *Receipt and Application of Insurance Proceeds*

- A. Any insured loss under the policies of insurance required by Paragraph 5.06 will be adjusted with Owner and made payable to Owner as fiduciary for the loss payees, as their interests may appear, subject to the requirements of any applicable mortgage clause and of Paragraph 5.08.B. Owner shall deposit in a separate account any money so received and shall distribute it in accordance with such agreement as the parties in interest may reach. If no other special agreement is reached, the damaged Work shall be repaired or replaced, the moneys so received applied on account thereof, and the Work and the cost thereof covered by an appropriate Change Order.
- B. Owner as fiduciary shall have power to adjust and settle any loss with the insurers unless one of the parties in interest shall object in writing within 15 days after the occurrence of loss to Owner's exercise of this power. If such objection be made, Owner as fiduciary shall make settlement with the insurers in accordance with such agreement as the parties in interest may reach. If no such agreement among the parties in interest is reached, Owner as fiduciary shall adjust and settle the loss with the insurers and, if required in writing by any party in interest, Owner as fiduciary shall give bond for the proper performance of such duties.

5.09 *Acceptance of Bonds and Insurance; Option to Replace*

- A. If either Owner or Contractor has any objection to the coverage afforded by or other provisions of the bonds or insurance required to be purchased and maintained by the other party in accordance with Article 5 on the basis of non-conformance with the Contract Documents, the objecting party shall so notify the other party in writing within 10 days after receipt of the certificates (or other evidence requested) required by Paragraph 2.01.B. Owner and Contractor shall each provide to the other such additional information in respect of insurance provided as the other may reasonably request. If either party does not purchase or maintain all of the bonds and insurance required of such party by the Contract Documents, such party shall notify the other party in writing of such failure to purchase prior to the start of the Work, or of such failure to maintain prior to any change in the required coverage. Without prejudice to any other right or remedy, the other party may elect to obtain equivalent bonds or insurance to protect such other party's interests at the expense of the party who was required to provide such coverage, and a Change Order shall be issued to adjust the Contract Price accordingly.

5.10 *Partial Utilization, Acknowledgment of Property Insurer*

- A. If Owner finds it necessary to occupy or use a portion or portions of the Work prior to Substantial Completion of all the Work as provided in Paragraph 14.05, no such use or occupancy shall commence before the insurers providing the property insurance pursuant to Paragraph 5.06 have acknowledged notice thereof and in writing effected any changes in coverage necessitated thereby. The insurers providing the property insurance shall consent by endorsement on the policy or policies, but the property insurance shall not be canceled or permitted to lapse on account of any such partial use or occupancy.

ARTICLE 6 – CONTRACTOR’S RESPONSIBILITIES

6.01 *Supervision and Superintendence*

- A. Contractor shall supervise, inspect, and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Contractor shall be solely responsible for the means, methods, techniques, sequences, and procedures of construction. Contractor shall not be responsible for the negligence of Owner or Engineer in the design or specification of a specific means, method, technique, sequence, or procedure of construction which is shown or indicated in and expressly required by the Contract Documents.
- B. At all times during the progress of the Work, Contractor shall assign a competent resident superintendent who shall not be replaced without written notice to Owner and Engineer except under extraordinary circumstances.

6.02 *Labor; Working Hours*

- A. Contractor shall provide competent, suitably qualified personnel to survey and lay out the Work and perform construction as required by the Contract Documents. Contractor shall at all times maintain good discipline and order at the Site.
- B. Except as otherwise required for the safety or protection of persons or the Work or property at the Site or adjacent thereto, and except as otherwise stated in the Contract Documents, all Work at the Site shall be performed during regular working hours. Contractor will not permit the performance of Work on a Saturday, Sunday, or any legal holiday without Owner’s written consent (which will not be unreasonably withheld) given after prior written notice to Engineer.

6.03 *Services, Materials, and Equipment*

- A. Unless otherwise specified in the Contract Documents, Contractor shall provide and assume full responsibility for all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, temporary facilities, and all other facilities and incidentals necessary for the performance, testing, start-up, and completion of the Work.
- B. All materials and equipment incorporated into the Work shall be as specified or, if not specified, shall be of good quality and new, except as otherwise provided in the Contract Documents. All special warranties and guarantees required by the Specifications shall expressly run to the benefit of Owner. If required by Engineer, Contractor shall furnish satisfactory evidence (including reports of required tests) as to the source, kind, and quality of materials and equipment.
- C. All materials and equipment shall be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with instructions of the applicable Supplier, except as otherwise may be provided in the Contract Documents.

6.04 Progress Schedule

- A. Contractor shall adhere to the Progress Schedule established in accordance with Paragraph 2.07 as it may be adjusted from time to time as provided below.
1. Contractor shall submit to Engineer for acceptance (to the extent indicated in Paragraph 2.07) proposed adjustments in the Progress Schedule that will not result in changing the Contract Times. Such adjustments will comply with any provisions of the General Requirements applicable thereto.
 2. Proposed adjustments in the Progress Schedule that will change the Contract Times shall be submitted in accordance with the requirements of Article 12. Adjustments in Contract Times may only be made by a Change Order.

6.05 Substitutes and “Or-Equals”

- A. Whenever an item of material or equipment is specified or described in the Contract Documents by using the name of a proprietary item or the name of a particular Supplier, the specification or description is intended to establish the type, function, appearance, and quality required. Unless the specification or description contains or is followed by words reading that no like, equivalent, or “or-equal” item or no substitution is permitted, other items of material or equipment or material or equipment of other Suppliers may be submitted to Engineer for review under the circumstances described below.
1. *“Or-Equal” Items:* If in Engineer’s sole discretion an item of material or equipment proposed by Contractor is functionally equal to that named and sufficiently similar so that no change in related Work will be required, it may be considered by Engineer as an “or-equal” item, in which case review and approval of the proposed item may, in Engineer’s sole discretion, be accomplished without compliance with some or all of the requirements for approval of proposed substitute items. For the purposes of this Paragraph 6.05.A.1, a proposed item of material or equipment will be considered functionally equal to an item so named if:
 - a. in the exercise of reasonable judgment Engineer determines that:
 - 1) it is at least equal in materials of construction, quality, durability, appearance, strength, and design characteristics;
 - 2) it will reliably perform at least equally well the function and achieve the results imposed by the design concept of the completed Project as a functioning whole; and
 - 3) it has a proven record of performance and availability of responsive service.
 - b. Contractor certifies that, if approved and incorporated into the Work:
 - 1) there will be no increase in cost to the Owner or increase in Contract Times; and
 - 2) it will conform substantially to the detailed requirements of the item named in the Contract Documents.

2. *Substitute Items:*

- a. If in Engineer's sole discretion an item of material or equipment proposed by Contractor does not qualify as an "or-equal" item under Paragraph 6.05.A.1, it will be considered a proposed substitute item.
- b. Contractor shall submit sufficient information as provided below to allow Engineer to determine if the item of material or equipment proposed is essentially equivalent to that named and an acceptable substitute therefor. Requests for review of proposed substitute items of material or equipment will not be accepted by Engineer from anyone other than Contractor.
- c. The requirements for review by Engineer will be as set forth in Paragraph 6.05.A.2.d, as supplemented by the General Requirements, and as Engineer may decide is appropriate under the circumstances.
- d. Contractor shall make written application to Engineer for review of a proposed substitute item of material or equipment that Contractor seeks to furnish or use. The application:
 - 1) shall certify that the proposed substitute item will:
 - a) perform adequately the functions and achieve the results called for by the general design,
 - b) be similar in substance to that specified, and
 - c) be suited to the same use as that specified;
 - 2) will state:
 - a) the extent, if any, to which the use of the proposed substitute item will prejudice Contractor's achievement of Substantial Completion on time,
 - b) whether use of the proposed substitute item in the Work will require a change in any of the Contract Documents (or in the provisions of any other direct contract with Owner for other work on the Project) to adapt the design to the proposed substitute item, and
 - c) whether incorporation or use of the proposed substitute item in connection with the Work is subject to payment of any license fee or royalty;
 - 3) will identify:
 - a) all variations of the proposed substitute item from that specified, and
 - b) available engineering, sales, maintenance, repair, and replacement services; and
 - 4) shall contain an itemized estimate of all costs or credits that will result directly or indirectly from use of such substitute item, including costs of redesign and claims of other contractors affected by any resulting change.

- B. *Substitute Construction Methods or Procedures:* If a specific means, method, technique, sequence, or procedure of construction is expressly required by the Contract Documents, Contractor may furnish or utilize a substitute means, method, technique, sequence, or procedure of construction approved by Engineer. Contractor shall submit sufficient information to allow Engineer, in Engineer's sole discretion, to determine that the substitute proposed is equivalent to that expressly called for by the Contract Documents. The requirements for review by Engineer will be similar to those provided in Paragraph 6.05.A.2.
- C. *Engineer's Evaluation:* Engineer will be allowed a reasonable time within which to evaluate each proposal or submittal made pursuant to Paragraphs 6.05.A and 6.05.B. Engineer may require Contractor to furnish additional data about the proposed substitute item. Engineer will be the sole judge of acceptability. No "or equal" or substitute will be ordered, installed or utilized until Engineer's review is complete, which will be evidenced by a Change Order in the case of a substitute and an approved Shop Drawing for an "or equal." Engineer will advise Contractor in writing of any negative determination.
- D. *Special Guarantee:* Owner may require Contractor to furnish at Contractor's expense a special performance guarantee or other surety with respect to any substitute.
- E. *Engineer's Cost Reimbursement:* Engineer will record Engineer's costs in evaluating a substitute proposed or submitted by Contractor pursuant to Paragraphs 6.05.A.2 and 6.05.B. Whether or not Engineer approves a substitute so proposed or submitted by Contractor, Contractor shall reimburse Owner for the reasonable charges of Engineer for evaluating each such proposed substitute. Contractor shall also reimburse Owner for the reasonable charges of Engineer for making changes in the Contract Documents (or in the provisions of any other direct contract with Owner) resulting from the acceptance of each proposed substitute.
- F. *Contractor's Expense:* Contractor shall provide all data in support of any proposed substitute or "or-equal" at Contractor's expense.

6.06 *Concerning Subcontractors, Suppliers, and Others*

- A. Contractor shall not employ any Subcontractor, Supplier, or other individual or entity (including those acceptable to Owner as indicated in Paragraph 6.06.B), whether initially or as a replacement, against whom Owner may have reasonable objection. Contractor shall not be required to employ any Subcontractor, Supplier, or other individual or entity to furnish or perform any of the Work against whom Contractor has reasonable objection.
- B. If the Supplementary Conditions require the identity of certain Subcontractors, Suppliers, or other individuals or entities to be submitted to Owner in advance for acceptance by Owner by a specified date prior to the Effective Date of the Agreement, and if Contractor has submitted a list thereof in accordance with the Supplementary Conditions, Owner's acceptance (either in writing or by failing to make written objection thereto by the date indicated for acceptance or objection in the Bidding Documents or the Contract Documents) of any such Subcontractor, Supplier, or other individual or entity so identified may be revoked on the basis of reasonable objection after due investigation. Contractor shall submit an acceptable replacement for the rejected Subcontractor, Supplier, or other individual or entity, and the Contract Price will be adjusted by the difference in the cost occasioned by such replacement, and an appropriate Change Order will be issued. No acceptance by Owner of any such Subcontractor, Supplier, or other individual or

entity, whether initially or as a replacement, shall constitute a waiver of any right of Owner or Engineer to reject defective Work.

- C. Contractor shall be fully responsible to Owner and Engineer for all acts and omissions of the Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work just as Contractor is responsible for Contractor's own acts and omissions. Nothing in the Contract Documents:
 - 1. shall create for the benefit of any such Subcontractor, Supplier, or other individual or entity any contractual relationship between Owner or Engineer and any such Subcontractor, Supplier or other individual or entity; nor
 - 2. shall create any obligation on the part of Owner or Engineer to pay or to see to the payment of any moneys due any such Subcontractor, Supplier, or other individual or entity except as may otherwise be required by Laws and Regulations.
- D. Contractor shall be solely responsible for scheduling and coordinating the Work of Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work under a direct or indirect contract with Contractor.
- E. Contractor shall require all Subcontractors, Suppliers, and such other individuals or entities performing or furnishing any of the Work to communicate with Engineer through Contractor.
- F. The divisions and sections of the Specifications and the identifications of any Drawings shall not control Contractor in dividing the Work among Subcontractors or Suppliers or delineating the Work to be performed by any specific trade.
- G. All Work performed for Contractor by a Subcontractor or Supplier will be pursuant to an appropriate agreement between Contractor and the Subcontractor or Supplier which specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract Documents for the benefit of Owner and Engineer. Whenever any such agreement is with a Subcontractor or Supplier who is listed as a loss payee on the property insurance provided in Paragraph 5.06, the agreement between the Contractor and the Subcontractor or Supplier will contain provisions whereby the Subcontractor or Supplier waives all rights against Owner, Contractor, Engineer, and all other individuals or entities identified in the Supplementary Conditions to be listed as insureds or loss payees (and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them) for all losses and damages caused by, arising out of, relating to, or resulting from any of the perils or causes of loss covered by such policies and any other property insurance applicable to the Work. If the insurers on any such policies require separate waiver forms to be signed by any Subcontractor or Supplier, Contractor will obtain the same.

6.07 *Patent Fees and Royalties*

- A. Contractor shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device which is the subject of patent rights or copyrights held by others. If a particular invention, design, process, product, or device is specified in the Contract Documents for use in the performance of the Work and if, to the actual knowledge of Owner or Engineer, its

use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by Owner in the Contract Documents.

- B. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, and its officers, directors, members, partners, employees, agents, consultants, and subcontractors from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device specified in the Contract Documents, but not identified as being subject to payment of any license fee or royalty to others required by patent rights or copyrights.
- C. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device not specified in the Contract Documents.

6.08 *Permits*

- A. Unless otherwise provided in the Supplementary Conditions, Contractor shall obtain and pay for all construction permits and licenses. Owner shall assist Contractor, when necessary, in obtaining such permits and licenses. Contractor shall pay all governmental charges and inspection fees necessary for the prosecution of the Work which are applicable at the time of opening of Bids, or, if there are no Bids, on the Effective Date of the Agreement. Owner shall pay all charges of utility owners for connections for providing permanent service to the Work.

6.09 *Laws and Regulations*

- A. Contractor shall give all notices required by and shall comply with all Laws and Regulations applicable to the performance of the Work. Except where otherwise expressly required by applicable Laws and Regulations, neither Owner nor Engineer shall be responsible for monitoring Contractor's compliance with any Laws or Regulations.
- B. If Contractor performs any Work knowing or having reason to know that it is contrary to Laws or Regulations, Contractor shall bear all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work. However, it shall not be Contractor's responsibility to make certain that the Specifications and Drawings are in accordance with Laws and Regulations, but this shall not relieve Contractor of Contractor's obligations under Paragraph 3.03.
- C. Changes in Laws or Regulations not known at the time of opening of Bids (or, on the Effective Date of the Agreement if there were no Bids) having an effect on the cost or time of performance of the Work shall be the subject of an adjustment in Contract Price or Contract Times. If Owner

and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any such adjustment, a Claim may be made therefor as provided in Paragraph 10.05.

6.10 Taxes

- A. Contractor shall pay all sales, consumer, use, and other similar taxes required to be paid by Contractor in accordance with the Laws and Regulations of the place of the Project which are applicable during the performance of the Work.

6.11 Use of Site and Other Areas

A. Limitation on Use of Site and Other Areas:

1. Contractor shall confine construction equipment, the storage of materials and equipment, and the operations of workers to the Site and other areas permitted by Laws and Regulations, and shall not unreasonably encumber the Site and other areas with construction equipment or other materials or equipment. Contractor shall assume full responsibility for any damage to any such land or area, or to the owner or occupant thereof, or of any adjacent land or areas resulting from the performance of the Work.
2. Should any claim be made by any such owner or occupant because of the performance of the Work, Contractor shall promptly settle with such other party by negotiation or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law.
3. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any claim or action, legal or equitable, brought by any such owner or occupant against Owner, Engineer, or any other party indemnified hereunder to the extent caused by or based upon Contractor's performance of the Work.

- B. *Removal of Debris During Performance of the Work:* During the progress of the Work Contractor shall keep the Site and other areas free from accumulations of waste materials, rubbish, and other debris. Removal and disposal of such waste materials, rubbish, and other debris shall conform to applicable Laws and Regulations.

- C. *Cleaning:* Prior to Substantial Completion of the Work Contractor shall clean the Site and the Work and make it ready for utilization by Owner. At the completion of the Work Contractor shall remove from the Site all tools, appliances, construction equipment and machinery, and surplus materials and shall restore to original condition all property not designated for alteration by the Contract Documents.

- D. *Loading Structures:* Contractor shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall Contractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

6.12 *Record Documents*

- A. Contractor shall maintain in a safe place at the Site one record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, and written interpretations and clarifications in good order and annotated to show changes made during construction. These record documents together with all approved Samples and a counterpart of all approved Shop Drawings will be available to Engineer for reference. Upon completion of the Work, these record documents, Samples, and Shop Drawings will be delivered to Engineer for Owner.

6.13 *Safety and Protection*

- A. Contractor shall be solely responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Work. Such responsibility does not relieve Subcontractors of their responsibility for the safety of persons or property in the performance of their work, nor for compliance with applicable safety Laws and Regulations. Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury or loss to:
 - 1. all persons on the Site or who may be affected by the Work;
 - 2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and
 - 3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction.
- B. Contractor shall comply with all applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss; and shall erect and maintain all necessary safeguards for such safety and protection. Contractor shall notify owners of adjacent property and of Underground Facilities and other utility owners when prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property.
- C. Contractor shall comply with the applicable requirements of Owner's safety programs, if any. The Supplementary Conditions identify any Owner's safety programs that are applicable to the Work.
- D. Contractor shall inform Owner and Engineer of the specific requirements of Contractor's safety program with which Owner's and Engineer's employees and representatives must comply while at the Site.
- E. All damage, injury, or loss to any property referred to in Paragraph 6.13.A.2 or 6.13.A.3 caused, directly or indirectly, in whole or in part, by Contractor, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be remedied by Contractor (except damage or loss attributable to the fault of Drawings or Specifications or to the acts or omissions of Owner or Engineer or anyone employed by any of them, or anyone for whose acts

any of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of Contractor or any Subcontractor, Supplier, or other individual or entity directly or indirectly employed by any of them).

- F. Contractor's duties and responsibilities for safety and for protection of the Work shall continue until such time as all the Work is completed and Engineer has issued a notice to Owner and Contractor in accordance with Paragraph 14.07.B that the Work is acceptable (except as otherwise expressly provided in connection with Substantial Completion).

6.14 *Safety Representative*

- A. Contractor shall designate a qualified and experienced safety representative at the Site whose duties and responsibilities shall be the prevention of accidents and the maintaining and supervising of safety precautions and programs.

6.15 *Hazard Communication Programs*

- A. Contractor shall be responsible for coordinating any exchange of material safety data sheets or other hazard communication information required to be made available to or exchanged between or among employers at the Site in accordance with Laws or Regulations.

6.16 *Emergencies*

- A. In emergencies affecting the safety or protection of persons or the Work or property at the Site or adjacent thereto, Contractor is obligated to act to prevent threatened damage, injury, or loss. Contractor shall give Engineer prompt written notice if Contractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby or are required as a result thereof. If Engineer determines that a change in the Contract Documents is required because of the action taken by Contractor in response to such an emergency, a Work Change Directive or Change Order will be issued.

6.17 *Shop Drawings and Samples*

- A. Contractor shall submit Shop Drawings and Samples to Engineer for review and approval in accordance with the accepted Schedule of Submittals (as required by Paragraph 2.07). Each submittal will be identified as Engineer may require.

1. *Shop Drawings:*

- a. Submit number of copies specified in the General Requirements.
- b. Data shown on the Shop Drawings will be complete with respect to quantities, dimensions, specified performance and design criteria, materials, and similar data to show Engineer the services, materials, and equipment Contractor proposes to provide and to enable Engineer to review the information for the limited purposes required by Paragraph 6.17.D.

2. *Samples:*

- a. Submit number of Samples specified in the Specifications.

- b. Clearly identify each Sample as to material, Supplier, pertinent data such as catalog numbers, the use for which intended and other data as Engineer may require to enable Engineer to review the submittal for the limited purposes required by Paragraph 6.17.D.
- B. Where a Shop Drawing or Sample is required by the Contract Documents or the Schedule of Submittals, any related Work performed prior to Engineer's review and approval of the pertinent submittal will be at the sole expense and responsibility of Contractor.

C. *Submittal Procedures:*

1. Before submitting each Shop Drawing or Sample, Contractor shall have:
 - a. reviewed and coordinated each Shop Drawing or Sample with other Shop Drawings and Samples and with the requirements of the Work and the Contract Documents;
 - b. determined and verified all field measurements, quantities, dimensions, specified performance and design criteria, installation requirements, materials, catalog numbers, and similar information with respect thereto;
 - c. determined and verified the suitability of all materials offered with respect to the indicated application, fabrication, shipping, handling, storage, assembly, and installation pertaining to the performance of the Work; and
 - d. determined and verified all information relative to Contractor's responsibilities for means, methods, techniques, sequences, and procedures of construction, and safety precautions and programs incident thereto.
2. Each submittal shall bear a stamp or specific written certification that Contractor has satisfied Contractor's obligations under the Contract Documents with respect to Contractor's review and approval of that submittal.
3. With each submittal, Contractor shall give Engineer specific written notice of any variations that the Shop Drawing or Sample may have from the requirements of the Contract Documents. This notice shall be both a written communication separate from the Shop Drawings or Sample submittal; and, in addition, by a specific notation made on each Shop Drawing or Sample submitted to Engineer for review and approval of each such variation.

D. *Engineer's Review:*

1. Engineer will provide timely review of Shop Drawings and Samples in accordance with the Schedule of Submittals acceptable to Engineer. Engineer's review and approval will be only to determine if the items covered by the submittals will, after installation or incorporation in the Work, conform to the information given in the Contract Documents and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents.
2. Engineer's review and approval will not extend to means, methods, techniques, sequences, or procedures of construction (except where a particular means, method, technique, sequence, or procedure of construction is specifically and expressly called for by the

Contract Documents) or to safety precautions or programs incident thereto. The review and approval of a separate item as such will not indicate approval of the assembly in which the item functions.

3. Engineer's review and approval shall not relieve Contractor from responsibility for any variation from the requirements of the Contract Documents unless Contractor has complied with the requirements of Paragraph 6.17.C.3 and Engineer has given written approval of each such variation by specific written notation thereof incorporated in or accompanying the Shop Drawing or Sample. Engineer's review and approval shall not relieve Contractor from responsibility for complying with the requirements of Paragraph 6.17.C.1.

E. *Resubmittal Procedures:*

1. Contractor shall make corrections required by Engineer and shall return the required number of corrected copies of Shop Drawings and submit, as required, new Samples for review and approval. Contractor shall direct specific attention in writing to revisions other than the corrections called for by Engineer on previous submittals.

6.18 *Continuing the Work*

- A. Contractor shall carry on the Work and adhere to the Progress Schedule during all disputes or disagreements with Owner. No Work shall be delayed or postponed pending resolution of any disputes or disagreements, except as permitted by Paragraph 15.04 or as Owner and Contractor may otherwise agree in writing.

6.19 *Contractor's General Warranty and Guarantee*

- A. Contractor warrants and guarantees to Owner that all Work will be in accordance with the Contract Documents and will not be defective. Engineer and its officers, directors, members, partners, employees, agents, consultants, and subcontractors shall be entitled to rely on representation of Contractor's warranty and guarantee.
- B. Contractor's warranty and guarantee hereunder excludes defects or damage caused by:
 1. abuse, modification, or improper maintenance or operation by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or
 2. normal wear and tear under normal usage.
- C. Contractor's obligation to perform and complete the Work in accordance with the Contract Documents shall be absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents or a release of Contractor's obligation to perform the Work in accordance with the Contract Documents:
 1. observations by Engineer;
 2. recommendation by Engineer or payment by Owner of any progress or final payment;

3. the issuance of a certificate of Substantial Completion by Engineer or any payment related thereto by Owner;
4. use or occupancy of the Work or any part thereof by Owner;
5. any review and approval of a Shop Drawing or Sample submittal or the issuance of a notice of acceptability by Engineer;
6. any inspection, test, or approval by others; or
7. any correction of defective Work by Owner.

6.20 *Indemnification*

- A. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the performance of the Work, provided that any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom but only to the extent caused by any negligent act or omission of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work or anyone for whose acts any of them may be liable .
- B. In any and all claims against Owner or Engineer or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors by any employee (or the survivor or personal representative of such employee) of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, the indemnification obligation under Paragraph 6.20.A shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Contractor or any such Subcontractor, Supplier, or other individual or entity under workers' compensation acts, disability benefit acts, or other employee benefit acts.
- C. The indemnification obligations of Contractor under Paragraph 6.20.A shall not extend to the liability of Engineer and Engineer's officers, directors, members, partners, employees, agents, consultants and subcontractors arising out of:
 1. the preparation or approval of, or the failure to prepare or approve maps, Drawings, opinions, reports, surveys, Change Orders, designs, or Specifications; or
 2. giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.

6.21 *Delegation of Professional Design Services*

- A. Contractor will not be required to provide professional design services unless such services are specifically required by the Contract Documents for a portion of the Work or unless such services are required to carry out Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. Contractor shall not be required to provide professional services in violation of applicable law.
- B. If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of Contractor by the Contract Documents, Owner and Engineer will specify all performance and design criteria that such services must satisfy. Contractor shall cause such services or certifications to be provided by a properly licensed professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, Shop Drawings and other submittals prepared by such professional. Shop Drawings and other submittals related to the Work designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to Engineer.
- C. Owner and Engineer shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by such design professionals, provided Owner and Engineer have specified to Contractor all performance and design criteria that such services must satisfy.
- D. Pursuant to this Paragraph 6.21, Engineer's review and approval of design calculations and design drawings will be only for the limited purpose of checking for conformance with performance and design criteria given and the design concept expressed in the Contract Documents. Engineer's review and approval of Shop Drawings and other submittals (except design calculations and design drawings) will be only for the purpose stated in Paragraph 6.17.D.1.
- E. Contractor shall not be responsible for the adequacy of the performance or design criteria required by the Contract Documents.

ARTICLE 7 – OTHER WORK AT THE SITE

7.01 *Related Work at Site*

- A. Owner may perform other work related to the Project at the Site with Owner's employees, or through other direct contracts therefor, or have other work performed by utility owners. If such other work is not noted in the Contract Documents, then:
 - 1. written notice thereof will be given to Contractor prior to starting any such other work; and
 - 2. if Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in the Contract Price or Contract Times that should be allowed as a result of such other work, a Claim may be made therefor as provided in Paragraph 10.05.
- B. Contractor shall afford each other contractor who is a party to such a direct contract, each utility owner, and Owner, if Owner is performing other work with Owner's employees, proper and safe

access to the Site, provide a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work, and properly coordinate the Work with theirs. Contractor shall do all cutting, fitting, and patching of the Work that may be required to properly connect or otherwise make its several parts come together and properly integrate with such other work. Contractor shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that Contractor may cut or alter others' work with the written consent of Engineer and the others whose work will be affected. The duties and responsibilities of Contractor under this Paragraph are for the benefit of such utility owners and other contractors to the extent that there are comparable provisions for the benefit of Contractor in said direct contracts between Owner and such utility owners and other contractors.

- C. If the proper execution or results of any part of Contractor's Work depends upon work performed by others under this Article 7, Contractor shall inspect such other work and promptly report to Engineer in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for the proper execution and results of Contractor's Work. Contractor's failure to so report will constitute an acceptance of such other work as fit and proper for integration with Contractor's Work except for latent defects and deficiencies in such other work.

7.02 *Coordination*

- A. If Owner intends to contract with others for the performance of other work on the Project at the Site, the following will be set forth in Supplementary Conditions:
 - 1. the individual or entity who will have authority and responsibility for coordination of the activities among the various contractors will be identified;
 - 2. the specific matters to be covered by such authority and responsibility will be itemized; and
 - 3. the extent of such authority and responsibilities will be provided.
- B. Unless otherwise provided in the Supplementary Conditions, Owner shall have sole authority and responsibility for such coordination.

7.03 *Legal Relationships*

- A. Paragraphs 7.01.A and 7.02 are not applicable for utilities not under the control of Owner.
- B. Each other direct contract of Owner under Paragraph 7.01.A shall provide that the other contractor is liable to Owner and Contractor for the reasonable direct delay and disruption costs incurred by Contractor as a result of the other contractor's wrongful actions or inactions.
- C. Contractor shall be liable to Owner and any other contractor under direct contract to Owner for the reasonable direct delay and disruption costs incurred by such other contractor as a result of Contractor's wrongful action or inactions.

ARTICLE 8 – OWNER’S RESPONSIBILITIES

8.01 *Communications to Contractor*

- A. Except as otherwise provided in these General Conditions, Owner shall issue all communications to Contractor through Engineer.

8.02 *Replacement of Engineer*

- A. In case of termination of the employment of Engineer, Owner shall appoint an engineer to whom Contractor makes no reasonable objection, whose status under the Contract Documents shall be that of the former Engineer.

8.03 *Furnish Data*

- A. Owner shall promptly furnish the data required of Owner under the Contract Documents.

8.04 *Pay When Due*

- A. Owner shall make payments to Contractor when they are due as provided in Paragraphs 14.02.C and 14.07.C.

8.05 *Lands and Easements; Reports and Tests*

- A. Owner’s duties with respect to providing lands and easements and providing engineering surveys to establish reference points are set forth in Paragraphs 4.01 and 4.05. Paragraph 4.02 refers to Owner’s identifying and making available to Contractor copies of reports of explorations and tests of subsurface conditions and drawings of physical conditions relating to existing surface or subsurface structures at the Site.

8.06 *Insurance*

- A. Owner’s responsibilities, if any, with respect to purchasing and maintaining liability and property insurance are set forth in Article 5.

8.07 *Change Orders*

- A. Owner is obligated to execute Change Orders as indicated in Paragraph 10.03.

8.08 *Inspections, Tests, and Approvals*

- A. Owner’s responsibility with respect to certain inspections, tests, and approvals is set forth in Paragraph 13.03.B.

8.09 *Limitations on Owner’s Responsibilities*

- A. The Owner shall not supervise, direct, or have control or authority over, nor be responsible for, Contractor’s means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws

and Regulations applicable to the performance of the Work. Owner will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.

8.10 *Undisclosed Hazardous Environmental Condition*

- A. Owner's responsibility in respect to an undisclosed Hazardous Environmental Condition is set forth in Paragraph 4.06.

8.11 *Evidence of Financial Arrangements*

- A. Upon request of Contractor, Owner shall furnish Contractor reasonable evidence that financial arrangements have been made to satisfy Owner's obligations under the Contract Documents.

8.12 *Compliance with Safety Program*

- A. While at the Site, Owner's employees and representatives shall comply with the specific applicable requirements of Contractor's safety programs of which Owner has been informed pursuant to Paragraph 6.13.D.

ARTICLE 9 – ENGINEER'S STATUS DURING CONSTRUCTION

9.01 *Owner's Representative*

- A. Engineer will be Owner's representative during the construction period. The duties and responsibilities and the limitations of authority of Engineer as Owner's representative during construction are set forth in the Contract Documents.

9.02 *Visits to Site*

- A. Engineer will make visits to the Site at intervals appropriate to the various stages of construction as Engineer deems necessary in order to observe as an experienced and qualified design professional the progress that has been made and the quality of the various aspects of Contractor's executed Work. Based on information obtained during such visits and observations, Engineer, for the benefit of Owner, will determine, in general, if the Work is proceeding in accordance with the Contract Documents. Engineer will not be required to make exhaustive or continuous inspections on the Site to check the quality or quantity of the Work. Engineer's efforts will be directed toward providing for Owner a greater degree of confidence that the completed Work will conform generally to the Contract Documents. On the basis of such visits and observations, Engineer will keep Owner informed of the progress of the Work and will endeavor to guard Owner against defective Work.
- B. Engineer's visits and observations are subject to all the limitations on Engineer's authority and responsibility set forth in Paragraph 9.09. Particularly, but without limitation, during or as a result of Engineer's visits or observations of Contractor's Work, Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work.

9.03 *Project Representative*

- A. If Owner and Engineer agree, Engineer will furnish a Resident Project Representative to assist Engineer in providing more extensive observation of the Work. The authority and responsibilities of any such Resident Project Representative and assistants will be as provided in the Supplementary Conditions, and limitations on the responsibilities thereof will be as provided in Paragraph 9.09. If Owner designates another representative or agent to represent Owner at the Site who is not Engineer's consultant, agent or employee, the responsibilities and authority and limitations thereon of such other individual or entity will be as provided in the Supplementary Conditions.

9.04 *Authorized Variations in Work*

- A. Engineer may authorize minor variations in the Work from the requirements of the Contract Documents which do not involve an adjustment in the Contract Price or the Contract Times and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. These may be accomplished by a Field Order and will be binding on Owner and also on Contractor, who shall perform the Work involved promptly. If Owner or Contractor believes that a Field Order justifies an adjustment in the Contract Price or Contract Times, or both, and the parties are unable to agree on entitlement to or on the amount or extent, if any, of any such adjustment, a Claim may be made therefor as provided in Paragraph 10.05.

9.05 *Rejecting Defective Work*

- A. Engineer will have authority to reject Work which Engineer believes to be defective, or that Engineer believes will not produce a completed Project that conforms to the Contract Documents or that will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Engineer will also have authority to require special inspection or testing of the Work as provided in Paragraph 13.04, whether or not the Work is fabricated, installed, or completed.

9.06 *Shop Drawings, Change Orders and Payments*

- A. In connection with Engineer's authority, and limitations thereof, as to Shop Drawings and Samples, see Paragraph 6.17.
- B. In connection with Engineer's authority, and limitations thereof, as to design calculations and design drawings submitted in response to a delegation of professional design services, if any, see Paragraph 6.21.
- C. In connection with Engineer's authority as to Change Orders, see Articles 10, 11, and 12.
- D. In connection with Engineer's authority as to Applications for Payment, see Article 14.

9.07 *Determinations for Unit Price Work*

- A. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor. Engineer will review with Contractor the Engineer's preliminary determinations

on such matters before rendering a written decision thereon (by recommendation of an Application for Payment or otherwise). Engineer's written decision thereon will be final and binding (except as modified by Engineer to reflect changed factual conditions or more accurate data) upon Owner and Contractor, subject to the provisions of Paragraph 10.05.

9.08 *Decisions on Requirements of Contract Documents and Acceptability of Work*

- A. Engineer will be the initial interpreter of the requirements of the Contract Documents and judge of the acceptability of the Work thereunder. All matters in question and other matters between Owner and Contractor arising prior to the date final payment is due relating to the acceptability of the Work, and the interpretation of the requirements of the Contract Documents pertaining to the performance of the Work, will be referred initially to Engineer in writing within 30 days of the event giving rise to the question.
- B. Engineer will, with reasonable promptness, render a written decision on the issue referred. If Owner or Contractor believes that any such decision entitles them to an adjustment in the Contract Price or Contract Times or both, a Claim may be made under Paragraph 10.05. The date of Engineer's decision shall be the date of the event giving rise to the issues referenced for the purposes of Paragraph 10.05.B.
- C. Engineer's written decision on the issue referred will be final and binding on Owner and Contractor, subject to the provisions of Paragraph 10.05.
- D. When functioning as interpreter and judge under this Paragraph 9.08, Engineer will not show partiality to Owner or Contractor and will not be liable in connection with any interpretation or decision rendered in good faith in such capacity.

9.09 *Limitations on Engineer's Authority and Responsibilities*

- A. Neither Engineer's authority or responsibility under this Article 9 or under any other provision of the Contract Documents nor any decision made by Engineer in good faith either to exercise or not exercise such authority or responsibility or the undertaking, exercise, or performance of any authority or responsibility by Engineer shall create, impose, or give rise to any duty in contract, tort, or otherwise owed by Engineer to Contractor, any Subcontractor, any Supplier, any other individual or entity, or to any surety for or employee or agent of any of them.
- B. Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Engineer will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.
- C. Engineer will not be responsible for the acts or omissions of Contractor or of any Subcontractor, any Supplier, or of any other individual or entity performing any of the Work.
- D. Engineer's review of the final Application for Payment and accompanying documentation and all maintenance and operating instructions, schedules, guarantees, bonds, certificates of inspection, tests and approvals, and other documentation required to be delivered by Paragraph 14.07.A will only be to determine generally that their content complies with the requirements of,

and in the case of certificates of inspections, tests, and approvals that the results certified indicate compliance with, the Contract Documents.

- E. The limitations upon authority and responsibility set forth in this Paragraph 9.09 shall also apply to the Resident Project Representative, if any, and assistants, if any.

9.10 *Compliance with Safety Program*

- A. While at the Site, Engineer's employees and representatives shall comply with the specific applicable requirements of Contractor's safety programs of which Engineer has been informed pursuant to Paragraph 6.13.D.

ARTICLE 10 – CHANGES IN THE WORK; CLAIMS

10.01 *Authorized Changes in the Work*

- A. Without invalidating the Contract and without notice to any surety, Owner may, at any time or from time to time, order additions, deletions, or revisions in the Work by a Change Order, or a Work Change Directive. Upon receipt of any such document, Contractor shall promptly proceed with the Work involved which will be performed under the applicable conditions of the Contract Documents (except as otherwise specifically provided).
- B. If Owner and Contractor are unable to agree on entitlement to, or on the amount or extent, if any, of an adjustment in the Contract Price or Contract Times, or both, that should be allowed as a result of a Work Change Directive, a Claim may be made therefor as provided in Paragraph 10.05.

10.02 *Unauthorized Changes in the Work*

- A. Contractor shall not be entitled to an increase in the Contract Price or an extension of the Contract Times with respect to any work performed that is not required by the Contract Documents as amended, modified, or supplemented as provided in Paragraph 3.04, except in the case of an emergency as provided in Paragraph 6.16 or in the case of uncovering Work as provided in Paragraph 13.04.D.

10.03 *Execution of Change Orders*

- A. Owner and Contractor shall execute appropriate Change Orders recommended by Engineer covering:
1. changes in the Work which are: (i) ordered by Owner pursuant to Paragraph 10.01.A, (ii) required because of acceptance of defective Work under Paragraph 13.08.A or Owner's correction of defective Work under Paragraph 13.09, or (iii) agreed to by the parties;
 2. changes in the Contract Price or Contract Times which are agreed to by the parties, including any undisputed sum or amount of time for Work actually performed in accordance with a Work Change Directive; and
 3. changes in the Contract Price or Contract Times which embody the substance of any written decision rendered by Engineer pursuant to Paragraph 10.05; provided that, in lieu of

executing any such Change Order, an appeal may be taken from any such decision in accordance with the provisions of the Contract Documents and applicable Laws and Regulations, but during any such appeal, Contractor shall carry on the Work and adhere to the Progress Schedule as provided in Paragraph 6.18.A.

10.04 *Notification to Surety*

- A. If the provisions of any bond require notice to be given to a surety of any change affecting the general scope of the Work or the provisions of the Contract Documents (including, but not limited to, Contract Price or Contract Times), the giving of any such notice will be Contractor's responsibility. The amount of each applicable bond will be adjusted to reflect the effect of any such change.

10.05 *Claims*

- A. *Engineer's Decision Required:* All Claims, except those waived pursuant to Paragraph 14.09, shall be referred to the Engineer for decision. A decision by Engineer shall be required as a condition precedent to any exercise by Owner or Contractor of any rights or remedies either may otherwise have under the Contract Documents or by Laws and Regulations in respect of such Claims.
- B. *Notice:* Written notice stating the general nature of each Claim shall be delivered by the claimant to Engineer and the other party to the Contract promptly (but in no event later than 30 days) after the start of the event giving rise thereto. The responsibility to substantiate a Claim shall rest with the party making the Claim. Notice of the amount or extent of the Claim, with supporting data shall be delivered to the Engineer and the other party to the Contract within 60 days after the start of such event (unless Engineer allows additional time for claimant to submit additional or more accurate data in support of such Claim). A Claim for an adjustment in Contract Price shall be prepared in accordance with the provisions of Paragraph 12.01.B. A Claim for an adjustment in Contract Times shall be prepared in accordance with the provisions of Paragraph 12.02.B. Each Claim shall be accompanied by claimant's written statement that the adjustment claimed is the entire adjustment to which the claimant believes it is entitled as a result of said event. The opposing party shall submit any response to Engineer and the claimant within 30 days after receipt of the claimant's last submittal (unless Engineer allows additional time).
- C. *Engineer's Action:* Engineer will review each Claim and, within 30 days after receipt of the last submittal of the claimant or the last submittal of the opposing party, if any, take one of the following actions in writing:
 - 1. deny the Claim in whole or in part;
 - 2. approve the Claim; or
 - 3. notify the parties that the Engineer is unable to resolve the Claim if, in the Engineer's sole discretion, it would be inappropriate for the Engineer to do so. For purposes of further resolution of the Claim, such notice shall be deemed a denial.
- D. In the event that Engineer does not take action on a Claim within said 30 days, the Claim shall be deemed denied.

- E. Engineer's written action under Paragraph 10.05.C or denial pursuant to Paragraphs 10.05.C.3 or 10.05.D will be final and binding upon Owner and Contractor, unless Owner or Contractor invoke the dispute resolution procedure set forth in Article 16 within 30 days of such action or denial.
- F. No Claim for an adjustment in Contract Price or Contract Times will be valid if not submitted in accordance with this Paragraph 10.05.

ARTICLE 11 – COST OF THE WORK; ALLOWANCES; UNIT PRICE WORK

11.01 *Cost of the Work*

- A. *Costs Included:* The term Cost of the Work means the sum of all costs, except those excluded in Paragraph 11.01.B, necessarily incurred and paid by Contractor in the proper performance of the Work. When the value of any Work covered by a Change Order or when a Claim for an adjustment in Contract Price is determined on the basis of Cost of the Work, the costs to be reimbursed to Contractor will be only those additional or incremental costs required because of the change in the Work or because of the event giving rise to the Claim. Except as otherwise may be agreed to in writing by Owner, such costs shall be in amounts no higher than those prevailing in the locality of the Project, shall not include any of the costs itemized in Paragraph 11.01.B, and shall include only the following items:
 1. Payroll costs for employees in the direct employ of Contractor in the performance of the Work under schedules of job classifications agreed upon by Owner and Contractor. Such employees shall include, without limitation, superintendents, foremen, and other personnel employed full time on the Work. Payroll costs for employees not employed full time on the Work shall be apportioned on the basis of their time spent on the Work. Payroll costs shall include, but not be limited to, salaries and wages plus the cost of fringe benefits, which shall include social security contributions, unemployment, excise, and payroll taxes, workers' compensation, health and retirement benefits, bonuses, sick leave, vacation and holiday pay applicable thereto. The expenses of performing Work outside of regular working hours, on Saturday, Sunday, or legal holidays, shall be included in the above to the extent authorized by Owner.
 2. Cost of all materials and equipment furnished and incorporated in the Work, including costs of transportation and storage thereof, and Suppliers' field services required in connection therewith. All cash discounts shall accrue to Contractor unless Owner deposits funds with Contractor with which to make payments, in which case the cash discounts shall accrue to Owner. All trade discounts, rebates and refunds and returns from sale of surplus materials and equipment shall accrue to Owner, and Contractor shall make provisions so that they may be obtained.
 3. Payments made by Contractor to Subcontractors for Work performed by Subcontractors. If required by Owner, Contractor shall obtain competitive bids from subcontractors acceptable to Owner and Contractor and shall deliver such bids to Owner, who will then determine, with the advice of Engineer, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee shall be determined in the same manner as Contractor's Cost of the Work and fee as provided in this Paragraph 11.01.

4. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed for services specifically related to the Work.
5. Supplemental costs including the following:
 - a. The proportion of necessary transportation, travel, and subsistence expenses of Contractor's employees incurred in discharge of duties connected with the Work.
 - b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, office, and temporary facilities at the Site, and hand tools not owned by the workers, which are consumed in the performance of the Work, and cost, less market value, of such items used but not consumed which remain the property of Contractor.
 - c. Rentals of all construction equipment and machinery, and the parts thereof whether rented from Contractor or others in accordance with rental agreements approved by Owner with the advice of Engineer, and the costs of transportation, loading, unloading, assembly, dismantling, and removal thereof. All such costs shall be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery, or parts shall cease when the use thereof is no longer necessary for the Work.
 - d. Sales, consumer, use, and other similar taxes related to the Work, and for which Contractor is liable, as imposed by Laws and Regulations.
 - e. Deposits lost for causes other than negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, and royalty payments and fees for permits and licenses.
 - f. Losses and damages (and related expenses) caused by damage to the Work, not compensated by insurance or otherwise, sustained by Contractor in connection with the performance of the Work (except losses and damages within the deductible amounts of property insurance established in accordance with Paragraph 5.06.D), provided such losses and damages have resulted from causes other than the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable. Such losses shall include settlements made with the written consent and approval of Owner. No such losses, damages, and expenses shall be included in the Cost of the Work for the purpose of determining Contractor's fee.
 - g. The cost of utilities, fuel, and sanitary facilities at the Site.
 - h. Minor expenses such as telegrams, long distance telephone calls, telephone service at the Site, express and courier services, and similar petty cash items in connection with the Work.
 - i. The costs of premiums for all bonds and insurance Contractor is required by the Contract Documents to purchase and maintain.

B. *Costs Excluded:* The term Cost of the Work shall not include any of the following items:

1. Payroll costs and other compensation of Contractor's officers, executives, principals (of partnerships and sole proprietorships), general managers, safety managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks, and other personnel employed by Contractor, whether at the Site or in Contractor's principal or branch office for general administration of the Work and not specifically included in the agreed upon schedule of job classifications referred to in Paragraph 11.01.A.1 or specifically covered by Paragraph 11.01.A.4, all of which are to be considered administrative costs covered by the Contractor's fee.
 2. Expenses of Contractor's principal and branch offices other than Contractor's office at the Site.
 3. Any part of Contractor's capital expenses, including interest on Contractor's capital employed for the Work and charges against Contractor for delinquent payments.
 4. Costs due to the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to, the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.
 5. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in Paragraphs 11.01.A.
- C. *Contractor's Fee:* When all the Work is performed on the basis of cost-plus, Contractor's fee shall be determined as set forth in the Agreement. When the value of any Work covered by a Change Order or when a Claim for an adjustment in Contract Price is determined on the basis of Cost of the Work, Contractor's fee shall be determined as set forth in Paragraph 12.01.C.
- D. *Documentation:* Whenever the Cost of the Work for any purpose is to be determined pursuant to Paragraphs 11.01.A and 11.01.B, Contractor will establish and maintain records thereof in accordance with generally accepted accounting practices and submit in a form acceptable to Engineer an itemized cost breakdown together with supporting data.

11.02 Allowances

- A. It is understood that Contractor has included in the Contract Price all allowances so named in the Contract Documents and shall cause the Work so covered to be performed for such sums and by such persons or entities as may be acceptable to Owner and Engineer.
- B. *Cash Allowances:*
1. Contractor agrees that:
 - a. the cash allowances include the cost to Contractor (less any applicable trade discounts) of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and
 - b. Contractor's costs for unloading and handling on the Site, labor, installation, overhead, profit, and other expenses contemplated for the cash allowances have been included in

the Contract Price and not in the allowances, and no demand for additional payment on account of any of the foregoing will be valid.

C. *Contingency Allowance:*

1. Contractor agrees that a contingency allowance, if any, is for the sole use of Owner to cover unanticipated costs.
- D. Prior to final payment, an appropriate Change Order will be issued as recommended by Engineer to reflect actual amounts due Contractor on account of Work covered by allowances, and the Contract Price shall be correspondingly adjusted.

11.03 *Unit Price Work*

- A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Agreement.
- B. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Determinations of the actual quantities and classifications of Unit Price Work performed by Contractor will be made by Engineer subject to the provisions of Paragraph 9.07.
- C. Each unit price will be deemed to include an amount considered by Contractor to be adequate to cover Contractor's overhead and profit for each separately identified item.
- D. Owner or Contractor may make a Claim for an adjustment in the Contract Price in accordance with Paragraph 10.05 if:
 1. the quantity of any item of Unit Price Work performed by Contractor differs materially and significantly from the estimated quantity of such item indicated in the Agreement; and
 2. there is no corresponding adjustment with respect to any other item of Work; and
 3. Contractor believes that Contractor is entitled to an increase in Contract Price as a result of having incurred additional expense or Owner believes that Owner is entitled to a decrease in Contract Price and the parties are unable to agree as to the amount of any such increase or decrease.

ARTICLE 12 – CHANGE OF CONTRACT PRICE; CHANGE OF CONTRACT TIMES

12.01 *Change of Contract Price*

- A. The Contract Price may only be changed by a Change Order. Any Claim for an adjustment in the Contract Price shall be based on written notice submitted by the party making the Claim to the Engineer and the other party to the Contract in accordance with the provisions of Paragraph 10.05.

B. The value of any Work covered by a Change Order or of any Claim for an adjustment in the Contract Price will be determined as follows:

1. where the Work involved is covered by unit prices contained in the Contract Documents, by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 11.03); or
2. where the Work involved is not covered by unit prices contained in the Contract Documents, by a mutually agreed lump sum (which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 12.01.C.2); or
3. where the Work involved is not covered by unit prices contained in the Contract Documents and agreement to a lump sum is not reached under Paragraph 12.01.B.2, on the basis of the Cost of the Work (determined as provided in Paragraph 11.01) plus a Contractor's fee for overhead and profit (determined as provided in Paragraph 12.01.C).

C. *Contractor's Fee*: The Contractor's fee for overhead and profit shall be determined as follows:

1. a mutually acceptable fixed fee; or
2. if a fixed fee is not agreed upon, then a fee based on the following percentages of the various portions of the Cost of the Work:
 - a. for costs incurred under Paragraphs 11.01.A.1 and 11.01.A.2, the Contractor's fee shall be 15 percent;
 - b. for costs incurred under Paragraph 11.01.A.3, the Contractor's fee shall be five percent;
 - c. where one or more tiers of subcontracts are on the basis of Cost of the Work plus a fee and no fixed fee is agreed upon, the intent of Paragraphs 12.01.C.2.a and 12.01.C.2.b is that the Subcontractor who actually performs the Work, at whatever tier, will be paid a fee of 15 percent of the costs incurred by such Subcontractor under Paragraphs 11.01.A.1 and 11.01.A.2 and that any higher tier Subcontractor and Contractor will each be paid a fee of five percent of the amount paid to the next lower tier Subcontractor;
 - d. no fee shall be payable on the basis of costs itemized under Paragraphs 11.01.A.4, 11.01.A.5, and 11.01.B;
 - e. the amount of credit to be allowed by Contractor to Owner for any change which results in a net decrease in cost will be the amount of the actual net decrease in cost plus a deduction in Contractor's fee by an amount equal to five percent of such net decrease; and
 - f. when both additions and credits are involved in any one change, the adjustment in Contractor's fee shall be computed on the basis of the net change in accordance with Paragraphs 12.01.C.2.a through 12.01.C.2.e, inclusive.

12.02 *Change of Contract Times*

- A. The Contract Times may only be changed by a Change Order. Any Claim for an adjustment in the Contract Times shall be based on written notice submitted by the party making the Claim to the Engineer and the other party to the Contract in accordance with the provisions of Paragraph 10.05.
- B. Any adjustment of the Contract Times covered by a Change Order or any Claim for an adjustment in the Contract Times will be determined in accordance with the provisions of this Article 12.

12.03 *Delays*

- A. Where Contractor is prevented from completing any part of the Work within the Contract Times due to delay beyond the control of Contractor, the Contract Times will be extended in an amount equal to the time lost due to such delay if a Claim is made therefor as provided in Paragraph 12.02.A. Delays beyond the control of Contractor shall include, but not be limited to, acts or neglect by Owner, acts or neglect of utility owners or other contractors performing other work as contemplated by Article 7, fires, floods, epidemics, abnormal weather conditions, or acts of God.
- B. If Owner, Engineer, or other contractors or utility owners performing other work for Owner as contemplated by Article 7, or anyone for whom Owner is responsible, delays, disrupts, or interferes with the performance or progress of the Work, then Contractor shall be entitled to an equitable adjustment in the Contract Price or the Contract Times, or both. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times.
- C. If Contractor is delayed in the performance or progress of the Work by fire, flood, epidemic, abnormal weather conditions, acts of God, acts or failures to act of utility owners not under the control of Owner, or other causes not the fault of and beyond control of Owner and Contractor, then Contractor shall be entitled to an equitable adjustment in Contract Times, if such adjustment is essential to Contractor's ability to complete the Work within the Contract Times. Such an adjustment shall be Contractor's sole and exclusive remedy for the delays described in this Paragraph 12.03.C.
- D. Owner, Engineer, and their officers, directors, members, partners, employees, agents, consultants, or subcontractors shall not be liable to Contractor for any claims, costs, losses, or damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) sustained by Contractor on or in connection with any other project or anticipated project.
- E. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for delays within the control of Contractor. Delays attributable to and within the control of a Subcontractor or Supplier shall be deemed to be delays within the control of Contractor.

ARTICLE 13 – TESTS AND INSPECTIONS; CORRECTION, REMOVAL OR ACCEPTANCE OF DEFECTIVE WORK

13.01 *Notice of Defects*

- A. Prompt notice of all defective Work of which Owner or Engineer has actual knowledge will be given to Contractor. Defective Work may be rejected, corrected, or accepted as provided in this Article 13.

13.02 *Access to Work*

- A. Owner, Engineer, their consultants and other representatives and personnel of Owner, independent testing laboratories, and governmental agencies with jurisdictional interests will have access to the Site and the Work at reasonable times for their observation, inspection, and testing. Contractor shall provide them proper and safe conditions for such access and advise them of Contractor's safety procedures and programs so that they may comply therewith as applicable.

13.03 *Tests and Inspections*

- A. Contractor shall give Engineer timely notice of readiness of the Work for all required inspections, tests, or approvals and shall cooperate with inspection and testing personnel to facilitate required inspections or tests.
- B. Owner shall employ and pay for the services of an independent testing laboratory to perform all inspections, tests, or approvals required by the Contract Documents except:
 1. for inspections, tests, or approvals covered by Paragraphs 13.03.C and 13.03.D below;
 2. that costs incurred in connection with tests or inspections conducted pursuant to Paragraph 13.04.B shall be paid as provided in Paragraph 13.04.C; and
 3. as otherwise specifically provided in the Contract Documents.
- C. If Laws or Regulations of any public body having jurisdiction require any Work (or part thereof) specifically to be inspected, tested, or approved by an employee or other representative of such public body, Contractor shall assume full responsibility for arranging and obtaining such inspections, tests, or approvals, pay all costs in connection therewith, and furnish Engineer the required certificates of inspection or approval.
- D. Contractor shall be responsible for arranging and obtaining and shall pay all costs in connection with any inspections, tests, or approvals required for Owner's and Engineer's acceptance of materials or equipment to be incorporated in the Work; or acceptance of materials, mix designs, or equipment submitted for approval prior to Contractor's purchase thereof for incorporation in the Work. Such inspections, tests, or approvals shall be performed by organizations acceptable to Owner and Engineer.

- E. If any Work (or the work of others) that is to be inspected, tested, or approved is covered by Contractor without written concurrence of Engineer, Contractor shall, if requested by Engineer, uncover such Work for observation.
- F. Uncovering Work as provided in Paragraph 13.03.E shall be at Contractor's expense unless Contractor has given Engineer timely notice of Contractor's intention to cover the same and Engineer has not acted with reasonable promptness in response to such notice.

13.04 *Uncovering Work*

- A. If any Work is covered contrary to the written request of Engineer, it must, if requested by Engineer, be uncovered for Engineer's observation and replaced at Contractor's expense.
- B. If Engineer considers it necessary or advisable that covered Work be observed by Engineer or inspected or tested by others, Contractor, at Engineer's request, shall uncover, expose, or otherwise make available for observation, inspection, or testing as Engineer may require, that portion of the Work in question, furnishing all necessary labor, material, and equipment.
- C. If it is found that the uncovered Work is defective, Contractor shall pay all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such uncovering, exposure, observation, inspection, and testing, and of satisfactory replacement or reconstruction (including but not limited to all costs of repair or replacement of work of others); and Owner shall be entitled to an appropriate decrease in the Contract Price. If the parties are unable to agree as to the amount thereof, Owner may make a Claim therefor as provided in Paragraph 10.05.
- D. If the uncovered Work is not found to be defective, Contractor shall be allowed an increase in the Contract Price or an extension of the Contract Times, or both, directly attributable to such uncovering, exposure, observation, inspection, testing, replacement, and reconstruction. If the parties are unable to agree as to the amount or extent thereof, Contractor may make a Claim therefor as provided in Paragraph 10.05.

13.05 *Owner May Stop the Work*

- A. If the Work is defective, or Contractor fails to supply sufficient skilled workers or suitable materials or equipment, or fails to perform the Work in such a way that the completed Work will conform to the Contract Documents, Owner may order Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, this right of Owner to stop the Work shall not give rise to any duty on the part of Owner to exercise this right for the benefit of Contractor, any Subcontractor, any Supplier, any other individual or entity, or any surety for, or employee or agent of any of them.

13.06 *Correction or Removal of Defective Work*

- A. Promptly after receipt of written notice, Contractor shall correct all defective Work, whether or not fabricated, installed, or completed, or, if the Work has been rejected by Engineer, remove it from the Project and replace it with Work that is not defective. Contractor shall pay all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers,

architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or removal (including but not limited to all costs of repair or replacement of work of others).

- B. When correcting defective Work under the terms of this Paragraph 13.06 or Paragraph 13.07, Contractor shall take no action that would void or otherwise impair Owner's special warranty and guarantee, if any, on said Work.

13.07 *Correction Period*

- A. If within one year after the date of Substantial Completion (or such longer period of time as may be prescribed by the terms of any applicable special guarantee required by the Contract Documents) or by any specific provision of the Contract Documents, any Work is found to be defective, or if the repair of any damages to the land or areas made available for Contractor's use by Owner or permitted by Laws and Regulations as contemplated in Paragraph 6.11.A is found to be defective, Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions:
1. repair such defective land or areas; or
 2. correct such defective Work; or
 3. if the defective Work has been rejected by Owner, remove it from the Project and replace it with Work that is not defective, and
 4. satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others or other land or areas resulting therefrom.
- B. If Contractor does not promptly comply with the terms of Owner's written instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective Work corrected or repaired or may have the rejected Work removed and replaced. All claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others) will be paid by Contractor.
- C. In special circumstances where a particular item of equipment is placed in continuous service before Substantial Completion of all the Work, the correction period for that item may start to run from an earlier date if so provided in the Specifications.
- D. Where defective Work (and damage to other Work resulting therefrom) has been corrected or removed and replaced under this Paragraph 13.07, the correction period hereunder with respect to such Work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.
- E. Contractor's obligations under this Paragraph 13.07 are in addition to any other obligation or warranty. The provisions of this Paragraph 13.07 shall not be construed as a substitute for, or a waiver of, the provisions of any applicable statute of limitation or repose.

13.08 *Acceptance of Defective Work*

- A. If, instead of requiring correction or removal and replacement of defective Work, Owner (and, prior to Engineer's recommendation of final payment, Engineer) prefers to accept it, Owner may do so. Contractor shall pay all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) attributable to Owner's evaluation of and determination to accept such defective Work (such costs to be approved by Engineer as to reasonableness) and for the diminished value of the Work to the extent not otherwise paid by Contractor pursuant to this sentence. If any such acceptance occurs prior to Engineer's recommendation of final payment, a Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the Work, and Owner shall be entitled to an appropriate decrease in the Contract Price, reflecting the diminished value of Work so accepted. If the parties are unable to agree as to the amount thereof, Owner may make a Claim therefor as provided in Paragraph 10.05. If the acceptance occurs after such recommendation, an appropriate amount will be paid by Contractor to Owner.

13.09 *Owner May Correct Defective Work*

- A. If Contractor fails within a reasonable time after written notice from Engineer to correct defective Work, or to remove and replace rejected Work as required by Engineer in accordance with Paragraph 13.06.A, or if Contractor fails to perform the Work in accordance with the Contract Documents, or if Contractor fails to comply with any other provision of the Contract Documents, Owner may, after seven days written notice to Contractor, correct, or remedy any such deficiency.
- B. In exercising the rights and remedies under this Paragraph 13.09, Owner shall proceed expeditiously. In connection with such corrective or remedial action, Owner may exclude Contractor from all or part of the Site, take possession of all or part of the Work and suspend Contractor's services related thereto, take possession of Contractor's tools, appliances, construction equipment and machinery at the Site, and incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere. Contractor shall allow Owner, Owner's representatives, agents and employees, Owner's other contractors, and Engineer and Engineer's consultants access to the Site to enable Owner to exercise the rights and remedies under this Paragraph.
- C. All claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) incurred or sustained by Owner in exercising the rights and remedies under this Paragraph 13.09 will be charged against Contractor, and a Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the Work; and Owner shall be entitled to an appropriate decrease in the Contract Price. If the parties are unable to agree as to the amount of the adjustment, Owner may make a Claim therefor as provided in Paragraph 10.05. Such claims, costs, losses and damages will include but not be limited to all costs of repair, or replacement of work of others destroyed or damaged by correction, removal, or replacement of Contractor's defective Work.

- D. Contractor shall not be allowed an extension of the Contract Times because of any delay in the performance of the Work attributable to the exercise by Owner of Owner's rights and remedies under this Paragraph 13.09.

ARTICLE 14 – PAYMENTS TO CONTRACTOR AND COMPLETION

14.01 *Schedule of Values*

- A. The Schedule of Values established as provided in Paragraph 2.07.A will serve as the basis for progress payments and will be incorporated into a form of Application for Payment acceptable to Engineer. Progress payments on account of Unit Price Work will be based on the number of units completed.

14.02 *Progress Payments*

A. *Applications for Payments:*

1. At least 20 days before the date established in the Agreement for each progress payment (but not more often than once a month), Contractor shall submit to Engineer for review an Application for Payment filled out and signed by Contractor covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment shall also be accompanied by a bill of sale, invoice, or other documentation warranting that Owner has received the materials and equipment free and clear of all Liens and evidence that the materials and equipment are covered by appropriate property insurance or other arrangements to protect Owner's interest therein, all of which must be satisfactory to Owner.
2. Beginning with the second Application for Payment, each Application shall include an affidavit of Contractor stating that all previous progress payments received on account of the Work have been applied on account to discharge Contractor's legitimate obligations associated with prior Applications for Payment.
3. The amount of retainage with respect to progress payments will be as stipulated in the Agreement.

B. *Review of Applications:*

1. Engineer will, within 10 days after receipt of each Application for Payment, either indicate in writing a recommendation of payment and present the Application to Owner or return the Application to Contractor indicating in writing Engineer's reasons for refusing to recommend payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.
2. Engineer's recommendation of any payment requested in an Application for Payment will constitute a representation by Engineer to Owner, based on Engineer's observations of the executed Work as an experienced and qualified design professional, and on Engineer's

review of the Application for Payment and the accompanying data and schedules, that to the best of Engineer's knowledge, information and belief:

- a. the Work has progressed to the point indicated;
 - b. the quality of the Work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, the results of any subsequent tests called for in the Contract Documents, a final determination of quantities and classifications for Unit Price Work under Paragraph 9.07, and any other qualifications stated in the recommendation); and
 - c. the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work.
3. By recommending any such payment Engineer will not thereby be deemed to have represented that:
- a. inspections made to check the quality or the quantity of the Work as it has been performed have been exhaustive, extended to every aspect of the Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Contract Documents; or
 - b. there may not be other matters or issues between the parties that might entitle Contractor to be paid additionally by Owner or entitle Owner to withhold payment to Contractor.
4. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Engineer's recommendation of any payment, including final payment, will impose responsibility on Engineer:
- a. to supervise, direct, or control the Work, or
 - b. for the means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or
 - c. for Contractor's failure to comply with Laws and Regulations applicable to Contractor's performance of the Work, or
 - d. to make any examination to ascertain how or for what purposes Contractor has used the moneys paid on account of the Contract Price, or
 - e. to determine that title to any of the Work, materials, or equipment has passed to Owner free and clear of any Liens.
5. Engineer may refuse to recommend the whole or any part of any payment if, in Engineer's opinion, it would be incorrect to make the representations to Owner stated in Paragraph 14.02.B.2. Engineer may also refuse to recommend any such payment or, because of subsequently discovered evidence or the results of subsequent inspections or tests, revise or revoke any such payment recommendation previously made, to such extent as may be necessary in Engineer's opinion to protect Owner from loss because:

- a. the Work is defective, or completed Work has been damaged, requiring correction or replacement;
- b. the Contract Price has been reduced by Change Orders;
- c. Owner has been required to correct defective Work or complete Work in accordance with Paragraph 13.09; or
- d. Engineer has actual knowledge of the occurrence of any of the events enumerated in Paragraph 15.02.A.

C. Payment Becomes Due:

- 1. Ten days after presentation of the Application for Payment to Owner with Engineer's recommendation, the amount recommended will (subject to the provisions of Paragraph 14.02.D) become due, and when due will be paid by Owner to Contractor.

D. Reduction in Payment:

- 1. Owner may refuse to make payment of the full amount recommended by Engineer because:
 - a. claims have been made against Owner on account of Contractor's performance or furnishing of the Work;
 - b. Liens have been filed in connection with the Work, except where Contractor has delivered a specific bond satisfactory to Owner to secure the satisfaction and discharge of such Liens;
 - c. there are other items entitling Owner to a set-off against the amount recommended; or
 - d. Owner has actual knowledge of the occurrence of any of the events enumerated in Paragraphs 14.02.B.5.a through 14.02.B.5.c or Paragraph 15.02.A.
- 2. If Owner refuses to make payment of the full amount recommended by Engineer, Owner will give Contractor immediate written notice (with a copy to Engineer) stating the reasons for such action and promptly pay Contractor any amount remaining after deduction of the amount so withheld. Owner shall promptly pay Contractor the amount so withheld, or any adjustment thereto agreed to by Owner and Contractor, when Contractor remedies the reasons for such action.
- 3. Upon a subsequent determination that Owner's refusal of payment was not justified, the amount wrongfully withheld shall be treated as an amount due as determined by Paragraph 14.02.C.1 and subject to interest as provided in the Agreement.

14.03 Contractor's Warranty of Title

- A. Contractor warrants and guarantees that title to all Work, materials, and equipment covered by any Application for Payment, whether incorporated in the Project or not, will pass to Owner no later than the time of payment free and clear of all Liens.

14.04 *Substantial Completion*

- A. When Contractor considers the entire Work ready for its intended use Contractor shall notify Owner and Engineer in writing that the entire Work is substantially complete (except for items specifically listed by Contractor as incomplete) and request that Engineer issue a certificate of Substantial Completion.
- B. Promptly after Contractor's notification, Owner, Contractor, and Engineer shall make an inspection of the Work to determine the status of completion. If Engineer does not consider the Work substantially complete, Engineer will notify Contractor in writing giving the reasons therefor.
- C. If Engineer considers the Work substantially complete, Engineer will deliver to Owner a tentative certificate of Substantial Completion which shall fix the date of Substantial Completion. There shall be attached to the certificate a tentative list of items to be completed or corrected before final payment. Owner shall have seven days after receipt of the tentative certificate during which to make written objection to Engineer as to any provisions of the certificate or attached list. If, after considering such objections, Engineer concludes that the Work is not substantially complete, Engineer will, within 14 days after submission of the tentative certificate to Owner, notify Contractor in writing, stating the reasons therefor. If, after consideration of Owner's objections, Engineer considers the Work substantially complete, Engineer will, within said 14 days, execute and deliver to Owner and Contractor a definitive certificate of Substantial Completion (with a revised tentative list of items to be completed or corrected) reflecting such changes from the tentative certificate as Engineer believes justified after consideration of any objections from Owner.
- D. At the time of delivery of the tentative certificate of Substantial Completion, Engineer will deliver to Owner and Contractor a written recommendation as to division of responsibilities pending final payment between Owner and Contractor with respect to security, operation, safety, and protection of the Work, maintenance, heat, utilities, insurance, and warranties and guarantees. Unless Owner and Contractor agree otherwise in writing and so inform Engineer in writing prior to Engineer's issuing the definitive certificate of Substantial Completion, Engineer's aforesaid recommendation will be binding on Owner and Contractor until final payment.
- E. Owner shall have the right to exclude Contractor from the Site after the date of Substantial Completion subject to allowing Contractor reasonable access to remove its property and complete or correct items on the tentative list.

14.05 *Partial Utilization*

- A. Prior to Substantial Completion of all the Work, Owner may use or occupy any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which Owner, Engineer, and Contractor agree constitutes a separately functioning and usable part of the Work that can be used by Owner for its intended purpose without significant interference with Contractor's performance of the remainder of the Work, subject to the following conditions:

1. Owner at any time may request Contractor in writing to permit Owner to use or occupy any such part of the Work which Owner believes to be ready for its intended use and substantially complete. If and when Contractor agrees that such part of the Work is substantially complete, Contractor, Owner, and Engineer will follow the procedures of Paragraph 14.04.A through D for that part of the Work.
2. Contractor at any time may notify Owner and Engineer in writing that Contractor considers any such part of the Work ready for its intended use and substantially complete and request Engineer to issue a certificate of Substantial Completion for that part of the Work.
3. Within a reasonable time after either such request, Owner, Contractor, and Engineer shall make an inspection of that part of the Work to determine its status of completion. If Engineer does not consider that part of the Work to be substantially complete, Engineer will notify Owner and Contractor in writing giving the reasons therefor. If Engineer considers that part of the Work to be substantially complete, the provisions of Paragraph 14.04 will apply with respect to certification of Substantial Completion of that part of the Work and the division of responsibility in respect thereof and access thereto.
4. No use or occupancy or separate operation of part of the Work may occur prior to compliance with the requirements of Paragraph 5.10 regarding property insurance.

14.06 *Final Inspection*

- A. Upon written notice from Contractor that the entire Work or an agreed portion thereof is complete, Engineer will promptly make a final inspection with Owner and Contractor and will notify Contractor in writing of all particulars in which this inspection reveals that the Work is incomplete or defective. Contractor shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.

14.07 *Final Payment*

A. *Application for Payment:*

1. After Contractor has, in the opinion of Engineer, satisfactorily completed all corrections identified during the final inspection and has delivered, in accordance with the Contract Documents, all maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance, certificates of inspection, marked-up record documents (as provided in Paragraph 6.12), and other documents, Contractor may make application for final payment following the procedure for progress payments.
2. The final Application for Payment shall be accompanied (except as previously delivered) by:
 - a. all documentation called for in the Contract Documents, including but not limited to the evidence of insurance required by Paragraph 5.04.B.6;
 - b. consent of the surety, if any, to final payment;
 - c. a list of all Claims against Owner that Contractor believes are unsettled; and

- d. complete and legally effective releases or waivers (satisfactory to Owner) of all Lien rights arising out of or Liens filed in connection with the Work.
3. In lieu of the releases or waivers of Liens specified in Paragraph 14.07.A.2 and as approved by Owner, Contractor may furnish receipts or releases in full and an affidavit of Contractor that: (i) the releases and receipts include all labor, services, material, and equipment for which a Lien could be filed; and (ii) all payrolls, material and equipment bills, and other indebtedness connected with the Work for which Owner might in any way be responsible, or which might in any way result in liens or other burdens on Owner's property, have been paid or otherwise satisfied. If any Subcontractor or Supplier fails to furnish such a release or receipt in full, Contractor may furnish a bond or other collateral satisfactory to Owner to indemnify Owner against any Lien.

B. Engineer's Review of Application and Acceptance:

1. If, on the basis of Engineer's observation of the Work during construction and final inspection, and Engineer's review of the final Application for Payment and accompanying documentation as required by the Contract Documents, Engineer is satisfied that the Work has been completed and Contractor's other obligations under the Contract Documents have been fulfilled, Engineer will, within ten days after receipt of the final Application for Payment, indicate in writing Engineer's recommendation of payment and present the Application for Payment to Owner for payment. At the same time Engineer will also give written notice to Owner and Contractor that the Work is acceptable subject to the provisions of Paragraph 14.09. Otherwise, Engineer will return the Application for Payment to Contractor, indicating in writing the reasons for refusing to recommend final payment, in which case Contractor shall make the necessary corrections and resubmit the Application for Payment.

C. Payment Becomes Due:

1. Thirty days after the presentation to Owner of the Application for Payment and accompanying documentation, the amount recommended by Engineer, less any sum Owner is entitled to set off against Engineer's recommendation, including but not limited to liquidated damages, will become due and will be paid by Owner to Contractor.

14.08 Final Completion Delayed

- A. If, through no fault of Contractor, final completion of the Work is significantly delayed, and if Engineer so confirms, Owner shall, upon receipt of Contractor's final Application for Payment (for Work fully completed and accepted) and recommendation of Engineer, and without terminating the Contract, make payment of the balance due for that portion of the Work fully completed and accepted. If the remaining balance to be held by Owner for Work not fully completed or corrected is less than the retainage stipulated in the Agreement, and if bonds have been furnished as required in Paragraph 5.01, the written consent of the surety to the payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by Contractor to Engineer with the Application for such payment. Such payment shall be made under the terms and conditions governing final payment, except that it shall not constitute a waiver of Claims.

14.09 *Waiver of Claims*

A. The making and acceptance of final payment will constitute:

1. a waiver of all Claims by Owner against Contractor, except Claims arising from unsettled Liens, from defective Work appearing after final inspection pursuant to Paragraph 14.06, from failure to comply with the Contract Documents or the terms of any special guarantees specified therein, or from Contractor's continuing obligations under the Contract Documents; and
2. a waiver of all Claims by Contractor against Owner other than those previously made in accordance with the requirements herein and expressly acknowledged by Owner in writing as still unsettled.

ARTICLE 15 – SUSPENSION OF WORK AND TERMINATION

15.01 *Owner May Suspend Work*

A. At any time and without cause, Owner may suspend the Work or any portion thereof for a period of not more than 90 consecutive days by notice in writing to Contractor and Engineer which will fix the date on which Work will be resumed. Contractor shall resume the Work on the date so fixed. Contractor shall be granted an adjustment in the Contract Price or an extension of the Contract Times, or both, directly attributable to any such suspension if Contractor makes a Claim therefor as provided in Paragraph 10.05.

15.02 *Owner May Terminate for Cause*

A. The occurrence of any one or more of the following events will justify termination for cause:

1. Contractor's persistent failure to perform the Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment or failure to adhere to the Progress Schedule established under Paragraph 2.07 as adjusted from time to time pursuant to Paragraph 6.04);
2. Contractor's disregard of Laws or Regulations of any public body having jurisdiction;
3. Contractor's repeated disregard of the authority of Engineer; or
4. Contractor's violation in any substantial way of any provisions of the Contract Documents.

B. If one or more of the events identified in Paragraph 15.02.A occur, Owner may, after giving Contractor (and surety) seven days written notice of its intent to terminate the services of Contractor:

1. exclude Contractor from the Site, and take possession of the Work and of all Contractor's tools, appliances, construction equipment, and machinery at the Site, and use the same to the full extent they could be used by Contractor (without liability to Contractor for trespass or conversion);

2. incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere; and
 3. complete the Work as Owner may deem expedient.
- C. If Owner proceeds as provided in Paragraph 15.02.B, Contractor shall not be entitled to receive any further payment until the Work is completed. If the unpaid balance of the Contract Price exceeds all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) sustained by Owner arising out of or relating to completing the Work, such excess will be paid to Contractor. If such claims, costs, losses, and damages exceed such unpaid balance, Contractor shall pay the difference to Owner. Such claims, costs, losses, and damages incurred by Owner will be reviewed by Engineer as to their reasonableness and, when so approved by Engineer, incorporated in a Change Order. When exercising any rights or remedies under this Paragraph, Owner shall not be required to obtain the lowest price for the Work performed.
- D. Notwithstanding Paragraphs 15.02.B and 15.02.C, Contractor's services will not be terminated if Contractor begins within seven days of receipt of notice of intent to terminate to correct its failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt of said notice.
- E. Where Contractor's services have been so terminated by Owner, the termination will not affect any rights or remedies of Owner against Contractor then existing or which may thereafter accrue. Any retention or payment of moneys due Contractor by Owner will not release Contractor from liability.
- F. If and to the extent that Contractor has provided a performance bond under the provisions of Paragraph 5.01.A, the termination procedures of that bond shall supersede the provisions of Paragraphs 15.02.B and 15.02.C.

15.03 *Owner May Terminate For Convenience*

- A. Upon seven days written notice to Contractor and Engineer, Owner may, without cause and without prejudice to any other right or remedy of Owner, terminate the Contract. In such case, Contractor shall be paid for (without duplication of any items):
1. completed and acceptable Work executed in accordance with the Contract Documents prior to the effective date of termination, including fair and reasonable sums for overhead and profit on such Work;
 2. expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by the Contract Documents in connection with uncompleted Work, plus fair and reasonable sums for overhead and profit on such expenses;
 3. all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other

dispute resolution costs) incurred in settlement of terminated contracts with Subcontractors, Suppliers, and others; and

4. reasonable expenses directly attributable to termination.

B. Contractor shall not be paid on account of loss of anticipated profits or revenue or other economic loss arising out of or resulting from such termination.

15.04 *Contractor May Stop Work or Terminate*

A. If, through no act or fault of Contractor, (i) the Work is suspended for more than 90 consecutive days by Owner or under an order of court or other public authority, or (ii) Engineer fails to act on any Application for Payment within 30 days after it is submitted, or (iii) Owner fails for 30 days to pay Contractor any sum finally determined to be due, then Contractor may, upon seven days written notice to Owner and Engineer, and provided Owner or Engineer do not remedy such suspension or failure within that time, terminate the Contract and recover from Owner payment on the same terms as provided in Paragraph 15.03.

B. In lieu of terminating the Contract and without prejudice to any other right or remedy, if Engineer has failed to act on an Application for Payment within 30 days after it is submitted, or Owner has failed for 30 days to pay Contractor any sum finally determined to be due, Contractor may, seven days after written notice to Owner and Engineer, stop the Work until payment is made of all such amounts due Contractor, including interest thereon. The provisions of this Paragraph 15.04 are not intended to preclude Contractor from making a Claim under Paragraph 10.05 for an adjustment in Contract Price or Contract Times or otherwise for expenses or damage directly attributable to Contractor's stopping the Work as permitted by this Paragraph.

ARTICLE 16 – DISPUTE RESOLUTION

16.01 *Methods and Procedures*

A. Either Owner or Contractor may request mediation of any Claim submitted to Engineer for a decision under Paragraph 10.05 before such decision becomes final and binding. The mediation will be governed by the Construction Industry Mediation Rules of the American Arbitration Association in effect as of the Effective Date of the Agreement. The request for mediation shall be submitted in writing to the American Arbitration Association and the other party to the Contract. Timely submission of the request shall stay the effect of Paragraph 10.05.E.

B. Owner and Contractor shall participate in the mediation process in good faith. The process shall be concluded within 60 days of filing of the request. The date of termination of the mediation shall be determined by application of the mediation rules referenced above.

C. If the Claim is not resolved by mediation, Engineer's action under Paragraph 10.05.C or a denial pursuant to Paragraphs 10.05.C.3 or 10.05.D shall become final and binding 30 days after termination of the mediation unless, within that time period, Owner or Contractor:

1. elects in writing to invoke any dispute resolution process provided for in the Supplementary Conditions; or

2. agrees with the other party to submit the Claim to another dispute resolution process; or
3. gives written notice to the other party of the intent to submit the Claim to a court of competent jurisdiction.

ARTICLE 17 – MISCELLANEOUS

17.01 *Giving Notice*

- A. Whenever any provision of the Contract Documents requires the giving of written notice, it will be deemed to have been validly given if:
 1. delivered in person to the individual or to a member of the firm or to an officer of the corporation for whom it is intended; or
 2. delivered at or sent by registered or certified mail, postage prepaid, to the last business address known to the giver of the notice.

17.02 *Computation of Times*

- A. When any period of time is referred to in the Contract Documents by days, it will be computed to exclude the first and include the last day of such period. If the last day of any such period falls on a Saturday or Sunday or on a day made a legal holiday by the law of the applicable jurisdiction, such day will be omitted from the computation.

17.03 *Cumulative Remedies*

- A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to, and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by Laws or Regulations, by special warranty or guarantee, or by other provisions of the Contract Documents. The provisions of this Paragraph will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right, and remedy to which they apply.

17.04 *Survival of Obligations*

- A. All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with the Contract Documents, as well as all continuing obligations indicated in the Contract Documents, will survive final payment, completion, and acceptance of the Work or termination or completion of the Contract or termination of the services of Contractor.

17.05 *Controlling Law*

- A. This Contract is to be governed by the law of the state in which the Project is located.

17.06 *Headings*

- A. Article and paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions.

SUPPLEMENTARY GENERAL CONDITIONS

These Supplementary General Conditions amend or supplement the Standard General Conditions of the Construction Contract and other provisions of the Contract Documents as indicated below. All provisions which are not so amended or supplemented remain in full force and effect.

Article 1 – Definitions and Terminology

SGC-1.01. Defined Terms

The terms used in these Supplementary General Conditions which are defined in the Standard General Conditions of the Construction Contract have the meanings assigned to them in the General Conditions.

Delete the definition of "Resident Project Representative" and replace with the following:

36. *Resident Project Representative* - The authorized representative of the ENGINEER or OWNER, who is assigned the task of observing the performance of the work on a daily basis.

Add the following new definitions:

52. *Written Amendment*—A written statement modifying the Contract Documents, signed by Owner and Contractor on or after the Effective Date of the Agreement and normally dealing with the non-engineering or nontechnical rather than strictly construction-related aspects of the Contract Documents.

53. *Construction Manager*—The authorized representative of Owner who may be assigned to the Site or any part thereof. The individual or entity will be responsible for administration of the Contract as a representative of the Owner. This individual may also serve as the Resident Project Representative. For this Project the Owner has designated the City of Celina to assign at construction a Construction Manager.

SC-1.02 Terminology

Add a new Paragraph 1.02.B.2 as follows:

“2. “At no additional cost to Owner”, “With no extra compensation to Contractor”, “At Contractor’s own expense”, or similar words mean that the Contractor will perform or provide specified Work and that all cost for performing the Work is included in the Contract Price. “

Delete Paragraph 1.02.C and add the following:

“C. *Day*:

1. A “calendar day” shall be a day of 24 hours measured from midnight to the next midnight, and is any day of the year, with no days being excluded.
2. A “working day” shall be a day which permits construction of the principal units of the Work for a period of not less than 7 hours between 7:00 a.m. and 6:00 p.m. Working days do not include days on which weather or other conditions not under the control of the Contractor prevent Contractor from working the seven hours defining a working day. Working days do not include Saturdays, Sundays or any of the following holidays: New Year, President’s Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving and Christmas Eve and Christmas Day.”

Add new Paragraphs 1.02.E.5 and 1.02.E.6 as follows:

- “5. Specifications are written in modified brief style. Requirements apply to all Work of the same kind, class, and type even though the word “all” is not stated.”
- “6. Simple imperative sentence structure is used which places a verb as the first word in the sentence. It is understood that the words “furnish”, “install”, “provide”, or similar words include the meaning of the phrase “The Contractor shall...” before these words.”

Article 2 - Preliminary Matters

SGC-2.02. Copies of Documents

Delete paragraph 2.02 of the General Conditions in its entirety and insert the following in its place:

“2.02. Copies of Documents

- A. Four (4) sets of plans and specifications shall be furnished to the CONTRACTOR, at no charge, for construction purposes. If plans have been reduced to one-half size, two (2) sets of those together with two (2) sets reproduced on the original scale shall constitute the four (4) sets of plans furnished to the CONTRACTOR. Additional copies may be obtained at the cost of reproduction upon request by the CONTRACTOR.
- B. Project Engineer shall furnish one (1) sealed PDF of the construction plan sets that can be reproduced by the contractor at their expense.
- C. Owner shall furnish one fully executed Agreement and one copy of the executed Contract Documents in electronic Portable Document Format (PDF). This document is the Project Record Copy of the Contract Documents. Contractor may make as many prints of the documents as needed for construction. Engineer will not provide printed or hard copies to the Contractor.”

SC-2.05 Before Starting Construction

Add a new paragraph immediately after Paragraph 2.05.A.3:

- “B. Before undertaking each part of the Work, Contractor shall carefully study and compare the Contract Documents and check and verify pertinent figures shown thereon and all applicable field measurements. Contractor shall promptly report in writing to the

Engineer any conflict, error, ambiguity or discrepancy which the Contractor may discover and shall obtain a written interpretation from the Engineer before proceeding with any Work affected thereby. In the event of a conflict in the Drawings, Specifications, or other portions of the Contract Documents which were not reported prior to the Award of the Contract, the Contractor shall be deemed to have included the most expensive item in its Bid.”

Article 3 - Contract Documents: Intent, Amending, Reuse

SC-3.01 Intent

Add the following to Paragraph 3.01.A:

Drawings and Specifications do not indicate or describe all of the Work required to complete the Project. Additional details required for the correct installation of selected products are to be provided by the Contractor and coordinated with the Engineer. Provide any work, materials or equipment required for a complete and functional system even if they are not detailed or specified.

1. The Contract requirements described in the General Conditions, Supplementary Conditions and General Requirements apply to each and all Sections of the Specifications unless specifically noted otherwise
2. Organization of Contract Documents is not intended to control or to lessen the responsibility of the Contractor when dividing Work among Subcontractors, or to establish the extent of Work to be performed by any trade, Subcontractor or Supplier. Specifications or details do not need to be indicated or specified in each specification or drawing. Items shown in the Contract Documents are applicable regardless of location in the Contract Documents.
3. Standard paragraph titles and other identifications of subject matter in the Specifications are intended to aid in locating and recognizing various requirements of the Specifications. Titles do not define, limit, or otherwise restrict specification text.

Add new Paragraphs 3.01.D through 3.01.F as follows:

- D. Comply with the most stringent requirements where compliance with two or more standards is specified, and they establish different or conflicting requirements for minimum quantities or quality levels, unless Contract Documents indicate otherwise.
 1. Quantity or quality level shown or indicated shall be the minimum to be provided or performed in every instance.
 2. Actual installation must meet or exceed the minimum quality indicated.
 3. In complying with these requirements, indicated numeric values are minimum or maximum values, as noted, or appropriate for context of requirements.
 4. Refer instances of uncertainty to the Engineer for a decision before proceeding.”
- E. Provide materials and equipment comparable in quality to similar materials and equipment incorporated in the Project or as required to meet the minimum requirements

of the application if the materials and equipment are shown in the Drawings but are not included in the Specifications.

- F. The Contract Documents comprise the entire Agreement between Owner and Contractor. The Contract Documents may be modified only by Field Order, Change Order or Written Amendment.”

SC-3.02 Reference Standards

Add a new Paragraph 3.02.B as follows:

- B. Comply with applicable construction industry standards as if bound or copied directly into the Contract Documents regardless of lack of reference in the Contract Documents. Apply provisions of the Contract Documents where Contract Documents include more stringent requirements than these referenced standards.
 - 1. Standards referenced directly in the Contract Documents take precedence over standards that are not referenced but recognized in the construction industry as applicable.
 - 2. Comply with standards not referenced but recognized in the construction industry as applicable for performance of the Work except as otherwise limited by the Contract Documents. The Engineer determines whether code or standard is applicable, or which of several are applicable.
 - 3. Make copies of reference standards available as requested by Engineer or Owner.”

SC-3.03 Reporting and Resolving Discrepancies

Delete Paragraph 3.03.A.3 entirely and insert the following in its place:

- 3. In the event of a conflict in the Drawings, Specifications, or other portions of the Contract Documents which were not reported prior to the Bidding of the Contract, the Contractor shall be deemed to have included the most expensive item, system, procedure, etc. in his Bid.

SC-3.05 Reuse of Documents

Delete the last sentence of Paragraph 3.05.B entirely and insert the following in its place:

- B. Nothing herein shall preclude Contractor from retaining copies of the Contract Documents for record purposes, unless specifically prohibited in writing by the Owner for security reasons. If the Owner so directs, Contractor shall surrender all copies of the construction Contract Documents and other related documents, in paper or digital format and remove these documents from computer equipment or storage devices as a condition of final payment.

Article 4 - Availability of Lands; Subsurface Conditions and Physical Conditions; Hazardous Environmental Conditions; Reference Points

SC-4.01 Availability of Lands

Add the following to Paragraph 4.01.C:

A copy of the written agreements for the use of such land shall be provided to the Owner for record purposes.

SC-4.02 Subsurface and Physical Conditions

Add the following new paragraphs immediately after Paragraph 4.02.B:

C. The following reports of explorations and tests of subsurface conditions at or contiguous to the Site are known to Owner:

1. **None**

SC-4.03 Differing Subsurface or Physical Conditions

Amend Paragraph 4.03.A by deleting “promptly” and inserting “promptly but no later than within 3 days.”

SC-4.04 Underground Facilities

Amend Paragraph 4.04.B.1 by deleting “promptly” and inserting “promptly but no later than within 3 days.”

SGC-4.05 Reference Points

Add the following language at the end of the third sentence of paragraph 4.05 of the General Conditions:

The furnishing of the reference points does not relieve the CONTRACTOR of the responsibility of checking to insure that the new improvements are constructed to the lines and grades shown on the plans. Should any of the reference points be removed or otherwise disturbed through carelessness of the CONTRACTOR, the reference points will be replaced at the expense of the CONTRACTOR.

SC-4.06 Hazardous Environmental Conditions at Site

Delete Paragraphs 4.06.A and 4.06.B in their entirety and insert the following:

A. No reports or drawings related to Hazardous Environmental Conditions at the Site are known to Owner.

Article 5 - Bonds and Insurance

SC-5.01 Performance, Payment, and Other Bonds

Add the following to Paragraph 5.01.C:

“Failure of the Contractor to provide a satisfactory replacement bond may be considered an event of default under Article 15, Paragraph 15.02.”

Add new paragraphs immediately after Paragraph 5.01.C:

- D. Amounts owed by Owner to Contractor under the Contract shall be used for the performance of the Contract and to satisfy claims, if any, under any performance bond or payment bond. By Contractor furnishing and Owner accepting these bonds, they agree that all funds earned by Contractor in the performance of the Contract are dedicated to satisfy obligations of Contractor under these bonds, subject to Owner’s priority to use the funds for the completion of the Work.
- E. Contractor or surety on behalf of Contractor shall promptly notify the Owner of all claims filed against the Payment Bond. When a claimant has satisfied the conditions prescribed by Texas Government Code 2253, the Contractor or surety on behalf of Contractor shall, with reasonable promptness, notify the claimant and Owner of the amounts that are undisputed and the basis for challenging any amounts that are disputed, including, but not limited to, the lack of substantiating documentation to support the claim as to entitlement or amount, and the Contractor or surety on behalf of Contractor shall, with reasonable promptness, pay or make arrangements for payment of any undisputed amount; provided, however, that the failure of the Contractor or surety on behalf of Contractor to timely discharge its obligations under this paragraph or to dispute or identify any specific defense to all or any part of a claim shall not be deemed to be an admission of liability by the Contractor or surety as to such claim or otherwise constitute a waiver of the Contractor’s or surety’s defenses to, or right to dispute, such claim.
- F. Owner shall not be liable for payment of any costs or expenses of any claimant under Payment Bonds, and shall have no obligations to make payments to, give notices on behalf of, or otherwise have obligations to claimants under Payment Bonds.
- G. In addition to the Performance and Payment Bonds, Contractor shall provide a Maintenance Bond as specified in Section 520 “Maintenance Bond Requirements” in the amount of 10 percent of the Contract Price. This bond is to become effective the date of the expiration of the one-year correction period specified in Paragraph 13.07 for all or any part of the Project so designated in accordance with GC-14.04, and shall remain in effect for a period of two-years after the expiration of the one-year correction period, except as provided otherwise by Laws or Regulations.

SC-5.02 Licensed Sureties and Insurers

Add a new Paragraph 5.02.B as follows:

- B. Insurance companies providing insurance required by Contract Documents shall have a minimum rating of A-VIII according to A.M. Best Company.

SC-5.03 Certificates of Insurance

Delete Paragraph 5.03.B entirely.

SC-5.04 Contractor's Insurance

Delete paragraph 5.04 A in its entirety and replace with the following:

- A. The following additional information is provided as required by Paragraph 5.04 Contractor's Liability Insurance:
- Workers' Compensation and Employer's Liability Insurance required by Paragraph 5.04 is to provide coverage for not less than the following amounts or greater where required by Laws and Regulations.

Workers' Compensation, etc.,	
State	Statutory
Applicable Federal (e.g., Longshore)	Statutory
Employers' Liability	
Bodily Injury by Accident	\$500,000
Bodily Injury by Disease - Each Employee	\$500,000
Bodily Injury by Disease - Policy Limit	\$500,000

Insurance shall include a waiver of subrogation in favor of the Additional Insured identified in these Supplementary Conditions.

- Contractor's Liability Insurance required by Paragraph 5.04 is to provide coverage for not less than the following amounts or greater where required by Laws and Regulations:

Insurance for Claims of Damages	
General Aggregate (Except Products - Completed Operations)	\$1,000,000 / Occurrence \$2,000,000 / Aggregate
Products - Completed Operations Aggregate	\$1,000,000 / Occurrence \$2,000,000 / Aggregate
Personal and Advertising Injury (One Person/Organization)	\$1,000,000
Each Occurrence (Bodily Injury and Property Damage)	\$1,000,000
Limit Per Person - Medical Expense	\$5000
Personal Injury Liability coverage will include claims arising out of Employment Practices Liability, limited to coverage provided under standard contract.	1,000,000
Property Damage Liability insurance will provide explosion, collapse and underground coverage where applicable	\$1,000,000

Insurance for Claims of Damages	
Watercraft Liability Policy. Coverage shall apply to all self-propelled vessels	\$1,000,000
Excess Liability, Umbrella Form to include coverage of Watercraft Liability. General Aggregate - Each Occurrence	\$1,000,000

3. Contractor's Liability Insurance shall also include completed operations and product liability coverage, and eliminate the exclusion with respect to property under the care, custody and control of Contractor. In lieu of elimination of the exclusion, Contractor may provide and maintain Installation Floater insurance for property under the care, custody, or control of Contractor. The Installation Floater insurance shall be a broad form or "All Peril" policy providing coverage for all materials, supplies, machinery, fixture, and equipment which will be incorporated into the Work.
 - a. Coverage under the Contractors Installation Floater will include:
 - 1). Faulty or defective workmanship, materials, maintenance or construction.
 - 2). Cost to remove defective or damaged Work from the Site or to protect it from loss or damage.
 - 3). Cost to cleanup and remove pollutants.
 - 4). Coverage for testing and startup.
 - 5). Any loss to property while in transit.
 - 6). Any loss at the Site.
 - 7). Any loss while in storage, both on-site and off-site.
 - 8). Any loss to temporary project works if their value is included in the Contract Price.
4. Coverage cannot be contingent on an external cause or risk or limited to property for which the Contractor is legally liable. Contractor's Installation Floater will provide limits of insurance adequate to cover the value of the installation. The Contractor will be solely responsible for any deductible carried under this coverage and claims on materials, supplies, machinery, fixture, and equipment which will be incorporated into the Work while in transit or in storage. This policy will include a waiver of subrogation for those listed as additional insured in these Supplemental Conditions.
5. Contractor's Automobile Liability Insurance required by Paragraph 5.04.A.6 is to provide coverage for not less than the following amounts or greater where required by Laws and Regulations.

Bodily Injury	
Each Person	\$1,000,000

Each Accident	\$1,000,000
Property Damage	
Each Accident, or	\$1,000,000
Combined Single Limit (Bodily Injury and Property Damage)	\$1,000,000

6. Additional insured on all insurance policies in accordance with Paragraph 5.04.B include:
 - a. Owner (City of Celina)
 - b. Engineer (Garver LLC)
7. Contractor's Contractual Liability Insurance required by Paragraph 5.04.B is to provide coverage for not less than the following amounts or greater where required by Laws and Regulations.

B. Contractor's Contractual Liability Insurance

Contractor's Contractual Liability Insurance	
General Aggregate	\$1,000,000
Each Occurrence (Bodily Injury and Property Damage)	\$1,000,000

SC-5.05 Owner's Liability Insurance

Delete Paragraph 5.05.A entirely and insert the following in its place:

- A. In addition to the insurance required to be provided by Contractor under Paragraph 5.04, Contractor shall purchase and maintain for Owner, at no additional cost, Owner's Protective Liability insurance naming Owner as the named insured with insurance that will protect said parties against claims which may arise from operations under the Contract Documents. This coverage shall be from the same company that provides Contractor's liability insurance coverage, and in the same minimum amounts. The Engineer and Engineer's consultants are additional insured as their interest may appear including their officers, directors, agents and employees.

SC-5.06 Property Insurance

Delete Paragraph 5.06.A entirely and insert the following in its place; Subparagraphs 1 through 7 shall remain:

- A. Contractor shall purchase and maintain property insurance upon the Work at the Site in the amount of the full replacement cost thereof (subject to deductible amounts as may be provided by the Supplementary Conditions or required by Laws and Regulations). The policies of insurance required to be purchased and maintained by Contractor in accordance with this Paragraph 5.06 shall comply with requirements of Paragraph 5.08. This insurance shall:"

Amend Paragraph 5.06.A.4 by inserting the following language after the word "Work" in the second line:

“and in transit for incorporation in the Work from such storage locations”

Delete Paragraph 5.06.B entirely and insert the following in its place:

- B. Contractor shall purchase and maintain such boiler and machinery insurance or additional property insurance as may be required by the Supplementary Conditions or Laws and Regulations which will include the interests of those listed as an insured or listed as an additional insured in Paragraph SC-5.04.E.

Delete Paragraph 5.06.E entirely.

SC-5.07 Waiver of Rights

Delete Paragraph 5.07.B entirely.

SC-5.08 Receipt and Application of Insurance Proceeds

Delete Paragraph 5.08 entirely.

SC-5.11 Owner’s Insurance for Project

Add a new Paragraph 5.11 as follows:

5.11 Owner’s Insurance for Project

- A. Owner shall not be responsible for purchasing and maintaining any insurance to protect the interest of the Contractor, Subcontractors, or others in the Work. The stated limits of insurance required are minimum only. Contractor shall determine the limits that are adequate. These limits may be basic policy limits or any combination of basic limits and umbrella limits. In any event, Contractor is fully responsible for all losses arising out of, resulting from or connected with operations under this Contract whether or not said losses are covered by insurance. The acceptance of certificates or other evidence of insurance by the Owner, Engineer, and/or others listed as additional insured in Paragraph SC-5.04.E that in any respect do not comply with the Contract requirements does not release the Contractor from compliance herewith.”

Article 6 - Contractor’s Responsibilities

SC-6.05 Substitutes and “Or-Equals”

Amend Paragraph 6.05.E by deleting the word “substitute” in all locations and replacing it with the phrase “substitute or “or-equal”“.

Insert paragraph “G”:

- G. Any substitutes or “or-equal” items, construction methods, or procedures that the CONTRACTOR wishes to submit to the ENGINEER must be done so within 60 days after the start of the contract time.

SC 6.06 Concerning Subcontractor, Suppliers and Others

Amend Paragraph 6.06.B by deleting the words “Supplementary Conditions” and inserting the words “Contract Documents” in their place.

Insert paragraph “H”:

- H. The CONTRACTOR shall submit a list of all Subcontractors, Suppliers or other persons or organizations to the OWNER in advance of the specified date prior to the Effective Date of the Agreement for acceptance by OWNER and ENGINEER.”

Add a new Paragraph 6.06.I as follows:

- I. Owner or Engineer may furnish to any such Subcontractor, Supplier, or other person or organization, to the extent practicable, information about amounts paid to Contractor in accordance with Contractor’s Application for Payment on account of the particular Subcontractor’s, Supplier’s, other person’s or other organization’s Work.

SC 6.09 Laws and Regulations

Delete Paragraph 6.09.B and insert the following in its place:

- B. If Contractor performs any Work that it is contrary to Laws or Regulations, Contractor shall bear all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work.

Add a new Paragraph 6.09.D as follows:

- D. All Bidders are required to complete and submit with their Bid, the Contractor Compliance to State Law form, which follows the proposal.

SC 6.10 Taxes

Add the following to Paragraph 6.10.A:

“The Owner qualifies as an exempt agency as defined by the statutes of the State of Texas. The Contractor shall comply with all statutes and rulings of the State Comptroller.”

SG 6.11 Use of Site and Other Areas

Add the following paragraph at the end of the last sentence of section B of 6.11 of the General Conditions:

- B. All waste material removed from the Project site or right-of-way as a preliminary to the construction of the work or its appurtenances shall be promptly removed from the property

and disposed of in an acceptable manner. The OWNER may, at its option, elect to receive excess spoil materials. The CONTRACTOR shall, at the direction of representatives of the OWNER, haul all excess spoils material to a site approved by the OWNER. No extra compensation will be made for the removal and hauling of this material; all costs shall be included in the various pay items.

SC 6.13 Safety and Protection

Add the following to Paragraph 6.13.F:

“The Contractor’s duties and responsibilities for the safety or protection of persons or the Work or property at the Site or adjacent thereto shall be reinstated when any additional efforts are required during the one-year correction period to correct defects in the Work.”

SC 6.16 Emergencies

Amend Paragraph 6.16.A by deleting the third sentence and inserting the following in its place:

“If Engineer determines that the incident giving rise to the emergency action was not the responsibility of the Contractor and that a change in the Contract Documents is required because of the action taken by Contractor in response to such an emergency, a Change Order, Field Order or Work Change Directive will be issued.”

SC-6.17 Shop Drawings and Samples

Delete Paragraph 6.17.C.3 entirely and insert the following in its place:

3. With each submittal, Contractor shall give Engineer specific written notice of any variations that the Shop Drawing or Sample may have from the requirements of the Contract Documents on a Shop Drawing Deviation Request form provided by the Engineer and request that a Field Order or Change Order be issued for each of the specific variations submitted for approval. This notice shall be both a written communication separate from the Shop Drawings or Sample submittal; and, in addition, by a specific notation made on each Shop Drawing or Sample submitted to Engineer for review and approval of each such variation.

Delete Paragraph 6.17.D.3 entirely and insert the following in its place:

3. Engineer’s review and approval shall not relieve Contractor from responsibility for any variation from the requirements of the Contract Documents unless Contractor has complied with the requirements of Paragraph 6.17.C.3 and Engineer has given written approval of each such variation issuing a Field Order or Change Order. If the proposed modification is approved by the Engineer, the submittal will be considered to be in strict compliance with the Contract Documents and it will be reviewed in accordance with the Contract Documents. If the proposed Modification is not approved, the submittal will be returned to the Contractor with appropriate comments. Engineer’s review and approval shall not relieve Contractor from responsibility for complying with the requirements of Paragraph 6.17.C.1.

Delete Paragraph 6.17.E.1 entirely and insert the following in its place:

1. Contractor shall make corrections required by Engineer and shall return the required number of corrected copies of Shop Drawings and submit, as required, new Samples for review and approval. Re-submittals shall reference and respond directly to Engineer's previous comments. Any variations from strict compliance with the Contract Documents will be identified in the same manner as required in Paragraph 6.17.C.3 and will require the same approvals.
2. Any and all costs, direct or indirect, incurred by the OWNER in reviewing Shop Drawings and Samples in excess of two (2) times will be charged to the contractor and deducted from the total price for the work.

Add the following new paragraphs immediately after Paragraph 6.17.E:

- F. Contractor shall furnish required submittals with sufficient information and accuracy in order to obtain required approval of an item with no more than two submittals. Engineer will record Engineer's time for reviewing subsequent submittals of Shop Drawings, Samples, or other items requiring approval and Contractor shall reimburse Owner for Engineer's charges for such time.
- G. In the event that Contractor requests a change of a previously approved item, Contractor shall reimburse Owner for Engineer's charges for its review time unless the need for such change is beyond the control of Contractor.

SC 6.18 Continuing the Work

Add the following to Paragraph 6.18.A:

Contractor assumes and bears responsibility for all costs and time delays associated with any variation from the requirements of the Contract Documents.

SC 6.20 Indemnification

Delete Paragraph 6.20.C entirely.

Article 7 - Other Work at Site

SC 7.04 Claims Between Contractors

Add a new Paragraph 7.04 as follows:

7.04 Claims between Contractors

- A. Should Contractor cause damage to the work or property of any other contractor at the Site, or should any claim arising out of Contractor's performance of the Work at the Site be made by any other contractor against Contractor, Owner, Engineer, or the construction coordinator, then Contractor (without involving Owner, Engineer, or construction coordinator) shall either (1) remedy the damage, (2) agree to compensate the other contractor for remedy of the damage, or (3) remedy the damage

and attempt to settle with such other contractor by agreement, or otherwise resolve the dispute by arbitration or at law.

- B. **CONTRACTOR SHALL, TO THE FULLEST EXTENT PERMITTED BY LAWS AND REGULATIONS, INDEMNIFY AND HOLD HARMLESS OWNER, ENGINEER, THE CONSTRUCTION COORDINATOR AND THE OFFICERS, DIRECTORS, PARTNERS, EMPLOYEES, AGENTS AND OTHER CONSULTANTS AND SUBCONTRACTORS OF EACH AND ANY OF THEM FROM AND AGAINST ALL CLAIMS, COSTS, LOSSES AND DAMAGES (INCLUDING, BUT NOT LIMITED TO, FEES AND CHARGES OF ENGINEERS, ARCHITECTS, ATTORNEYS, AND OTHER PROFESSIONALS AND COURT AND ARBITRATION COSTS) ARISING DIRECTLY, INDIRECTLY OR CONSEQUENTIALLY OUT OF ANY ACTION, LEGAL OR EQUITABLE, BROUGHT BY ANY OTHER CONTRACTOR AGAINST OWNER, ENGINEER, CONSULTANTS, OR THE CONSTRUCTION COORDINATOR TO THE EXTENT SAID CLAIM IS BASED ON OR ARISES OUT OF CONTRACTOR'S PERFORMANCE OF THE WORK. SHOULD ANOTHER CONTRACTOR CAUSE DAMAGE TO THE WORK OR PROPERTY OF CONTRACTOR OR SHOULD THE PERFORMANCE OF WORK BY ANY OTHER CONTRACTOR AT THE SITE GIVE RISE TO ANY OTHER CLAIM, CONTRACTOR SHALL NOT INSTITUTE ANY ACTION, LEGAL OR EQUITABLE, AGAINST OWNER, ENGINEER, OR THE CONSTRUCTION COORDINATOR OR PERMIT ANY ACTION AGAINST ANY OF THEM TO BE MAINTAINED AND CONTINUED IN ITS NAME OR FOR ITS BENEFIT IN ANY COURT OR BEFORE ANY ARBITER WHICH SEEKS TO IMPOSE LIABILITY ON OR TO RECOVER DAMAGES FROM OWNER, ENGINEER, OR THE CONSTRUCTION COORDINATOR ON ACCOUNT OF ANY SUCH DAMAGE OR CLAIM.**
- C. If Contractor is delayed at any time in performing or furnishing the Work by any act or neglect of another contractor, and Owner and Contractor are unable to agree as to the extent of any adjustment in Contract Times attributable thereto, Contractor may make a Claim for an extension of times in accordance with Article 12. An extension of the Contract Times shall be Contractor's exclusive remedy with respect to Owner, Engineer, and construction coordinator for any delay, disruption, interference, or hindrance caused by any other contractor. This paragraph does not prevent recovery from Owner, Engineer, or construction coordinator for activities that are their respective responsibilities."

Article 9 - Engineer's Status During Construction

SC-9.03 Project Representative

Add the following new paragraphs immediately after Paragraph 9.03.A:

- B. The Resident Project Representative (RPR) will be Engineer's employee or agent at the Site, will act as directed by and under the supervision of Engineer, and will confer with Engineer regarding RPR's actions. RPR's dealings in matters pertaining to the Work in general shall be with Engineer and Contractor. RPR's dealings with Subcontractors shall be through or with the full knowledge and approval of Contractor. The RPR shall:

1. Schedules: Review the Progress Schedule, schedule of Shop Drawing and Sample submittals, and Schedule of Values prepared by Contractor and consult with Engineer concerning acceptability.
2. Conferences and Meetings: Attend meetings with Contractor, such as preconstruction conferences, progress meetings, job conferences and other Project-related meetings, and prepare and circulate copies of minutes thereof.
3. Liaison:
 - a. Serve as Engineer's liaison with Contractor, working principally through Contractor's authorized representative, assist in providing information regarding the intent of the Contract Documents.
 - b. Assist Engineer in serving as Owner's liaison with Contractor when Contractor's operations affect Owner's on-site operations.
 - c. Assist in obtaining from Owner additional details or information, when required for proper execution of the Work.
4. Interpretation of Contract Documents: Report to Engineer when clarifications and interpretations of the Contract Documents are needed and transmit to Contractor clarifications and interpretations as issued by Engineer.
5. Shop Drawings and Samples:
 - a. Record date of receipt of Samples and approved Shop Drawings.
 - b. Receive Samples which are furnished at the Site by Contractor, and notify Engineer of availability of Samples for examination.
6. Modifications: Consider and evaluate Contractor's suggestions for modifications in Drawings or Specifications and report such suggestions, together with RPR's recommendations, to Engineer. Transmit to Contractor in writing decisions as issued by Engineer.
7. Review of Work and Rejection of Defective Work:
 - a. Conduct on-site observations of Contractor's work in progress to assist Engineer in determining if the Work is in general proceeding in accordance with the Contract Documents.
 - b. Report to Engineer whenever RPR believes that any part of Contractor's Work in progress will not produce a completed Project that conforms generally to the Contract Documents or will imperil the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be made; and advise Engineer of that part of Work in progress that RPR believes should be corrected or rejected or should be uncovered for observation, or requires special testing, inspection or approval.
8. Inspections, Tests, and System Startups:
 - a. Verify that tests, equipment, and systems startups and operating and maintenance training are conducted in the presence of appropriate Owner's personnel, and that Contractor maintains adequate records thereof.
 - b. Observe, record, and report to Engineer appropriate details relative to the test procedures and systems startups.
9. Records:
 - a. Record names, addresses, fax numbers, email addresses, website locations, and telephone numbers of all Contractors, Subcontractors, and major Suppliers of materials and equipment.
 - b. Maintain records for use in preparing project documentation.
10. Reports:

- a. Furnish to Engineer periodic reports as required of progress of the Work and of Contractor's compliance with the Progress Schedule and schedule of Shop Drawing and Sample submittals.
 - b. Draft and recommend to Engineer proposed Change Orders, Work Change Directives, and Field Orders. Obtain backup material from Contractor.
 - c. Immediately notify Engineer of the occurrence of any Site accidents, emergencies, acts of God endangering the Work, damage to property by fire or other causes, or the discovery of any Hazardous Environmental Condition.
- 11. Payment Requests: Review Applications for Payment with Contractor for compliance with the established procedure for their submission and forward with recommendations to Engineer, noting particularly the relationship of the payment requested to the Schedule of Values, Work completed, and materials and equipment delivered at the Site but not incorporated in the Work.
- 12. Certificates, Operation and Maintenance Manuals: During the course of the Work, verify that materials and equipment certificates, Operation and Maintenance Manuals and other data required by the Specifications to be assembled and furnished by Contractor are applicable to the items actually installed and in accordance with the Contract Documents, and have these documents delivered to Engineer for review and forwarding to Owner prior to payment for that part of the Work.
- 13. Completion:
 - a. Participate in a Substantial Completion inspection, assist in the determination of Substantial Completion and the preparation of lists of items to be completed or corrected.
 - b. Participate in a final inspection in the company of Engineer, Owner, and Contractor and prepare a final list of items to be completed and deficiencies to be remedied.
 - c. Observe whether all items on the final list have been completed or corrected and make recommendations to Engineer concerning acceptance and issuance of the Notice of Acceptability of the Work.
- C. The RPR shall not:
 - 1. Authorize any deviation from the Contract Documents or substitution of materials or equipment (including "or-equal" items).
 - 2. Exceed limitations of Engineer's authority as set forth in the Contract Documents.
 - 3. Undertake any of the responsibilities of Contractor, Subcontractors, Suppliers, or Contractor's superintendent.
 - 4. Advise on, issue directions relative to, or assume control over any aspect of the means, methods, techniques, sequences or procedures of Contractor's Work unless such advice or directions are specifically required by the Contract Documents.
 - 5. Advise on, issue directions regarding, or assume control over safety practices, precautions, and programs in connection with the activities or operations of Owner or Contractor.
 - 6. Participate in specialized field or laboratory tests or inspections conducted off-site by others except as specifically authorized by Engineer.
 - 7. Accept Shop Drawing or Sample submittals from anyone other than Contractor.
 - 8. Authorize Owner to occupy the Project in whole or in part."

SC-9.04 Authorized Variations in Work

Add the following to Paragraph 9.04.A:

“The Contractor shall notify the Engineer in writing prior to beginning any Work addressed in a Field Order if the Contractor does not agree that the Work involved represents no additional cost and/or time change in the Contract Documents.”

Article 10 - Changes in the Work; Claims**SC-10.03 Execution of Change Orders**

Add a new Paragraph 10.03.B as follows:

B. Contractor assumes and bears responsibility for all costs and time delays associated with any variation from the requirements of the Contract Documents unless the variation is specifically approved by Change Order.”

SC-10.05 Claims

Amend Paragraph 10.05.B by deleting “30” and inserting “7” in its place and by deleting “60” and inserting “30” in its place.

ARTICLE 11 - Cost of the Work; Allowances; Unit Price Work**SC-11.01 Cost of the Work**

Amend Paragraph 11.01.A by deleting the following words in the third sentence:

“those prevailing in the locality of the Project, shall not include any of the costs itemized in Paragraph 11.01.B, and shall include only the following items:”

And insert the following in its place:

“those paid for the Work included in the Contract Price, shall include only the following items, and shall not include any of the costs itemized in Paragraph 11.01.B. Contractor shall provide certified payroll records listing personnel classifications and salaries for all individuals involved in additional Work. Salaries for those not included in the certified payroll will be considered as being compensated under Paragraph 11.01.B, and shall include only the following items:”

Amend Paragraph 11.01.A.1 by deleting the following words in the second sentence:

“without limitation superintendents, foreman”

And inserting the following in its place:

“one foreman (unless agreed upon prior to beginning Work)”

Amend Paragraph 11.01.A.1 by deleting the following words in the last sentence:

“be included in the above”

And inserting the following in its place:

“not exceed 1.5 times regular pay and shall be included in the above”

Amend Paragraph 11.01.B.1 by adding “superintendents” to the list of excluded personnel in the first sentence.

Amend Paragraph 11.01.D by inserting “and at intervals” in the last sentence as shown below:

“.....and submit in a form and at intervals acceptable to Engineer ...”

SC-11.03 Unit Price Work

Delete Paragraph 11.03.D entirely and insert the following in its place:

- D. The unit price of an item of Unit Price Work shall be subject to reevaluation and adjustment under the following conditions:
 - 1. If the total cost of a particular item of Unit Price Work amounts to 20 percent or more of the total Contract Price and the variation in the quantity of that particular item of Unit Price Work performed by the Contractor differs by more than 20 percent from the estimated quantity of such item indicated in the Agreement; and
 - 2. If there is no corresponding adjustment with respect to any other item of Work; and
 - 3. If Contractor believes that Contractor has incurred additional expense as a result thereof; or if Owner believes that the quantity variation entitles Owner to an adjustment in the Unit Price, either the Owner or Contractor may make a Claim for an adjustment in the Contract Price in accordance with Article 11 if the parties are unable to agree as to the effect of any such variation in the quantity of the Unit Price Work performed.”

Article 12 - Change of Contract Price; Change of Contract Times

SC-12.03 Delays

Add the following to Paragraph 12.03.A:

“No time extensions will be allowed for weather conditions for Projects using calendar days for the Contract Time.”

SC-12.04 No Damage for Delays

Add a new Paragraph 12.04 as follows:

12.04 No Damage for Delays

- A. The Contractor agrees to make no claims for damage for delay in the performance of the Contract occasioned by any act or omission to act of the Owner, Engineer, or any of the Engineer’s or Owner’s agents, and agrees that any such claim shall be fully compensated by an extension of time, as set forth in a Change Order, to complete performance of the Work as provided herein.”

ARTICLE 13 – TESTS AND INSPECTIONS; CORRECTION, REMOVAL OR ACCEPTANCE OF DEFECTIVE WORK

SGC-13.07 Correction Period

Amend the first sentence of paragraph 13.07 of the General Conditions by striking the words "one year after date of Substantial Completion" and inserting with "two years after date of Final Acceptance by Owner" and as so amended Paragraph 13.07A remains in affect. "Final Acceptance by Owner" being the date of acceptance by the governing body of the Owner.

ARTICLE 14 – PROGRESS PAYMENTS

SGC-14.02. Delete paragraph 14.02 and replace with the following new paragraph.

On or before the 25th of each month, the CONTRACTOR shall submit to the ENGINEER, his invoice on forms supplied by the ENGINEER covering work completed as of the last day of each month. The quantities shown as work done to date shall accurately reflect the actual work completed as of the last day of each month. These quantities shall be verified by the Resident Project Representative prior to submittal to the ENGINEER. The invoice shall include all supporting documentation as required by the Contract Documents. If payment is requested for "Materials on Hand" which have been incorporated in the work but delivered and suitably stored at the site or at another location agreed to in writing, the request for payment shall also be accompanied by a bill of sale, invoice or other documentation warranting that OWNER has received the materials and equipment free and clear of all liens, charges, security interests, and encumbrances (which are hereinafter in the General Conditions referred to as "Liens") and evidence that the materials and equipment are covered by appropriate property insurance and other arrangements to protect OWNER'S interest therein, all of which will be satisfactory to OWNER.

Amend Paragraph 14.02.D.1 by deleting "or" in Paragraph 14.02.D.1.c and adding new paragraphs "e", "f", "g", and "h" as follows:

- "e. Owner has been notified of failure to make payments to Subcontractors or Suppliers or for labor, or"
- "f. failure to submit up-to-date record documents as required by GC-6.12, or"
- "g. failure to submit monthly Progress Schedule updates or revised schedules as requested by the Owner or Engineer, or"
- "h. failure to provide project photographs required by the Specifications."

Amend Paragraph 14.02.D.2 by adding "to Owner's satisfaction."

Amend Paragraph 14.02.D.3 by deleting "and subject to interest as provided in the Agreement."

Add a new Paragraph 14.02.D.4 as follows:

- 4. Owner may permanently withhold payment from Contract Price for:

- a. liquidated damages incurred by Contractor, or
- b. compensation for Engineer for overtime charges of Resident Project Representative, third review of submittals, review of substitutions, re-inspection fees, inspections or designs related to correction of defective Work, or other Services identified as requiring payment by the Contractor. Compensation will be based on the following rates:

Position	Hourly Rate
Principal in Charge	\$245
Project Manager	\$160
Project Engineer	\$160
Construction Manager	\$170
Resident Engineer	\$130
Resident Project Representative	\$130
Senior Resident Representative	\$180
Design Engineer	\$120
Engineering Technician	\$105
Clerk	\$95
Expenses will be billed at the actual cost multiplied by 1.15	

- c. Costs for tests performed by the Owner to verify that Work previously tested and found to be defective has been corrected. Verification testing is to be provided at the Contractor's expense to verify products or constructed works are in compliance after corrections have been made."

SC-14.04 Substantial Completion

Add a new paragraph immediately after Paragraph 14.04.E.

- F. The following items must be fully functional and suitable for Substantial Completion:
 1. **Waterlines in service**

Article 15 - Suspension of Work and Termination

SC-15.02 Owner May Terminate for Cause

Add a new Paragraph 15.02.A.5 as follows:

5. If Contractor fails to provide the replacement bond required by General Conditions, Section 5.01.C or insurance coverage as required by General Conditions Article 5 and as amended by Supplemental Conditions.

Add a new Paragraph 15.02.A.6 as follows:

6. If any petition of bankruptcy is filed by or against Contractor, or if Contractor is adjudged as bankrupt or insolvent or makes a general assignment for the benefit of creditors, or if a receiver is appointed for the benefit of Contractor's creditors, or if a receiver is appointed on account of Contractor's insolvency, upon the occurrence of any such event, Owner shall be entitled to request of Contractor or its successor in interest adequate assurance of future performance in accordance with the terms and conditions hereof. Failure to comply with such request within 7 days of delivery of the request shall entitle Owner to terminate this agreement and to the accompanying rights set forth in Paragraphs 15.02 and 15.03 hereof. In all events pending receipt of adequate assurance of performance and actual performance in accordance therewith, Owner shall be entitled to proceed with the Work with its own forces or with other contractors on a time and material or other appropriate basis. The cost of work by Owner or other contractors will be back charged against the Contract Sum hereof.

Delete Paragraph 15.02.F entirely.

SC-15.04 Contractor May Stop Work or Terminate

Add a new Paragraph 15.04.C as follows:

- C. This Contract may not be assigned in whole or in part by the Contractor without the previous written consent of the Owner.

Article 16 - Dispute Resolution

SC-16.01 Methods and Procedures

Delete Paragraph 16.01 entirely and insert the following in its place:

16.01 Methods and Procedures

- A. Owner and Contractor may exercise such rights or remedies as either may otherwise have under the Contract Documents or by Law."

Article 17 - Miscellaneous

SC-17.02 Giving Notice

Add a new Paragraph 17.02.B as follows:

- B. All references and conditions for a "calendar day contract" in the General Conditions and Supplementary Conditions shall apply for a "Fixed Date Contract." A "Fixed Date Contract" is one in which the calendar dates for reaching Substantial Completion and/or final completion are specified in lieu of identifying the actual calendar days involved.

SC-17.06 Headings

Delete Paragraph 17.06 in its entirety and add a new Paragraph 17.06 as follows:

17.06 *Headings*

- A. The Article and paragraph headings in this Agreement are inserted for convenience only and do not constitute parts of these General Conditions or as a limitation of the scope of the particular section to which they refer. This Agreement will be fairly interpreted in accordance with its terms and conditions and not for or against either Party.”

SC-17.07 Independent Contractor

Add a new Paragraph 17.07 as follows:

17.07 *Independent Contractor*

- A. Each Party will perform its duties under this Agreement as an independent contractor. The Parties and their personnel will not be considered to be employees or agents of the other Party. Nothing in this Agreement will be interpreted as granting either Party the right or authority to make commitments of any kind for the other. This Agreement will not constitute, create, or be interpreted as a joint venture, partnership or formal business organization of any kind.

SC-17.08 Severability

Add a new Paragraph 17.08 as follows:

17.08 *Severability*

- A. If a court of competent jurisdiction renders any part of this Agreement invalid or unenforceable, that part will be severed and the remainder of this Agreement will continue in full force and effect.

SC-17.09 No Third Party Beneficiaries

Add a new Paragraph 17.09 as follows:

17.09 *No Third Party Beneficiaries*

- A. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

SC-17.10 Sovereign Immunity

Add a new Paragraph 17.10 as follows:

17.10 *Sovereign Immunity*

- A. The parties agree that the Owner has not waived its sovereign immunity by entering into and performing its obligations under this Agreement.”

SC-17.11 Prevailing Wage Rates

Add a new Paragraph 17.11 as follows:

17.11. Prevailing Wage Rates

All employees of the CONTRACTOR on the work to be performed under this Contract shall be paid the prevailing wage scale in this locality for work of similar character.

SGC-17.12 Water Spoils

Add a new Paragraph 17.12 as follows:

17.12 Water Spoils

The Contractor shall be fully responsible for the draining and disposal of all water used in testing. The Contractor shall obtain approval of the Owner and Engineer of the manner in which the water will be drained and disposed.

SC-17.13 Special Requirements

Add a new Paragraph 17.13 as follows:

17.13 The following special requirements are incorporated herewith:

1. Coordination with Others

In the event other contractors are doing work in the same area simultaneously with this project, the CONTRACTOR shall coordinate his proposed construction with that of the other contractors. The CONTRACTOR shall coordinate all work with the OWNER’S operations personnel to prevent prolonged interruption of service of any portion of the facilities.

2. Project Maintenance

The CONTRACTOR shall maintain and keep in good repair the improvements covered by these plans and specifications during the life of his contract.

3. Safety

In accordance with generally accepted construction practices, the CONTRACTOR will be solely and completely responsible for conditions of the job site, including safety of all persons and property during performance of the work. This requirement will apply continuously and will not be limited to normal working hours.

The duty of the ENGINEER to conduct construction review of the CONTRACTOR’S performance is not intended to include review of the adequacy of the CONTRACTOR’S safety measures, in, on, or near the construction site.

4. Protection of Improvements

The CONTRACTOR shall be entirely responsible for the protection of all improvements that are not designed by the ENGINEER to be removed for proper construction of this project; this shall include sidewalks, retaining walls, existing inlets, and manholes, underground utilities, shrubs, trees, signs, sod, and existing pavement.

5. Salvaged Materials

All materials removed in the construction of this project, and designated on the plans, or by the ENGINEER, as salvaged materials shall be removed, cleaned, and stored as directed by the ENGINEER. Salvaged materials shall be the property of the OWNER.

6. Cleanup

During construction, the CONTRACTOR shall, at all times, keep the site of the work and adjacent premises free from materials, debris, and rubbish as is practicable and shall remove same from any portion on the site, if, in the opinion of the ENGINEER, such materials, debris, or rubbish constitutes a nuisance or is objectionable.

The CONTRACTOR shall remove from the site all the surplus materials and temporary structures when no further need therefore develops.

At the conclusion of the work, all temporary structures and materials belonging to the CONTRACTOR shall be promptly removed and all dirt, rubbish, and other foreign substances shall be disposed of.

The CONTRACTOR shall thoroughly clean all equipment and materials installed by him and shall deliver over such materials and equipment undamaged in a bright, clean, polished and new appearing condition.

7. Public Utilities and Other Property to be Changed

The locations of all utility lines shown on the plans are from the best available information from field survey. The contractor is responsible for verifying all utility line locations in the area. The location of all water and sanitary sewer lines are approximate. The contractor shall field verify location prior to installation of proposed lines. The contractor shall notify the engineer/owner of any potential conflict prior to installation of new utilities. No extra payment shall be made for locating existing utility lines, other than those stated in the proposal.

In case it is necessary to change or move the property of any public utility, such property shall not be moved or interfered with until ordered to do so by the ENGINEER. The right is reserved to the OWNER of public utilities to enter upon the limits of the project for the purpose of making such changes or repairs of their property that may be made necessary by performance of this Contract.

8. Fences and Drainage Channels

Boundary fences or other improvements removed to permit the prosecution of the work shall be replaced in the same location and left in a condition as good or better than that in which they were found. Where surface drainage channels are disturbed or blocked during construction, they shall be restored to their original condition or grade and cross section after work of construction is completed.

9. Quantities in Proposal Form

Measurement and Payment. Payment will be made only for Bid Items listed in the Proposal.

10. Removing Existing Concrete Pavement, Driveways, and Sidewalks

Existing concrete pavement, driveways or sidewalks to be completely removed shall be broken by air driven machinery or other suitable means. Where only a portion of the existing concrete is to be removed, special care shall be exercised to avoid damage to that portion of the concrete to remain in place. The existing concrete shall be cut by sawing to the lines shown on the plans or established by the ENGINEER, and any existing concrete beyond the neat lines so established when damaged or destroyed by these operations shall be replaced at the CONTRACTOR'S entire expense.

11. Traffic Safety

The Contractor will provide a Traffic Control / Construction Sequencing Plan if there will be any adverse impacts to traffic flow in the vicinity of the construction. This plan must be provided to the owner for review and approval prior to any construction. All traffic control must conform to the Texas Manual on Uniform Control Devices for Streets and Highways - Part VI (latest revision).

The contractor must provide the homeowners with access to their driveways at all times for the duration of construction.

The price for preparation of the traffic control plan and implementation of said plan shall be paid for in the lump sum price provided in the Proposal.

12. Line and Grade

The Engineer will furnish a control bench mark and control points as shown on the plans. No construction staking will be provided by the Engineer for this project. Any re-staking required shall be at the sole cost of the contractor.

13. Concrete

Fly ash shall not be used in any concrete for this project.

14. Excavation

Excavation as such in this contract is not a separate pay item. No classification of excavation material will be made. Costs associated with excavation shall be included in such pay items as are provided in the contract and proposal.

15. Removing Obstructions

Existing driveways, mailboxes, fences, sidewalks, landscaping, signs, and RCP or CMP drainage pipes shall be removed and replaced where necessary. The Contractor shall replace existing obstructions with equal or better materials. Coordinate any removal with the Property Owner. The removal and replacement of all fences, landscaping, and signs shall be considered subsidiary to the cost of the line. Cost associated with the removal and replacement of mailboxes, driveways, and drainage pipes, shall be included in such items as provided in the Proposal. The Contractor shall maintain temporary mailboxes, as needed, for continuous mail service along all areas affected by construction (not a pay item).

16. Irrigation Lines

There shall be no separate pay item for repair or replacement of existing irrigation lines. Any and all repairs shall be included in such pay items as provided in the proposal. Where existing irrigation lines are located within the Right-of-Way and are in conflict with proposed construction, the Contractor shall notify the owner of the lines at least 72 hours prior to any

construction. All irrigation lines shall be capped at appropriate locations and shall be replaced to equal or better condition.

17. Water Service Lines

There shall be no separate pay item for repair of any water service line damage during construction. Any and all repairs shall be included in such pay items as provided in the proposal. Where existing service lines are located within the Right-of-Way and are in conflict with proposed construction, the Contractor shall notify the Town of Little Elm of the lines at least 72 hours prior to any construction.

18. Saw Joints and Expansion Joints

The contractor shall saw cut all pavement and seal the saw joint with asphalt joint seal in accordance with standard specifications.

All costs of saw joints and any new expansion joints shall be included in the cost for the new concrete pavement per linear foot complete in place.

19. Trench Backfill Under Pavement

Trench backfill for utilities located beneath pavements, driveways, curbs and gutters shall be compacted to 95% maximum density as determined by ASTM D698.

Job excavated material may be used for compacted trench backfill when the job excavated material is finely divided and free from debris, organic material, cinders or other corrosive material, and stones larger than three inches (3") in greatest dimension. Masses of moist, stiff clay shall not be used.

20. Valve Boxes

Valve boxes shall be furnished and set on each valve. After the final clean-up and alignment has been completed, the Contractor shall pour a concrete block 24" x 24" around all valve box tops so the finished grade is level with the finished parkway. No extra payment will be made for this concrete block but will be considered subsidiary to the item of each valve installed.

21. Valve Stems

Valve stems shall be furnished on all valves where the top of the operating nut is greater than four feet (4') below finished grade. The top of the valve stem shall be less than four feet (4') below finished grade. No extra payment will be made for valve stems but will be considered subsidiary to valves furnished and installed, and, adjustment of existing water valve riser and cover.

22. Bolts

Corten Steel or Stainless Steel bolts shall be furnished and installed for all flanged and/or mechanical joint fittings. The material supplier as well as the Contractor shall certify in writing that the materials supplied and installed do meet these requirements. This will be required before the final payment of this project.

23. Construction Water

Water required for water jetting, flooding, testing, sterilization and other construction purposes will be furnished by the Contractor. The Contractor shall furnish all pipe, hose and fittings necessary to obtain the water.

The Contractor shall not operate any valves or fire hydrants without the Owner's knowledge and permission.

All pipe used for any purpose other than water jetting and similar type uses shall be clean and sterilized.

Water required for retesting shall be paid for by the Contractor at a rate as may be established by the Owner.

24. Drainage Culverts

The contractor shall remove and reinstall drainage culverts, as necessary to complete the project. No extra payment will be made for these culverts and will be considered subsidiary to the cost of asphalt or gravel pavement/driveway replacement. All culverts shall be reinstalled to equal or better conditions, and shall match existing grades in order to ensure proper drainage. Where needed, the contractor shall replace the existing culvert with new pipe. All new drainage pipes shall match existing pipe in material and size.

25. Video Taping of Project

The contractor shall make a recording (CD/DVD format) of the limits of the project prior to any work commencing. This recording shall include, but is not limited to, vegetation, drainage structures/features, landscaping, pavement, signs, and above ground utilities. Once complete, the contractor shall provide the owner with two copies of the tape, and they shall become the property of the owner.

SGC-17.14 Existing Utilities and Service Lines

Add six new paragraphs immediately after paragraph 17.13 of the General Conditions which is to read as follows:

The CONTRACTOR shall be responsible for the protection of all existing utilities or service lines crossed or exposed by his construction operations. Where existing utilities or service lines are cut, broken, or damaged, the CONTRACTOR shall replace or repair the utilities or service lines with the same type of original material and construction, or better, at his own cost and expense.

CONTRACTOR shall maintain water and sewer service to existing customers. CONTRACTOR shall notify all residents and customers in writing at least 24 hours prior to any service outage. Unless emergency conditions warrant otherwise, serviced outages to be restricted to a maximum duration of three (3) hours scheduled within Regular Working Hours. CONTRACTOR may utilize temporary sewer service connections to new sewers as a means of providing continuous service. In such cases, CONTRACTOR shall provide all necessary labor, equipment, and incidentals for disconnecting/reconnecting services.

Tops of existing manholes to be abandoned will be adjusted where necessary to conform to a depth of 2.0 feet below existing grade. The abandoned manhole shall then be plugged at all pipe openings and filled with a select material approved by the Engineer.

Water and sewer service connections required to be replaced shall include connection to the proposed main as well as new service line from the main continuous to the connection to the existing private service at the property line, as well as all associated fittings and appurtenances. Sewer service pipe and fittings to be equal to the material grade and specification that is specified for the new main line.

SGC-17.15 Regular Working Hours

Add a new paragraph immediately after paragraph 17.14 of the General Conditions which is to read as follows:

17.15 Regular Work Hours

Except as otherwise require for the safety of protection of persons or the Work or property at the site or adjacent thereto, and except as otherwise indicated in the Contract Documents, all Work at the site shall be performed during regular working hours (7:00 a.m. – 5:00 p.m., Monday through Friday) and CONTRACTOR will not permit overtime work or the performance of Work on Saturday, Sunday or any legal holiday without OWNER's written consent given after prior written notice to ENGINEER.

Attachment I

A LISTING OF THE DUTIES, RESPONSIBILITIES AND LIMITATIONS OF AUTHORITY OF
THE RESIDENT PROJECT REPRESENTATIVE EMPLOYED BY THE OWNER

OWNER shall furnish a Resident Project Representative (RPR), assistants and other field staff to assist OWNER and ENGINEER in observing performance of the Work of the Contractor.

Through more extensive on-site observations of the Work in progress and field checks of materials and equipment by the RPR and assistants, ENGINEER shall endeavor to provide further protection for OWNER against defects and deficiencies in the Work; but, the furnishing of such services will not make ENGINEER responsible for or give ENGINEER control over construction means, methods, techniques, sequences or procedures or for safety precautions or programs, or responsibility for CONTRACTOR'S failure to perform the Work in accordance with the Contract Documents.

The duties and responsibilities of the RPR are limited to and described as follows:

A. General

RPR is OWNER'S agent at the site, will act as directed by and under the supervision of the OWNER, and will confer with OWNER regarding RPR'S actions. RPR'S dealings in matters pertaining to the on-site work shall in general be with OWNER, ENGINEER, and CONTRACTOR. RPR'S dealings with subcontractors shall only be through or with the full knowledge and approval of CONTRACTOR. RPR shall generally communicate with ENGINEER with the knowledge of and under the direction of OWNER.

B. Duties and Responsibilities

1. Schedules: Review the progress schedule, schedule of Shop Drawing submittals and schedule of values prepared by CONTRACTOR and consult with ENGINEER concerning acceptability.
2. Conferences and Meetings: Attend meetings with CONTRACTOR, such as pre-construction conferences, progress meetings, job conferences, and other project-related meetings, and prepare and circulate copies of minutes thereof.
3. Liaison:
 - a) Serves as OWNER'S liaison with CONTRACTOR, working principally through CONTRACTOR'S superintendent and assist in understanding the intent of the Contract Documents; and serve as OWNER'S liaison with ENGINEER when necessary.
 - b) Assist in obtaining from OWNER or ENGINEER additional details or information, when required for proper execution of the Work.
4. Shop Drawings and Samples:
 - a) Record date of receipt of Shop Drawings and samples.
 - b) Receive samples which are furnished at the site by CONTRACTOR, and notify ENGINEER of availability of samples for examination.
 - c) Advise ENGINEER and CONTRACTOR of the commencement of any work requiring a Shop Drawing or sample if the submittal has not been approved by ENGINEER.

5. Review of Work, Rejection of Defective Work, Inspections and Tests:
 - a) Conduct on-site observations of the Work in progress to assist ENGINEER in determining if the Work is in general proceeding in accordance with the Contract Documents.
 - b) Report to ENGINEER and OWNER whenever RPR believes that any Work is unsatisfactory, faulty or defective or does not conform to the Contract documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be made; and advise ENGINEER of Work that RPR believes should be corrected or rejected or should be uncovered for observation, or requires special testing, inspection or approval.
 - c) Verify that tests, equipment and systems startups and operating and maintenance training are conducted in the presence of appropriate personnel, and that CONTRACTOR maintains adequate records thereof; and observe, record, and report to ENGINEER and OWNER appropriate details relative to the test procedures and startups.
 - d) Accompany visitors representing public or other agencies having jurisdiction over the Project, record the results of these visits and report to ENGINEER and OWNER.
6. Interpretation of Contract Documents: Report to ENGINEER when clarifications and interpretations of the Contract Documents are needed and transmit to CONTRACTOR clarifications and interpretations as issued by ENGINEER.
7. Modifications: Consider and evaluate CONTRACTOR'S suggestions for modifications in Drawings or Specifications and report with RPR'S recommendations to ENGINEER. Transmit to CONTRACTOR decisions as issued by ENGINEER.
8. Records:
 - a) Maintain at the job site orderly files for correspondence, reports of job conferences, Shop Drawings and samples, reproductions of original Contract Documents including all Work Directive Changes, Addenda, Change Orders, Field Orders, additional Drawings issued subsequent to the execution of the Contract. ENGINEER'S clarifications and interpretations of the Contract Documents, progress reports, and other Project related documents.
 - b) Keep a diary or log book, recording CONTRACTOR hours on the job site, weather conditions, data relative to questions of Work Directive Changes, Change Orders, Field Orders, or changed conditions, list of job site visitors, daily activities, decisions, observations in general, and specific observations in more detail as in the case of observing test procedures; and send copies to ENGINEER.
 - c) Record names, addresses and telephone numbers of all CONTRACTORS, subcontractors and major suppliers of materials and equipment.
9. Reports:
 - a) Furnish ENGINEER periodic reports as required of progress of the Work and of CONTRACTOR'S compliance with the progress schedule and schedule of Shop Drawing and sample submittals.
 - b) Consult with ENGINEER and OWNER in advance of scheduled major tests, inspections, or start of important phases of the Work.
 - c) Draft proposed Change Orders and Work Directive Changes, obtaining backup material from CONTRACTOR and recommend to ENGINEER Change Orders, Work Directive Changes, and Field Orders.
 - d) Report immediately to ENGINEER and OWNER upon the occurrence of any accident.
10. Payment Requests: Review applications for payment with CONTRACTOR for compliance with the established procedure for their submission and forward with recommendations to ENGINEER, noting

particularly the relationship of the payment requested to the schedule of values, Work completed and materials and equipment delivered at the site but not incorporated in the Work.

11. Certificates, Maintenance and Operation Manuals: During the course of the Work, verify that certificates, maintenance and operation manuals and other data required to be assembled and furnished by CONTRACTOR are applicable to the items actually installed and in accordance with the Contract Documents, and have this material delivered to ENGINEER for review and forwarding to OWNER prior to final payment for the Work.
12. Completion:
 - a) Before ENGINEER issues a Certificate of Substantial Completion, submit to CONTRACTOR a list of observed items requiring completion or correction.
 - b) Conduct final inspection in the company of ENGINEER, OWNER, and CONTRACTOR and prepare a final list of items to be completed or corrected.
 - c) Observe that all items on final list have been completed or corrected and make recommendations to ENGINEER concerning acceptance

C. Limitations of Authority

Resident Project Representative:

1. Shall not authorize any deviation from the Contract Documents or substitution of materials or equipment, unless authorized by ENGINEER or OWNER.
2. Shall not undertake any of the responsibilities of CONTRACTOR, subcontractors or CONTRACTOR'S superintendent.
3. Shall not advise on, issue directions relative to or assume control over any aspect of the means, methods, techniques, sequences or procedures of construction unless such advise or directions are specifically required by the Contract Documents.
4. Shall not assume control over safety precautions and programs in connection with the Work, however, if an unsafe act is observed, he may casually relate such act to the CONTRACTOR.
5. Shall not accept Shop Drawing or sample submittals from anyone other than Contractor.
6. Shall not have authority to issue Final Acceptance the Project in whole or in part.
7. Shall not participate in specialized field or laboratory tests or inspections conducted by others except as specifically authorized by ENGINEER or OWNER.

SECTION 01100

SUMMARY

PART 1 - GENERAL

1.1 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Special Conditions and other Division 1 Specification Sections, apply to this Section.

1.2 WORK COVERED BY CONTRACT DOCUMENTS

- A. Project Identification: Project consists of the Decommissioning of the Lucy's Lift station
 - 1. Project Location: City of Celina, Texas, 75009
 - 2. Owner: City of Celina, Texas.
- B. Engineer Identification: The Contract Documents, dated September 27, 2018, were prepared for the Project by Garver LLC, 3010 Gaylord Parkway, Suite 190, Frisco, TX 75034
- C. The Work includes, but is not limited to:
 - 1. Construction of approximately 280 LF of 8" gravity sewer lines by open cut, approximately 70-LF of 8" gravity sewer lines and 18" steel casing pipe by other than open cut, and associated manholes;
 - 2. In-place abandonment of approximately 365-LF of 6" sewer line and an existing wet well;
 - 3. Rerouting all service connections at the existing wet well to a new proposed manhole

1.3 CONTRACTS

- A. Project will be constructed under one single contract.

1.4 WORK SEQUENCE (Not Used)

1.5 USE OF PREMISES

- A. General: The Contractor shall have such use of the plant site property as designated by the Owner. The Contractor's use of premises is limited only by Owner's right to perform work or to retain other contractors on portions of Project.

1.6 WORK UNDER OTHER CONTRACTS (Not Used)

1.7 FUTURE WORK (Not Used)

1.8 PRODUCTS ORDERED IN ADVANCE (Not Used)

1.9 OWNER-FURNISHED PRODUCTS (Not Used)

1.10 SPECIFICATION FORMATS AND CONVENTIONS

A. Specification Format: The Specifications are organized into Divisions and Sections using the 16-division format and CSI/CSC's "MasterFormat" numbering system.

1. Section Identification: The Specifications use section numbers and titles to help cross-referencing in the Contract Documents. Sections in the Project Manual are in numeric sequence; however, the sequence is incomplete. Consult the table of contents at the beginning of the Project Manual to determine numbers and names of sections in the Contract Documents.

B. Specification Content: The Specifications use certain conventions for the style of language and the intended meaning of certain terms, words, and phrases when used in particular situations. These conventions are as follows:

1. Abbreviated Language: Language used in the Specifications and other Contract Documents is abbreviated. Words and meanings shall be interpreted as appropriate. Words implied, but not stated, shall be inferred as the sense requires. Singular words shall be interpreted as plural, and plural words shall be interpreted as singular where applicable as the context of the Contract Documents indicates.
2. Imperative mood and streamlined language are generally used in the Specifications. Requirements expressed in the imperative mood are to be performed by Contractor. Occasionally, the indicative or subjunctive mood may be used in the Section Text for clarity to describe responsibilities that must be fulfilled indirectly by Contractor or by others when so noted.

1.11 MISCELLANEOUS PROVISIONS (Not Used)

PART 2 - PRODUCTS (Not Used)

PART 3 - EXECUTION (Not Used)

END OF SECTION

SECTION 01300

DOCUMENTATION REQUIREMENTS

PART 1 - GENERAL

1.1 SUBMITTALS

A. Shop Drawings

1. The Contractor shall submit to the Engineer four (4) copies of all shop drawings, erection drawings, schedules, certified dimension prints, schematic or system diagrams, data sheets, catalog cuts, bulletins, and other descriptive material as is customary or as may be specifically required by the Engineer prior to purchase, fabrication, or shipment to the Project site. Three (3) copies will be retained for use by the Engineer and Owner and one (1) copy will be returned to the Contractor with comments noted.
2. Items requiring a formal submittal as specified above may be noted on PLANS or within individual specification sections, and will generally include but will not necessarily be limited to the following:
 - a. Stormwater Pollution Prevention Plan (SWPPP), Trench Safety System, fencing materials, precast manholes and related castings.
 - b. Concrete mix designs, steel reinforcement details, construction joint locations and types.
 - c. Structural steel, handrails, gratings, miscellaneous fabrication, pipe supports, and all other metal specialties, (submit shop fabrication drawings);
 - d. Architectural features and finishes, including doors, windows, hardware, cabinetry, floor and ceiling materials, and furniture.
 - e. Paint and protective coating systems;
 - f. Piping, valves, gates, and fittings;
 - g. Pumps, compressors, and blowers.
 - h. All Division 8, 9, 10, 11, 13, 14, 15, and 16 specified equipment;
 - i. Electrical equipment and instrumentation;
 - j. Any other items for which the Contractor wishes confirmation from the Engineer as to the appropriateness of application and suitability for incorporation into the project.

B. Format

1. The drawings and data shall have been reviewed and approved by the Contractor prior to submittal and each bound submittal shall bear the Contractor's approval stamp and signature. Submittal data shall be in such form and so presented that the Engineer may readily review the data. This means that submittals should be bound in an 8-1/2 by 11 format. Engineering drawings are to be reduced to an 11 by 17 format, folded and bound with the submittal. Bound submittals shall be for individual specification sections and shall be complete by section. Submittals for steel reinforcing and fabrication drawings may be full size blue prints.

C. Qualifications

1. The Contractor is directed to specific specification sections where specific requirements for submittals may be described in more detail. The drawings, or other required descriptive material, will be examined by the Engineer with reasonable promptness. All rejected material shall be revised and resubmitted until the designation "No Exceptions Noted" is obtained. Each submittal shall be accompanied by a letter of qualification stating that the proposed equipment meets the specifications; or, clearly itemizes and explains any proposed exceptions. Delays caused by such rejections will not be considered cause for extension of the contract time. Review by Engineer indicates general compliance or acceptability; however, it does not relieve the Contractor of final responsibility for proper dimensions, character, quantity, quality, strength or sufficiency of the items involved. Waivers, or exceptions, to the Plans and Specifications may be validated only in writing by the Engineer. Written validation will specifically identify the feature in question and no such waiver or exception shall be assumed as a result of omissions or oversights in reviewing the above drawings or other materials.
2. Any equipment installed by the Contractor, not formally reviewed by the Engineer, shall be at the Contractor's risk if it is found that the installed equipment does not conform to the specifications.

D. Minimum Requirements

1. Certified Dimension Prints
2. Specifications
3. Wiring Diagrams
4. Calculations
5. Recommended Procedures for job-site storage.
6. Additional information as required by technical specification sections.

1.2 MANUFACTURER'S CERTIFICATION:

A. Technical Representative

1. For all Division 8, 9, 10, 11, 13, 14, 15, and 16 specified equipment, the manufacturer, or supplier, shall furnish the services of trained technical representatives as needed to provide for a satisfactorily operating system. Services to be included are as follows:
 - a. Prior to equipment delivery, the manufacturer shall furnish jointly to the Engineer and Contractor a minimum of (3) three sets of complete installation manuals which shall include erection drawings, mark numbers, as built drawings of electrical equipment, assembly details, parts lists, bills of materials, and detailed written instructions for the installation, start-up and initial lubrication and maintenance of the equipment furnished.
 - b. Unless otherwise specified, not less than one (1) trip and one day on the job for inspection and supervision during installation. The Contractor shall install all equipment in exact accordance with the manufacturer's written instructions and as directed on the jobsite during inspection visits by the manufacturer's technical representative.

- c. Deviations from the manufacturer's written or verbal instructions shall be subject to approval by the Engineer and discrepancies or unsatisfactory work shall be reported in writing by the manufacturer jointly to the Engineer and Contractor.
- d. Unless otherwise specified, not less than one (1) trip and one day on the job for inspection of the final installation and a detailed check of the completed work prior to start-up.

B. Certification

- 1. Within ten (10) days after the final inspection of the completed installation, the manufacturer's representative shall furnish a detailed letter report jointly to the Engineer and Contractor which shall list any deficiencies found in the work and which shall recommend corrective action for each deficiency.
- 2. Upon completion of any corrective action required, the manufacturer shall furnish a letter jointly to the Engineer and Contractor certifying that the equipment furnished is properly installed in exact accordance with the manufacturer's recommendations and ready for the operation and beneficial use by the Owner.

1.3 OPERATION AND MAINTENANCE MANUALS

A. Operation and Maintenance Manuals

- 1. The Contractor shall provide six (6) final copies of all required operation and maintenance instructions and manuals for individual equipment items. This information shall be completely up-to-date and reflect actual field installed equipment.

B. Format

- 1. The O&M information shall be furnished in bound sets and described for Submittals.

C. Minimum Requirements

- 1. Name, address and phone number of nearest competent service organization who can supply parts and service. If this is not the manufacturer's own service department, then furnish letters confirming that the named organization has been factory authorized to represent the manufacturer of the equipment furnished.
- 2. Complete descriptive literature and drawings of all material furnished. This is to include up-to-date wiring diagrams of all electrical equipment and erection drawings providing up-to-date information on the actual construction of the equipment furnished and any field modifications made during installation, start-up and testing.
- 3. Installation, operation and maintenance brochures from the original manufacturers of all mechanical components such as gear reducers, drive couplings, etc., incorporated into the completed installation.
- 4. Complete Electrical Motor Information (name plate data).
- 5. Recommended spare parts list.
- 6. Guide to "trouble-shooting".
- 7. All required assembly, installation, alignment, adjustment and checking instructions.
- 8. All required operating instructions.

9. All required maintenance instructions including schedules of all required routine maintenance and lubrication checks.

D. Payment

1. The Owner and Engineer reserve the right to withhold final payment until acceptable O&M information is received for all equipment specified.

END OF SECTION

SECTION 01310
PROGRESS SCHEDULES/MEETINGS

PART 1 - GENERAL

1.1 SCOPE

- A. During construction, the Contractor will be required to submit weekly progress reports to the Owner and attend weekly construction meetings at City Hall if required.

1.2 NARRATIVE PROGRESS REPORT

- A. The Contractor shall prepare and submit to the Owner a written report, on a weekly basis, to include, as a minimum:
1. Summary of Work completed during the past period between Narrative Progress Reports.
 2. Work planned during the next period.
 3. Explanation of differences between summary of Work completed and Work planned in previously submitted Narrative Progress Report.
 4. Current and anticipated delaying factors and their estimated impact on other activities and completion Milestones.
 5. Corrective action taken or proposed.
 6. The report format shall be submitted by the Contractor and approved by the Owner and Engineer.
 7. The report shall be submitted to the Owner at the Weekly Progress Meetings.

1.3 WEEKLY PROGRESS MEETINGS

- A. Weekly Progress Meetings shall be attended by the Contractor.
1. The Contractor's on-site superintendent must attend all progress meetings, unless otherwise approved by the Owner.
 2. The day of the week and time of the meeting shall be as determined by the Owner with input from the Contractor.
 3. The meetings will last a maximum of one hour.

END OF SECTION

Attachment: LUCYS LS DECOMMISSIONING -Contract Document (Lucys Lift Station Decommissioning)

SECTION 01330

SUBMITTAL PROCEDURES

PART 1 - GENERAL

1.1 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Supplementary Conditions and other Division 1 Specification Sections, apply to this Section.

1.2 SUMMARY

- A. This Section includes administrative and procedural requirements for submitting Shop Drawings, Product Data, Samples, and other miscellaneous submittals.
- B. Related Sections include the following:
 - 1. Division 1 Section "Closeout Procedures" for submitting warranties, project record documents, and operation and maintenance manuals.
 - 2. Division 1 Section "Operation and Maintenance Data" for operation and maintenance manual requirements.

1.3 DEFINITIONS

- A. Action Submittals: Written and graphic information that requires Engineer's responsive action.
- B. Informational Submittals: Written information that does not require Engineer's approval. Submittals may be rejected for not complying with requirements.

1.4 SUBMITTAL PROCEDURES

- A. General: Electronic copies of CAD Drawings of the Contract Drawings will not be provided by Engineer for Contractor's use in preparing submittals.
- B. Coordination: Coordinate preparation and processing of submittals with performance of construction activities.
 - 1. Coordinate each submittal with fabrication, purchasing, testing, delivery, other submittals, and related activities that require sequential activity.
 - 2. Coordinate transmittal of different types of submittals for related parts of the Work so processing will not be delayed because of need to review submittals concurrently for coordination.
 - a. Engineer reserves the right to withhold action on a submittal requiring coordination with other submittals until related submittals are received.
- C. Deviations: Highlight, encircle, or otherwise identify deviations from the Contract Documents on submittals.

- D. Transmittal: Package each submittal individually and appropriately for transmittal and handling. Transmit each submittal using a transmittal form.
1. On an attached separate sheet, prepared on Contractor's letterhead, record relevant information, requests for data, revisions other than those requested by Engineer on previous submittals, and deviations from requirements of the Contract Documents, including minor variations and limitations.
 2. Include Contractor's certification stating that information submitted complies with requirements of the Contract Documents.
 3. Transmittal Form: Provide locations on form for the following information:
 - a. Project name.
 - b. Date.
 - c. Destination (To:).
 - d. Source (From:).
 - e. Names of subcontractor, manufacturer, and supplier.
 - f. Category and type of submittal.
 - g. Submittal purpose and description.
 - h. Submittal and transmittal distribution record.
 - i. Remarks.
 - j. Signature of transmitter.
- E. Distribution: Furnish copies of final submittals to manufacturers, subcontractors, suppliers, fabricators, and installers, authorities having jurisdiction, and others as necessary for performance of construction activities.
- F. Use for Construction: Use only final submittals with mark indicating action taken by Engineer in connection with construction.

PART 2 - PRODUCTS

2.1 ACTION SUBMITTALS

- A. General: Prepare and submit Action Submittals required by individual Specification Sections.
1. Number of Copies: Submit six (6) copies of each submittal, unless otherwise indicated. Engineer will return three (3) copies.
- B. Product Data: Collect information into a single submittal for each element of construction and type of product or equipment.
1. If information must be specially prepared for submittal because standard printed data are not suitable for use, submit as Shop Drawings, not as Product Data.
 2. Mark each copy of each submittal to show which products and options are applicable.
 3. Include the following information, as applicable:
 - a. Manufacturer's written recommendations.
 - b. Manufacturer's product specifications.
 - c. Manufacturer's installation instructions.
 - d. Standard color charts.
 - e. Manufacturer's catalog cuts.
 - f. Wiring diagrams showing factory-installed wiring.

- g. Printed performance curves.
 - h. Operational range diagrams.
 - i. Mill reports.
 - j. Standard product operating and maintenance manuals.
 - k. Compliance with recognized trade association standards.
 - l. Compliance with recognized testing agency standards.
 - m. Application of testing agency labels and seals.
 - n. Notation of coordination requirements.
- C. Shop Drawings: Prepare Project-specific information, drawn accurately to scale. Do not base Shop Drawings on reproductions of the Contract Documents or standard printed data.
- 1. Preparation: Include the following information, as applicable:
 - a. Dimensions.
 - b. Identification of products.
 - c. Fabrication and installation drawings.
 - d. Roughing-in and setting diagrams.
 - e. Wiring diagrams showing field-installed wiring, including power, signal, and control wiring.
 - f. Shop work manufacturing instructions.
 - g. Templates and patterns.
 - h. Schedules.
 - i. Design calculations.
 - j. Compliance with specified standards.
 - k. Notation of coordination requirements.
 - l. Notation of dimensions established by field measurement.
 - 2. Wiring Diagrams: Differentiate between manufacturer-installed and field-installed wiring.
 - 3. Sheet Size: Except for templates, patterns, and similar full-size drawings, submit Shop Drawings on sheets at least 8-1/2 by 11 inches but no larger than 30 by 40 inches.
- D. Subcontract List: Prepare a written summary identifying individuals or firms proposed for each portion of the Work, including those who are to furnish products or equipment fabricated to a special design. Include the following information in tabular form:
- 1. Name, address, and telephone number of entity performing subcontract or supplying products.
 - 2. Number and title of related Specification Section(s) covered by subcontract.
 - 3. Drawing number and detail references, as appropriate, covered by subcontract.

2.2 INFORMATIONAL SUBMITTALS

- A. General: Prepare and submit Informational Submittals required by other Specification Sections.
- 1. Number of Copies: Submit six (6) copies of each submittal, unless otherwise indicated. Engineer will not return copies.
 - 2. Certificates and Certifications: Provide a notarized statement that includes signature of entity responsible for preparing certification. Certificates and certifications shall be signed by an officer or other individual authorized to sign documents on behalf of that entity.

- B. Qualification Data: Prepare written information that demonstrates capabilities and experience of firm or person. Include lists of completed projects with project names and addresses, names and addresses of Engineers and owners, and other information specified.
- C. Product Certificates: Prepare written statements on manufacturer's letterhead certifying that product complies with requirements.
- D. Welding Certificates: Prepare written certification that welding procedures and personnel comply with requirements. Submit record of Welding Procedure Specification (WPS) and Procedure Qualification Record (PQR) on AWS forms. Include names of firms and personnel certified.
- E. Installer Certificates: Prepare written statements on manufacturer's letterhead certifying that Installer complies with requirements and, where required, is authorized for this specific Project.
- F. Manufacturer Certificates: Prepare written statements on manufacturer's letterhead certifying that manufacturer complies with requirements. Include evidence of manufacturing experience where required.
- G. Material Certificates: Prepare written statements on manufacturer's letterhead certifying that material complies with requirements.
- H. Material Test Reports: Prepare reports written by a qualified testing agency, on testing agency's standard form, indicating and interpreting test results of material for compliance with requirements.
- I. Preconstruction Test Reports: Prepare reports written by a qualified testing agency, on testing agency's standard form, indicating and interpreting results of tests performed before installation of product, for compliance with performance requirements.
- J. Compatibility Test Reports: Prepare reports written by a qualified testing agency, on testing agency's standard form, indicating and interpreting results of compatibility tests performed before installation of product. Include written recommendations for primers and substrate preparation needed for adhesion.
- K. Field Test Reports: Prepare reports written by a qualified testing agency, on testing agency's standard form, indicating and interpreting results of field tests performed either during installation of product or after product is installed in its final location, for compliance with requirements.
- L. Product Test Reports: Prepare written reports indicating current product produced by manufacturer complies with requirements. Base reports on evaluation of tests performed by manufacturer and witnessed by a qualified testing agency, or on comprehensive tests performed by a qualified testing agency.
- M. Research/Evaluation Reports: Prepare written evidence, from a model code organization acceptable to authorities having jurisdiction, that product complies with building code in effect for Project. Include the following information:
 - 1. Name of evaluation organization.
 - 2. Date of evaluation.
 - 3. Time period when report is in effect.

4. Product and manufacturers' names.
 5. Description of product.
 6. Test procedures and results.
 7. Limitations of use.
- N. Maintenance Data: Prepare written and graphic instructions and procedures for operation and normal maintenance of products and equipment. Comply with requirements in Division 1 Section "Operation and Maintenance Data."
- O. Design Data: Prepare written and graphic information, including, but not limited to, performance and design criteria, list of applicable codes and regulations, and calculations. Include list of assumptions and other performance and design criteria and a summary of loads. Include load diagrams if applicable. Provide name and version of software, if any, used for calculations. Include page numbers.
- P. Manufacturer's Instructions: Prepare written or published information that documents manufacturer's recommendations, guidelines, and procedures for installing or operating a product or equipment. Include name of product and name, address, and telephone number of manufacturer. Include the following, as applicable:
1. Preparation of substrates.
 2. Required substrate tolerances.
 3. Sequence of installation or erection.
 4. Required installation tolerances.
 5. Required adjustments.
 6. Recommendations for cleaning and protection.
- Q. Manufacturer's Field Reports: Prepare written information documenting factory-authorized service representative's tests and inspections. Include the following, as applicable:
1. Name, address, and telephone number of factory-authorized service representative making report.
 2. Statement on condition of substrates and their acceptability for installation of product.
 3. Statement that products at Project site comply with requirements.
 4. Summary of installation procedures being followed, whether they comply with requirements and, if not, what corrective action was taken.
 5. Results of operational and other tests and a statement of whether observed performance complies with requirements.
 6. Statement whether conditions, products, and installation will affect warranty.
 7. Other required items indicated in individual Specification Sections.
- R. Insurance Certificates and Bonds: Prepare written information indicating current status of insurance or bonding coverage. Include name of entity covered by insurance or bond, limits of coverage, amounts of deductibles, if any, and term of the coverage.
- S. Material Safety Data Sheets: Submit information directly to Owner.

PART 3 - EXECUTION

3.1 CONTRACTOR'S REVIEW

- A. Review each submittal and check for compliance with the Contract Documents. Note corrections and field dimensions. Mark with approval stamp before submitting to Engineer.
- B. Approval Stamp: Stamp each submittal with a uniform, approval stamp. Include Project name and location, submittal number, Specification Section title and number, name of reviewer, date of Contractor's approval, and statement certifying that submittal has been reviewed, checked, and approved for compliance with the Contract Documents.

3.2 ENGINEER'S ACTION

- A. General: Engineer will not review submittals that do not bear Contractor's approval stamp and will return them without action.
- B. Action Submittals: Engineer will review each submittal, make marks to indicate corrections or modifications required, and return it. Engineer will stamp each submittal with an action stamp and will mark stamp appropriately to indicate action taken.
- C. Informational Submittals: Engineer will review each submittal and will return it, or will reject and return it if it does not comply with requirements. Engineer will forward each submittal to appropriate party.

END OF SECTION

SECTION 01400
QUALITY CONTROL

PART 1 - GENERAL

1.1 DESCRIPTION

- A. Specific quality control requirements for the Work are indicated throughout the Contract Documents. Quality control provisions for manufactured products are specified in individual work sections.

1.2 CODES AND STANDARDS

- A. Perform testing to meet the requirements of pertinent codes and regulations and with selected standards as specified elsewhere on the Specification.

1.3 TEST REPORTS

- A. Process and distribute test reports and related instructions promptly to ensure necessary retesting and replacement of materials with the least possible delay in the Work.

1.4 PAYMENT FOR LABORATORY TESTING SERVICES

- A. The Owner will pay for all tests, which it orders, which are in compliance with specifications.
- B. Tests indicating non-compliance with the Contract Documents shall be paid for by the Contractor.
- C. Inspection or testing performed exclusively for the Contractor's convenience shall be borne by the Contractor.
- D. No separate payment will be made under this paragraph for testing required for batch design for concrete.

1.5 EQUIPMENT TESTING

- A. Upon completion of the Work and prior to final acceptance and payment, test equipment as specified or required for compliance with Contract Documents. Manufacturer's authorized representative(s) shall be present at site to inspect, check and approve equipment and installation prior to start-up and test; and to supervise testing of equipment.
- B. Adjust or replace equipment which does not meet requirements of Contract Documents during test at no extra cost to Owner.
- C. Include costs of equipment testing in the price of equipment to be installed when applicable.

1.6 MATERIAL TESTING

- A. Representatives of the testing laboratory shall have access to the Work at all times. Provide facilities for access in order that laboratory may perform its functions properly.
- B. Testing Schedules
 - 1. Consult testing laboratory in advance to determine time required to perform tests and issue each of the findings. Include required time within construction schedule.
 - 2. When changes of the construction schedule are necessary, coordinate such changes with the testing laboratory as required.
- C. All samples for testing, unless otherwise provided elsewhere in these Specifications, shall be taken by the testing laboratory. All sampling equipment and personnel shall be provided by the testing laboratory unless otherwise specified. All deliveries of samples to the testing laboratory shall be performed by the testing laboratory unless otherwise specified.

END OF SECTION

SECTION 01500
TEMPORARY FACILITIES AND CONTROLS

PART 1 - GENERAL

1.1 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Supplementary Conditions and other Division 1 Specification Sections, apply to this Section.

1.2 SUMMARY

- A. This Section includes requirements for temporary facilities and controls, including temporary utilities, support facilities, and security and protection facilities.
- B. Temporary utilities include, but are not limited to, the following:
 - 1. Sewers and drainage.
 - 2. Water service and distribution.
 - 3. Sanitary facilities, including toilets, wash facilities, and drinking-water facilities.
 - 4. Heating and cooling facilities.
 - 5. Ventilation.
 - 6. Electric power service.
 - 7. Lighting.
 - 8. Telephone service.
- C. Support facilities include, but are not limited to, the following:
 - 1. Temporary roads and paving.
 - 2. Dewatering facilities and drains.
 - 3. Project identification and temporary signs.
 - 4. Waste disposal facilities.
 - 5. Field offices.
 - 6. Storage and fabrication sheds.
 - 7. Temporary stairs.
 - 8. Construction aids and miscellaneous services and facilities.
- D. Security and protection facilities include, but are not limited to, the following:
 - 1. Environmental protection.
 - 2. Stormwater control.
 - 3. Tree and plant protection.
 - 4. Site enclosure fence.
 - 5. Security enclosure and lockup.
 - 6. Barricades, warning signs, and lights.
 - 7. Fire protection.

E. Related Sections include the following:

1. Division 0 Section "Special Conditions" for procedures for submitting copies of implementation and termination schedule and utility reports.
2. Division 2 Section "Access Roadway Construction" for construction and maintenance of cement concrete pavement for temporary roads and paved areas.

1.3 DEFINITIONS (Not Used)

1.4 USE CHARGES

A. General: Cost or use charges for temporary facilities are not chargeable to Owner or Engineer and shall be included in the Contract Sum. Allow other entities to use temporary services and facilities without cost, including, but not limited to, the following:

1. Owner's construction forces.
2. Occupants of Project.
3. Engineer.
4. Testing agencies.
5. Personnel of authorities having jurisdiction.

1.5 SUBMITTALS (Not Used)

1.6 QUALITY ASSURANCE

A. Standards: Comply with ANSI A10.6, NECA's "Temporary Electrical Facilities," and NFPA 241.

1. Trade Jurisdictions: Assigned responsibilities for installation and operation of temporary utilities are not intended to interfere with trade regulations and union jurisdictions.
2. Electric Service: Comply with NECA, NEMA, and UL standards and regulations for temporary electric service. Install service to comply with NFPA 70.

B. Tests and Inspections: Arrange for authorities having jurisdiction to test and inspect each temporary utility before use. Obtain required certifications and permits.

1.7 PROJECT CONDITIONS

A. Temporary Utilities: At earliest feasible time, when acceptable to Owner, change over from use of temporary service to use of permanent service.

1. Temporary Use of Permanent Facilities: Installer of each permanent service shall assume responsibility for operation, maintenance, and protection of each permanent service during its use as a construction facility before Owner's acceptance, regardless of previously assigned responsibilities.

- B. Conditions of Use: The following conditions apply to use of temporary services and facilities by all parties engaged in the Work:
1. Keep temporary services and facilities clean and neat.
 2. Relocate temporary services and facilities as required by progress of the Work.

PART 2 - PRODUCTS (Not Used)

PART 3 - EXECUTION

3.1 INSTALLATION, GENERAL

- A. Locate facilities where they will serve Project adequately and result in minimum interference with performance of the Work. Relocate and modify facilities as required.
- B. Provide each facility ready for use when needed to avoid delay. Maintain and modify as required. Do not remove until facilities are no longer needed or are replaced by authorized use of completed permanent facilities.

3.2 TEMPORARY UTILITY INSTALLATION

- A. General: Engage appropriate local utility company to install temporary service or connect to existing service. Where utility company provides only part of the service, provide the remainder with matching, compatible materials and equipment. Comply with utility company recommendations.
 1. Arrange with utility company, Owner, and existing users for time when service can be interrupted, if necessary, to make connections for temporary services.
 2. Provide adequate capacity at each stage of construction. Before temporary utility is available, provide trucked-in services.
 3. Obtain easements to bring temporary utilities to Project site where Owner's easements cannot be used for that purpose.
 4. Sewers and Drainage: If sewers are available, provide temporary connections to be removed by the Contractor at project completion.
- B. Sanitary Facilities: Provide temporary toilets, wash facilities, and drinking-water fixtures. Comply with regulations and health codes for type, number, location, operation, and maintenance of fixtures and facilities.
 1. Disposable Supplies: Provide toilet tissue, paper towels, paper cups, and similar disposable materials for each facility. Maintain adequate supply. Provide covered waste containers for disposal of used material.
 2. Toilets: Install self-contained toilet units.
- C. Electric Distribution: Provide receptacle outlets adequate for connection of power tools and equipment.
 1. Provide waterproof connectors to connect separate lengths of electrical power cords if single lengths will not reach areas where construction activities are in progress. Do not exceed safe length-voltage ratio.

- D. Lighting: Provide temporary lighting with local switching that provides adequate illumination for construction operations and traffic conditions.
 - 1. Install and operate temporary lighting that fulfills security and protection requirements without operating entire system.
- E. Telephone Service: Provide temporary telephone service throughout construction period for common-use facilities used by all personnel engaged in construction activities. Install separate telephone line for the field office.

3.3 SUPPORT FACILITIES INSTALLATION

- A. General: Comply with the following:
 - 1. Locate field offices, storage sheds, sanitary facilities, and other temporary construction and support facilities for easy access.
 - 2. Maintain support facilities until near Substantial Completion. Remove before Substantial Completion. Personnel remaining after Substantial Completion will be permitted to use permanent facilities, under conditions acceptable to Owner.
- B. Temporary Roads and Paved Areas: Construct and maintain temporary roads and paved areas adequate to support loads and to withstand exposure to traffic during construction period. Locate temporary roads and paved areas within construction limits indicated on Drawings.
 - 1. Provide a reasonably level, graded, well-drained subgrade of satisfactory soil material, compacted to not less than 95 percent of maximum dry density in the top 6 inches.
- C. Dewatering Facilities and Drains: Comply with requirements in applicable Division 2 Sections for temporary drainage and dewatering facilities and operations not directly associated with construction activities included in individual Sections. Where feasible, use same facilities. Maintain Project site, excavations, and construction free of water.
 - 1. Dispose of rainwater in a lawful manner that will not result in flooding Project or adjoining property nor endanger permanent Work or temporary facilities.
 - 2. Before connection and operation of permanent drainage piping system, provide temporary drainage where roofing or similar waterproof deck construction is completed.
- D. Waste Disposal Facilities: Provide waste-collection containers in sizes adequate to handle waste from construction operations. Containerize and clearly label hazardous, dangerous, or unsanitary waste materials separately from other waste.
- E. Temporary Stairs: Until permanent stairs are available, provide temporary stairs where ladders are not adequate. Cover finished, permanent stairs with protective covering of plywood or similar material so finishes will be undamaged at time of acceptance.
- F. Existing Stair Usage: Use of Owner's existing stairs will be permitted, as long as stairs are cleaned and maintained in a condition acceptable to Owner. At Substantial Completion, restore stairs to condition existing before initial use.
 - 1. Provide protective coverings, barriers, devices, signs, or other procedures to protect stairs and to maintain means of egress. If, despite such protection, stairs become damaged, restore damaged areas so no evidence remains of correction work.

3.4 SECURITY AND PROTECTION FACILITIES INSTALLATION

- A. Environmental Protection: Provide protection, operate temporary facilities, and conduct construction in ways and by methods that comply with environmental regulations and that minimize possible air, waterway, and subsoil contamination or pollution or other undesirable effects. Avoid using tools and equipment that produce harmful noise. Restrict use of noisemaking tools and equipment to hours that will minimize complaints from persons or firms near Project site.
- B. Stormwater Control: Provide earthen embankments and similar barriers in and around excavations and subgrade construction, sufficient to prevent flooding by runoff of stormwater from heavy rains.
- C. Tree and Plant Protection: Install temporary fencing located as indicated or outside the drip line of trees to protect vegetation from construction damage. Protect tree root systems from damage, flooding, and erosion.
- D. Security Enclosure and Lockup: Install substantial temporary enclosure around partially completed areas of construction. Provide lockable entrances to prevent unauthorized entrance, vandalism, theft, and similar violations of security.
- E. Barricades, Warning Signs, and Lights: Comply with standards and code requirements for erecting structurally adequate barricades. Paint with appropriate colors, graphics, and warning signs to inform personnel and public of possible hazard. Where appropriate and needed, provide lighting, including flashing red or amber lights.
- F. Temporary Fire Protection: Until fire-protection needs are supplied by permanent facilities, install and maintain temporary fire-protection facilities of types needed to protect against reasonably predictable and controllable fire losses. Comply with NFPA 241.
 - 1. Provide fire extinguishers, installed on walls on mounting brackets, visible and accessible from space being served, with sign mounted above.
 - a. Field Offices: Class A stored-pressure water-type extinguishers.
 - 2. Store combustible materials in containers in fire-safe locations.
 - 3. Maintain unobstructed access to fire extinguishers, fire hydrants, temporary fire-protection facilities, stairways, and other access routes for firefighting. Prohibit smoking in hazardous fire-exposure areas.
 - 4. Supervise welding operations, combustion-type temporary heating units, and similar sources of fire ignition.

3.5 OPERATION, TERMINATION, AND REMOVAL

- A. Supervision: Enforce strict discipline in use of temporary facilities. To minimize waste and abuse, limit availability of temporary facilities to essential and intended uses.
- B. Maintenance: Maintain facilities in good operating condition until removal. Protect from damage caused by freezing temperatures and similar elements.
 - 1. Maintain operation of temporary enclosures, heating, cooling, humidity control, ventilation, and similar facilities on a 24-hour basis where required to achieve indicated results and to avoid possibility of damage.
 - 2. Prevent water-filled piping from freezing. Maintain markers for underground lines. Protect from damage during excavation operations.

- C. Termination and Removal: Remove each temporary facility when need for its service has ended, when it has been replaced by authorized use of a permanent facility, or no later than Substantial Completion. Complete or, if necessary, restore permanent construction that may have been delayed because of interference with temporary facility. Repair damaged Work, clean exposed surfaces, and replace construction that cannot be satisfactorily repaired.
1. Materials and facilities that constitute temporary facilities are the property of Contractor.
 2. Remove temporary paving not intended for or acceptable for integration into permanent paving. Where area is intended for landscape development, remove soil and aggregate fill that do not comply with requirements for fill or subsoil. Remove materials contaminated with road oil, asphalt and other petrochemical compounds, and other substances that might impair growth of plant materials or lawns. Repair or replace street paving, curbs, and sidewalks at temporary entrances, as required by authorities having jurisdiction.
 3. At Substantial Completion, clean and renovate permanent facilities used during construction period. Comply with final cleaning requirements in Division 1 Section "Closeout Procedures."

END OF SECTION

SECTION 01600
MATERIALS AND EQUIPMENT

PART 1 - GENERAL

1.1 DESCRIPTION

- A. All materials, appliances and types of construction shall be in accordance with the Specifications and shall, further, conform to the requirements of applicable laws, ordinances and codes.
- B. All materials and equipment shall be new, unused and designed as specified. They shall be of standard first-grade quality, produced by expert workmen, and be intended for the use for which they are offered. Materials or equipment which are inferior or of a lower grade than indicated, specified or required will not be accepted.
- C. The quality of workmanship and materials entering into the Work under each Section shall conform to the requirements of pertinent sections, clauses, paragraphs and sentences, both directly and indirectly applicable thereto, of the Specifications.
- D. Equipment and appurtenances shall be designed in conformity with AWWA, NSF, ASME, AIEE, and NEMA standards and shall be of rugged construction and of sufficient strength to withstand all stresses, which may occur during fabrication, test, transportation, installation and all conditions of operation. Protect bearings and moving parts against wear by bushings or other approved means and fully lubricate by readily accessible devices. Design details for appearance as well as utility. Protruding members, joints, corners, gear covers and the like shall be finished in appearance. Grind exposed welds smooth. Miter corners of structural shapes.

1.2 MANUFACTURER

- A. Submit names of proposed manufacturers, material men and dealers who are to furnish materials, fixtures, equipment, appliances or other appurtenances for review as early as possible to afford proper investigation and checking. No manufacturer will be approved for materials or equipment to be furnished under this Contract unless he shall be of good reputation and have a plant of ample capacity suited to the efficient production of the materials or equipment offered. He shall, upon request, be required to submit evidence that he has manufactured a similar product to the one specified and that it has been previously used for a like purpose for a sufficient length of time to demonstrate that it will fulfill all requirements of the Project.
- B. The availability of the manufacturer's service facilities for the maintenance of equipment offered will be considered in the evaluation.
- C. All transactions with the manufacturers or subcontractors shall be through the Contractor.
- D. Any two (2) or more pieces of material or equipment of the same kind, type or classification being used for identical types of service, shall be made by the same manufacturer.

1.3 SAMPLES

- A. When required, the Contractor shall submit for approval typical samples of materials and appliances. Identify samples by tags and submit sufficiently in advance of the time when they are to be incorporated into the Work so rejections will not cause delay. A letter of transmittal, in triplicate, from the Contractor requesting approval shall accompany all such samples.

1.4 EQUIVALENT QUALITY

- A. Whenever in the Contract Documents an article, material, apparatus, equipment, or process is called for by trade name of a patentee, manufacturer or dealer, or by reference to catalogue of a manufacturer or dealer, it shall be understood as intending to mean and specify the article, material, apparatus, equipment or process designated, or any approved equal in quality, finish, design, efficiency, and durability and equally serviceable for the purpose for which it is intended.
- B. Upon rejection of material or equipment submitted as the equivalent of that specifically named in the Contract, the Contractor shall proceed immediately to furnish the designated material or equipment.

1.5 DELIVERY

- A. The Contractor shall deliver materials in ample quantities to ensure the most speedy and uninterrupted progress of the Work, so as to complete the Work within the allotted time. The Contractor shall also coordinate deliveries in order to avoid delay in or impediment of the progress of the Work of any related contractor. Furnish delivery slips to the Engineer on receipt of material. Shipment by weights shall show the weights.

1.6 CARE AND PROTECTION

- A. General. The Contractor shall be solely responsible for properly storing and protection all materials, equipment and the entire work furnished under this Contract from the time such materials and equipment are delivered at the site of the Work until final acceptance of the entire Work. He shall at all times take necessary precautions to prevent injury or damage by water or by inclemencies of weather to such materials, equipment and work. All injury or damage to materials, equipment or work shall be corrected by the Contractor. Stack materials in an approved manner for convenience in counting. Do not place materials directly on the ground.
- B. Equipment. Box, crate or otherwise completely enclose and protect equipment during shipment, handling and storage. Protect equipment from exposure to the elements and keep thoroughly dry at all times. Store pumps, motors, electrical equipment and other equipment having antrification or sleeve bearings in weathertight buildings that are maintained at a minimum temperature of 60 F.
- C. Painting. Protect painted surfaces against impact, abrasion, discoloration and other damage. Repaint painted surfaces, which are damaged prior to acceptance of equipment in accordance with Section 09902.

- D. Electrical. Protect electrical equipment, controls and insulation against moisture or water damage. Connect space heaters provided in the equipment storage areas and operate at all times until equipment is placed in service.

1.7 INSTALLATION OF EQUIPMENT

- A. The Contractor shall have on hand equipment and machinery of ample capacity to facilitate this work and to handle emergencies normally encountered in work of this character.
- B. Erect equipment on the foundations at the locations and elevations shown on the Drawings, unless otherwise directed during installation.
- C. Furnish, install and protect necessary anchor and attachment bolts and other appurtenances needed for the installation of the devices included in the equipment specified. Anchor bolts shall be of ample size and strength for the purpose intended. Furnish templates and working drawings for installation.
- D. The Contractor shall, at his own expense, furnish all materials and labor for, and shall properly bed in cement grout as specified, each piece of equipment of its supporting base resting on masonry or concrete foundations. Grout shall completely fill the space between the equipment base on the foundation.

1.8 WARRANTY

- A. Unless specified otherwise, all equipment and materials furnished under this contract shall be warranted for a period of one year following testing, start-up, and final acceptance by the Engineer and Owner.

END OF SECTION

SECTION 01750
STORM WATER POLLUTION PREVENTION PLAN

PART 1 - GENERAL

1.1 DESCRIPTION

- A. This item shall govern the control measures necessary to prevent and control soil erosion, sedimentation, and water pollution, which may degrade receiving waters including rivers, streams, lakes, reservoirs, groundwater, and wetlands. The control measures contained herein shall be installed and maintained throughout the construction contract and coordinated with any permanent or temporary pollution control features specified elsewhere on the plans and in the specifications to assure effective and continuous water pollution control throughout the construction and post construction periods. The controls may include slit fences, straw bale dikes, rock berms, diversion dikes, interceptor swales, sediment traps and basins, inlet protection, stabilized construction entrances, seeding, sodding, mulching, soil retention blankets, or other structural or non-structural storm water pollution controls.

1.2 REGULATORY REQUIREMENTS

- A. The United States Environmental Protection Agency requires that a Storm Water Pollution Prevention Plan (SWPPP) be prepared. This plan shall show proposed measures to control pollutants in storm water discharges during and after construction operations. A Notice of Intent (NOI) Form shall be completed and signed by the Contractor and the Owner. This Notice of Intent must be submitted by the Contractor two days before start of construction. Submit the NOI to the following address:

Storm Water Notice of Intent
401 M. Street, SW
Washington, D.C. 20460

- B. The SWPPP is not to be submitted for EPA review; however the SWPPP shall be kept at the job site for assessment by EPA inspectors.

1.3 PRECONSTRUCTION SUBMITTALS

- A. Prior to the start of construction, the CONTRACTOR shall submit to the OWNER'S representative, for acceptance, schedules for accomplishment of the storm water pollution control measures. Work on the project shall not begin until the schedules for implementation of the controls and methods of operations have been reviewed and accepted, in writing, by the OWNER'S representative. The CONTRACTOR shall provide the OWNER'S representative for information purposes, proposed methods of storm water pollution control for CONTRACTOR operations in areas that are outside the right of way (such as construction and haul roads, field offices, equipment and supply storage areas, portable process plants, and source material storage) as well as a plan for disposal of waste materials.

PART 2 - PRODUCTS

- 2.1 CONTRACTOR to provide rock filter dams, silt fences, plastic liners, and temporary seeding materials of the size, type, and quality necessary to implement the required pollution control measures.

PART 3 - EXECUTION

3.1 CONSTRUCTION REQUIREMENTS

- A. The CONTRACTOR shall provide control measures to prevent or minimize the impact to receiving waters as required Federal, State or local regulations and/or as directed by the OWNER'S representative in writing.
- B. In any disturbed area where construction activities have ceased, permanently or temporarily, the CONTRACTOR shall initiate stabilization of the area by the use of seeding, mulching, soil retention blankets or other appropriate measures within 14 days, except in areas where construction activities are scheduled to resume within 21 days.
- C. The CONTRACTOR shall effectively prevent and control erosion and sedimentation on the site at the earliest practicable time as outlined in the approved schedule. Control measures, where applicable, will be implemented prior to the commencement of each construction operation or immediately after the area has been disturbed.
- D. The CONTRACTOR shall limit the amount of disturbed earth to the area(s) shown on the plans or as directed by the OWNER'S representative. The OWNER'S representative has the authority to limit the disturbed surface area exposed by construction operations. If, in the opinion of the OWNER'S representative, the CONTRACTOR is not able to effectively control soil erosion and sedimentation resulting from construction operations, the OWNER'S representative will limit the amount of disturbed area to that which the CONTRACTOR is able to control.
- E. Should the control measures fail to function effectively, the CONTRACTOR shall act immediately to bring the erosion and sedimentation under control by maintaining existing controls or by providing additional controls as directed by the OWNER'S representative. When, in the opinion of the OWNER'S representative, the site is adequately stabilized, the control measures, except mulches and soil retention blankets, will be removed and properly disposed of by the CONTRACTOR. Soil retention blankets shall be removed only when, in the opinion of the OWNER'S representative, final permanent perennial seeding would be adversely affected by the presence of an existing soil retention blanket.
- F. All erosion, sediment, and water pollution controls will be maintained in good working order. A rain gauge provided by the CONTRACTOR will be located at the project site. Within 24 hours of a rainfall event of 0.5 inch or more as measured by the project rain gauge, the CONTRACTOR and OWNER'S representative will inspect the entire project to determine the condition of the control measures. Sediment will be removed and devices repaired as soon as practicable but no later than seven days after the surrounding exposed ground has dried sufficiently to prevent further damage from equipment operations needed for repairs.

- G. In the event of continuous rainfall over a 24-hour period, or other circumstances that preclude equipment operation in the area, the CONTRACTOR will install additional backup devices, as determined by the OWNER'S representative, by other appropriate methods. The CONTRACTOR will remove slit accumulations and deposit the spoils in an area approved by the OWNER'S representative as soon as practical. Any corrective action will for the control measures will be accomplished by the sequence directed by the OWNER'S representative, however, areas adjacent to receiving waters shall generally have priority followed by devices protecting storm sewer inlets.
- H. The CONTRACTOR shall also conform to the following practices and controls. All labor, tools, equipment, and incidentals to complete the following work will not be paid for directly but shall be considered as subsidiary work to the various items included in the contract.
1. Disposal areas, stockpiles, and haul roads shall be constructed in a manner that will minimize and control the amount of sediment that may enter receiving waters. Disposal areas shall not be located in any floodplain or receiving waters. Construction roads may not be located in or cross any receiving waters without prior approval of the OWNER'S representative and shall be done in compliance with applicable rules and regulations.
 2. Construction operations in receiving waters shall be restricted to those areas where it is necessary to perform the work shown on the plans. Wherever streams are crossed, temporary bridges, timber mats, or other structures shall be used.
 3. Protected storage for paints, chemicals, solvents, fertilizers, and other potentially toxic materials will be provided by the CONTRACTOR at a location approved by the OWNER'S representative.
 4. Construction staging areas and vehicle maintenance areas shall be constructed by the CONTRACTOR in a manner to minimize the runoff of pollutants at a location approved by the OWNER'S representative. The CONTRACTOR shall prevent pollution of receiving waters with petroleum products or other hazardous or regulated substances. When work areas or material sources are located adjacent to a receiving water, control measures such as diversion dikes or rock berms, shall be used to keep sediment and other contaminants from entering the adjacent receiving water. Care shall be taken during the construction and removal of such barriers to minimize down-gradient sedimentation.
 5. All receiving waters shall be cleared as soon as practicable of temporary embankment, temporary bridges, matting, falsework, piling, debris, or other obstructions placed during construction operations that are not a part of the finished work.
 6. Disturbance of vegetation shall be minimized and limited to only what is shown on the construction plans or as directed by the OWNER'S representative in writing.
 7. The CONTRACTOR shall clean paved surfaces, as necessary, to remove sediment that has accumulated on the roadway.
 - a. The project will not be accepted until the CONTRACTOR has cleaned-up disturbed areas to the satisfaction of the OWNER'S representative. The project will also not be accepted until the CONTRACTOR provides a uniform perennial vegetative cover with a density of 70 percent of adjacent undisturbed areas, or, if in the opinion of the OWNER'S representative, permanent measures (such as mulching with seed, straw bale dikes, slit fences, earth dams, etc.) have been employed that will control erosion, sedimentation, and water pollution until sufficient vegetative cover can be established.

PART 4 - MEASUREMENT AND PAYMENT

- 4.1 Unless specific bid item(s) are shown in the Bid Proposal Form, there will be no separate payment for work described under this section. Include the cost of this work in other applicable bid item(s) of which this work is a component part.

END OF SECTION

Attachment: LUCYS LS DECOMMISSIONING - Contract Document (Lucys Lift Station Decommissioning)

SECTION 01770 CLOSEOUT PROCEDURES

PART 1 - GENERAL

1.1 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Special Conditions and other Division 1 Specification Sections, apply to this Section.
- B. Provide operation and maintain information as described in Table 1 at the end of Section 01782 – Operation and Maintenance Data.

1.2 SUMMARY

- A. This Section includes administrative and procedural requirements for contract closeout, including, but not limited to, the following:
 - 1. Inspection procedures.
 - 2. Project Record Documents.
 - 3. Operation and maintenance manuals.
 - 4. Warranties.
 - 5. Instruction of Owner's personnel.
 - 6. Final cleaning.
- B. Related Sections include the following:
 - 1. Division 1 Section "Operation and Maintenance Data" for operation and maintenance manual requirements.
 - 2. Divisions 2 through 16 Sections for specific closeout and special cleaning requirements for products of those Sections.

1.3 SUBSTANTIAL COMPLETION

- A. Preliminary Procedures: Before requesting inspection for determining date of Substantial Completion, complete the following. List items below that are incomplete in request.
 - 1. Address issues on the Engineer's punch list that have not been completed and corrected, the value of items on the list, and reasons why the Work is not complete.
 - 2. Advise Owner of pending insurance changeover requirements.
 - 3. Submit specific warranties, workmanship bonds, maintenance service agreements, final certifications, and similar documents.
 - 4. Obtain and submit releases permitting Owner unrestricted use of the Work and access to services and utilities. Include occupancy permits, operating certificates, and similar releases.
 - 5. Prepare and submit Project Record Documents, operation and maintenance manuals, damage or settlement surveys, property surveys, and similar final record information.

6. Deliver tools, spare parts, extra materials, and similar items to location designated by Owner. Label with manufacturer's name and model number where applicable.
7. Make final changeover of permanent locks and deliver keys to Owner. Advise Owner's personnel of changeover in security provisions.
8. Complete startup testing of systems.
9. Submit test/adjust/balance records.
10. Terminate and remove temporary facilities from Project site, along with construction tools, and similar elements.
11. Advise Owner of changeover in heat and other utilities.
12. Submit changeover information related to Owner's occupancy, use, operation, and maintenance.
13. Complete final cleaning requirements, including touchup painting.
14. Touch up and otherwise repair and restore marred exposed finishes to eliminate visual defects.

B. Inspection: Submit a written request for inspection for Substantial Completion. On receipt of request, Engineer will either proceed with inspection or notify Contractor of unfulfilled requirements. Engineer will prepare the Certificate of Substantial Completion after inspection or will notify Contractor of items, either on Contractor's list or additional items identified by Engineer, that must be completed or corrected before certificate will be issued.

1. Reinspection: Request reinspection when the Work identified in previous inspections as incomplete is completed or corrected.
2. Results of completed inspection will form the basis of requirements for Final Completion.

1.4 FINAL COMPLETION

A. Preliminary Procedures: Before requesting final inspection for determining date of Final Completion, complete the following:

1. Submit a final Application for Payment in accordance with the requirements of the Special Conditions.
2. Submit copy of Engineer's Substantial Completion inspection list of items to be completed or corrected (punch list). The copy of the list shall state that each item has been completed or otherwise resolved for acceptance.
3. Submit evidence of final, continuing insurance coverage complying with insurance requirements.
4. Instruct Owner's personnel in operation, adjustment, and maintenance of products, equipment, and systems.

B. Inspection: Submit a written request for final inspection for acceptance. On receipt of request, Engineer will either proceed with inspection or notify Contractor of unfulfilled requirements. Engineer will prepare a final Certificate for Payment after inspection or will notify Contractor of construction that must be completed or corrected before certificate will be issued.

1. Reinspection: Request reinspection when the Work identified in previous inspections as incomplete is completed or corrected.

1.5 LIST OF INCOMPLETE ITEMS (Not Used)

1.6 PROJECT RECORD DOCUMENTS

- A. General: Do not use Project Record Documents for construction purposes. Protect Project Record Documents from deterioration and loss. Provide access to Project Record Documents for Engineer's reference during normal working hours.
- B. Record Drawings: Maintain and submit one set of blue- or black-line white prints of Contract Drawings and Shop Drawings.
 - 1. Mark Record Prints to show the actual installation where installation varies from that shown originally. Require individual or entity who obtained record data, whether individual or entity is Installer, subcontractor, or similar entity, to prepare the marked-up Record Prints.
 - a. Give particular attention to information on concealed elements that cannot be readily identified and recorded later.
 - b. Accurately record information in an understandable drawing technique.
 - c. Record data as soon as possible after obtaining it. Record and check the markup before enclosing concealed installations.
 - d. Mark Contract Drawings or Shop Drawings, whichever is most capable of showing actual physical conditions, completely and accurately. Where Shop Drawings are marked, show cross-reference on Contract Drawings.
 - 2. Mark record sets with erasable, red-colored pencil. Use other colors to distinguish between changes for different categories of the Work at the same location.
 - 3. Mark important additional information that was either shown schematically or omitted from original Drawings.
 - 4. Note Construction Change Directive numbers, Change Order numbers, alternate numbers, and similar identification where applicable.
 - 5. Identify and date each Record Drawing; include the designation "PROJECT RECORD DRAWING" in a prominent location. Organize into manageable sets; bind each set with durable paper cover sheets. Include identification on cover sheets.
- C. Miscellaneous Record Submittals: Assemble miscellaneous records required by other Specification Sections for miscellaneous record keeping and submittal in connection with actual performance of the Work. Bind or file miscellaneous records and identify each, ready for continued use and reference.

1.7 OPERATION AND MAINTENANCE MANUALS

- A. Reference Section 01782 – Operation and Maintenance Data.

1.8 WARRANTIES (Not Used)

PART 2 - PRODUCTS

2.1 MATERIALS

- A. Cleaning Agents: Use cleaning materials and agents recommended by manufacturer or fabricator of the surface to be cleaned. Do not use cleaning agents that are potentially hazardous to health or property or that might damage finished surfaces.

PART 3 - EXECUTION

3.1 DEMONSTRATION AND TRAINING

- A. Instruction: Instruct Owner's personnel to adjust, operate, and maintain systems, subsystems, and equipment not part of a system.
 - 1. Provide instructors experienced in operation and maintenance procedures.
 - 2. Provide instruction at mutually agreed-on times. For equipment that requires seasonal operation, provide similar instruction at the start of each season.
 - 3. Schedule training with Owner with at least seven (7) days' advance notice.
 - 4. Coordinate instructors, including providing notification of dates, times, length of instruction, and course content.
- B. Program Structure: Develop an instruction program that includes individual training modules for each system and equipment not part of a system, as required by individual Specification Sections. For each training module, develop a learning objective and teaching outline. Include instruction for the following:
 - 1. System design and operational philosophy.
 - 2. Review of documentation.
 - 3. Operations.
 - 4. Adjustments.
 - 5. Troubleshooting.
 - 6. Maintenance.
 - 7. Repair.

3.2 FINAL CLEANING

- A. General: Provide final cleaning. Conduct cleaning and waste-removal operations to comply with local laws and ordinances and Federal and local environmental and antipollution regulations.
 - 1. Complete the following cleaning operations before requesting inspection for certification of Substantial Completion for entire Project or for a portion of Project:
 - a. Clean Project site, yard, and grounds, in areas disturbed by construction activities, including landscape development areas, of rubbish, waste material, litter, and other foreign substances.
 - b. Sweep paved areas broom clean. Remove petrochemical spills, stains, and other foreign deposits.

- c. Rake grounds that are neither planted nor paved to a smooth, even-textured surface.
 - d. Remove tools, construction equipment, machinery, and surplus material from Project site.
 - e. Clean exposed exterior and interior hard-surfaced finishes to a dirt-free condition, free of stains, films, and similar foreign substances. Avoid disturbing natural weathering of exterior surfaces. Restore reflective surfaces to their original condition.
 - f. Remove debris and surface dust from limited access spaces, including roofs, plenums, shafts, trenches, equipment vaults, manholes, attics, and similar spaces.
 - g. Sweep concrete floors broom clean in unoccupied spaces.
 - h. Clean transparent materials, including mirrors and glass in doors and windows. Remove glazing compounds and other noticeable, vision-obscuring materials. Replace chipped or broken glass and other damaged transparent materials. Polish mirrors and glass, taking care not to scratch surfaces.
 - i. Remove labels that are not permanent.
 - j. Touch up and otherwise repair and restore marred, exposed finishes and surfaces. Replace finishes and surfaces that cannot be satisfactorily repaired or restored or that already show evidence of repair or restoration.
 - 1) Do not paint over "UL" and similar labels, including mechanical and electrical nameplates.
 - k. Remove excess lubrication, paint and mortar droppings, and other foreign substances.
 - l. Replace parts subject to unusual operating conditions.
 - m. Clean plumbing fixtures to a sanitary condition, free of stains, including stains resulting from water exposure.
 - n. Leave Project clean and ready for use.
- B. Comply with safety standards for cleaning. Do not burn waste materials. Do not bury debris or excess materials on Owner's property. Do not discharge volatile, harmful, or dangerous materials into drainage systems. Remove waste materials from Project site and dispose of lawfully.

END OF SECTION

SECTION 01100

SUMMARY

PART 1 - GENERAL

1.1 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Special Conditions and other Division 1 Specification Sections, apply to this Section.

1.2 WORK COVERED BY CONTRACT DOCUMENTS

- A. Project Identification: Project consists of the Decommissioning of the Lucy's Lift station
 - 1. Project Location: City of Celina, Texas, 75009
 - 2. Owner: City of Celina, Texas.
- B. Engineer Identification: The Contract Documents, dated September 27, 2018, were prepared for the Project by Garver LLC, 3010 Gaylord Parkway, Suite 190, Frisco, TX 75034
- C. The Work includes, but is not limited to:
 - 1. Construction of approximately 280 LF of 8" gravity sewer lines by open cut, approximately 70-LF of 8" gravity sewer lines and 18" steel casing pipe by other than open cut, and associated manholes;
 - 2. In-place abandonment of approximately 365-LF of 6" sewer line and an existing wet well;
 - 3. Rerouting all service connections at the existing wet well to a new proposed manhole

1.3 CONTRACTS

- A. Project will be constructed under one single contract.

1.4 WORK SEQUENCE (Not Used)

1.5 USE OF PREMISES

- A. General: The Contractor shall have such use of the plant site property as designated by the Owner. The Contractor's use of premises is limited only by Owner's right to perform work or to retain other contractors on portions of Project.

1.6 WORK UNDER OTHER CONTRACTS (Not Used)

1.7 FUTURE WORK (Not Used)

1.8 PRODUCTS ORDERED IN ADVANCE (Not Used)

1.9 OWNER-FURNISHED PRODUCTS (Not Used)

1.10 SPECIFICATION FORMATS AND CONVENTIONS

A. Specification Format: The Specifications are organized into Divisions and Sections using the 16-division format and CSI/CSC's "MasterFormat" numbering system.

1. Section Identification: The Specifications use section numbers and titles to help cross-referencing in the Contract Documents. Sections in the Project Manual are in numeric sequence; however, the sequence is incomplete. Consult the table of contents at the beginning of the Project Manual to determine numbers and names of sections in the Contract Documents.

B. Specification Content: The Specifications use certain conventions for the style of language and the intended meaning of certain terms, words, and phrases when used in particular situations. These conventions are as follows:

1. Abbreviated Language: Language used in the Specifications and other Contract Documents is abbreviated. Words and meanings shall be interpreted as appropriate. Words implied, but not stated, shall be inferred as the sense requires. Singular words shall be interpreted as plural, and plural words shall be interpreted as singular where applicable as the context of the Contract Documents indicates.
2. Imperative mood and streamlined language are generally used in the Specifications. Requirements expressed in the imperative mood are to be performed by Contractor. Occasionally, the indicative or subjunctive mood may be used in the Section Text for clarity to describe responsibilities that must be fulfilled indirectly by Contractor or by others when so noted.

1.11 MISCELLANEOUS PROVISIONS (Not Used)

PART 2 - PRODUCTS (Not Used)

PART 3 - EXECUTION (Not Used)

END OF SECTION

SECTION 01300

DOCUMENTATION REQUIREMENTS

PART 1 - GENERAL

1.1 SUBMITTALS

A. Shop Drawings

1. The Contractor shall submit to the Engineer four (4) copies of all shop drawings, erection drawings, schedules, certified dimension prints, schematic or system diagrams, data sheets, catalog cuts, bulletins, and other descriptive material as is customary or as may be specifically required by the Engineer prior to purchase, fabrication, or shipment to the Project site. Three (3) copies will be retained for use by the Engineer and Owner and one (1) copy will be returned to the Contractor with comments noted.
2. Items requiring a formal submittal as specified above may be noted on PLANS or within individual specification sections, and will generally include but will not necessarily be limited to the following:
 - a. Stormwater Pollution Prevention Plan (SWPPP), Trench Safety System, fencing materials, precast manholes and related castings.
 - b. Concrete mix designs, steel reinforcement details, construction joint locations and types.
 - c. Structural steel, handrails, gratings, miscellaneous fabrication, pipe supports, and all other metal specialties, (submit shop fabrication drawings);
 - d. Architectural features and finishes, including doors, windows, hardware, cabinetry, floor and ceiling materials, and furniture.
 - e. Paint and protective coating systems;
 - f. Piping, valves, gates, and fittings;
 - g. Pumps, compressors, and blowers.
 - h. All Division 8, 9, 10, 11, 13, 14, 15, and 16 specified equipment;
 - i. Electrical equipment and instrumentation;
 - j. Any other items for which the Contractor wishes confirmation from the Engineer as to the appropriateness of application and suitability for incorporation into the project.

B. Format

1. The drawings and data shall have been reviewed and approved by the Contractor prior to submittal and each bound submittal shall bear the Contractor's approval stamp and signature. Submittal data shall be in such form and so presented that the Engineer may readily review the data. This means that submittals should be bound in an 8-1/2 by 11 format. Engineering drawings are to be reduced to an 11 by 17 format, folded and bound with the submittal. Bound submittals shall be for individual specification sections and shall be complete by section. Submittals for steel reinforcing and fabrication drawings may be full size blue prints.

C. Qualifications

1. The Contractor is directed to specific specification sections where specific requirements for submittals may be described in more detail. The drawings, or other required descriptive material, will be examined by the Engineer with reasonable promptness. All rejected material shall be revised and resubmitted until the designation "No Exceptions Noted" is obtained. Each submittal shall be accompanied by a letter of qualification stating that the proposed equipment meets the specifications; or, clearly itemizes and explains any proposed exceptions. Delays caused by such rejections will not be considered cause for extension of the contract time. Review by Engineer indicates general compliance or acceptability; however, it does not relieve the Contractor of final responsibility for proper dimensions, character, quantity, quality, strength or sufficiency of the items involved. Waivers, or exceptions, to the Plans and Specifications may be validated only in writing by the Engineer. Written validation will specifically identify the feature in question and no such waiver or exception shall be assumed as a result of omissions or oversights in reviewing the above drawings or other materials.
2. Any equipment installed by the Contractor, not formally reviewed by the Engineer, shall be at the Contractor's risk if it is found that the installed equipment does not conform to the specifications.

D. Minimum Requirements

1. Certified Dimension Prints
2. Specifications
3. Wiring Diagrams
4. Calculations
5. Recommended Procedures for job-site storage.
6. Additional information as required by technical specification sections.

1.2 MANUFACTURER'S CERTIFICATION:

A. Technical Representative

1. For all Division 8, 9, 10, 11, 13, 14, 15, and 16 specified equipment, the manufacturer, or supplier, shall furnish the services of trained technical representatives as needed to provide for a satisfactorily operating system. Services to be included are as follows:
 - a. Prior to equipment delivery, the manufacturer shall furnish jointly to the Engineer and Contractor a minimum of (3) three sets of complete installation manuals which shall include erection drawings, mark numbers, as built drawings of electrical equipment, assembly details, parts lists, bills of materials, and detailed written instructions for the installation, start-up and initial lubrication and maintenance of the equipment furnished.
 - b. Unless otherwise specified, not less than one (1) trip and one day on the job for inspection and supervision during installation. The Contractor shall install all equipment in exact accordance with the manufacturer's written instructions and as directed on the jobsite during inspection visits by the manufacturer's technical representative.

- c. Deviations from the manufacturer's written or verbal instructions shall be subject to approval by the Engineer and discrepancies or unsatisfactory work shall be reported in writing by the manufacturer jointly to the Engineer and Contractor.
- d. Unless otherwise specified, not less than one (1) trip and one day on the job for inspection of the final installation and a detailed check of the completed work prior to start-up.

B. Certification

- 1. Within ten (10) days after the final inspection of the completed installation, the manufacturer's representative shall furnish a detailed letter report jointly to the Engineer and Contractor which shall list any deficiencies found in the work and which shall recommend corrective action for each deficiency.
- 2. Upon completion of any corrective action required, the manufacturer shall furnish a letter jointly to the Engineer and Contractor certifying that the equipment furnished is properly installed in exact accordance with the manufacturer's recommendations and ready for the operation and beneficial use by the Owner.

1.3 OPERATION AND MAINTENANCE MANUALS

A. Operation and Maintenance Manuals

- 1. The Contractor shall provide six (6) final copies of all required operation and maintenance instructions and manuals for individual equipment items. This information shall be completely up-to-date and reflect actual field installed equipment.

B. Format

- 1. The O&M information shall be furnished in bound sets and described for Submittals.

C. Minimum Requirements

- 1. Name, address and phone number of nearest competent service organization who can supply parts and service. If this is not the manufacturer's own service department, then furnish letters confirming that the named organization has been factory authorized to represent the manufacturer of the equipment furnished.
- 2. Complete descriptive literature and drawings of all material furnished. This is to include up-to-date wiring diagrams of all electrical equipment and erection drawings providing up-to-date information on the actual construction of the equipment furnished and any field modifications made during installation, start-up and testing.
- 3. Installation, operation and maintenance brochures from the original manufacturers of all mechanical components such as gear reducers, drive couplings, etc., incorporated into the completed installation.
- 4. Complete Electrical Motor Information (name plate data).
- 5. Recommended spare parts list.
- 6. Guide to "trouble-shooting".
- 7. All required assembly, installation, alignment, adjustment and checking instructions.
- 8. All required operating instructions.

9. All required maintenance instructions including schedules of all required routine maintenance and lubrication checks.

D. Payment

1. The Owner and Engineer reserve the right to withhold final payment until acceptable O&M information is received for all equipment specified.

END OF SECTION

SECTION 01310
PROGRESS SCHEDULES/MEETINGS

PART 1 - GENERAL

1.1 SCOPE

- A. During construction, the Contractor will be required to submit weekly progress reports to the Owner and attend weekly construction meetings at City Hall if required.

1.2 NARRATIVE PROGRESS REPORT

- A. The Contractor shall prepare and submit to the Owner a written report, on a weekly basis, to include, as a minimum:
1. Summary of Work completed during the past period between Narrative Progress Reports.
 2. Work planned during the next period.
 3. Explanation of differences between summary of Work completed and Work planned in previously submitted Narrative Progress Report.
 4. Current and anticipated delaying factors and their estimated impact on other activities and completion Milestones.
 5. Corrective action taken or proposed.
 6. The report format shall be submitted by the Contractor and approved by the Owner and Engineer.
 7. The report shall be submitted to the Owner at the Weekly Progress Meetings.

1.3 WEEKLY PROGRESS MEETINGS

- A. Weekly Progress Meetings shall be attended by the Contractor.
1. The Contractor's on-site superintendent must attend all progress meetings, unless otherwise approved by the Owner.
 2. The day of the week and time of the meeting shall be as determined by the Owner with input from the Contractor.
 3. The meetings will last a maximum of one hour.

END OF SECTION

Attachment: LUCYS LS DECOMMISSIONING -Contract Document (Lucys Lift Station Decommissioning)

SECTION 01330
SUBMITTAL PROCEDURES

PART 1 - GENERAL

1.1 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Supplementary Conditions and other Division 1 Specification Sections, apply to this Section.

1.2 SUMMARY

- A. This Section includes administrative and procedural requirements for submitting Shop Drawings, Product Data, Samples, and other miscellaneous submittals.
- B. Related Sections include the following:
1. Division 1 Section "Closeout Procedures" for submitting warranties, project record documents, and operation and maintenance manuals.
 2. Division 1 Section "Operation and Maintenance Data" for operation and maintenance manual requirements.

1.3 DEFINITIONS

- A. Action Submittals: Written and graphic information that requires Engineer's responsive action.
- B. Informational Submittals: Written information that does not require Engineer's approval. Submittals may be rejected for not complying with requirements.

1.4 SUBMITTAL PROCEDURES

- A. General: Electronic copies of CAD Drawings of the Contract Drawings will not be provided by Engineer for Contractor's use in preparing submittals.
- B. Coordination: Coordinate preparation and processing of submittals with performance of construction activities.
1. Coordinate each submittal with fabrication, purchasing, testing, delivery, other submittals, and related activities that require sequential activity.
 2. Coordinate transmittal of different types of submittals for related parts of the Work so processing will not be delayed because of need to review submittals concurrently for coordination.
 - a. Engineer reserves the right to withhold action on a submittal requiring coordination with other submittals until related submittals are received.
- C. Deviations: Highlight, encircle, or otherwise identify deviations from the Contract Documents on submittals.

- D. Transmittal: Package each submittal individually and appropriately for transmittal and handling. Transmit each submittal using a transmittal form.
1. On an attached separate sheet, prepared on Contractor's letterhead, record relevant information, requests for data, revisions other than those requested by Engineer on previous submittals, and deviations from requirements of the Contract Documents, including minor variations and limitations.
 2. Include Contractor's certification stating that information submitted complies with requirements of the Contract Documents.
 3. Transmittal Form: Provide locations on form for the following information:
 - a. Project name.
 - b. Date.
 - c. Destination (To:).
 - d. Source (From:).
 - e. Names of subcontractor, manufacturer, and supplier.
 - f. Category and type of submittal.
 - g. Submittal purpose and description.
 - h. Submittal and transmittal distribution record.
 - i. Remarks.
 - j. Signature of transmitter.
- E. Distribution: Furnish copies of final submittals to manufacturers, subcontractors, suppliers, fabricators, and installers, authorities having jurisdiction, and others as necessary for performance of construction activities.
- F. Use for Construction: Use only final submittals with mark indicating action taken by Engineer in connection with construction.

PART 2 - PRODUCTS

2.1 ACTION SUBMITTALS

- A. General: Prepare and submit Action Submittals required by individual Specification Sections.
1. Number of Copies: Submit six (6) copies of each submittal, unless otherwise indicated. Engineer will return three (3) copies.
- B. Product Data: Collect information into a single submittal for each element of construction and type of product or equipment.
1. If information must be specially prepared for submittal because standard printed data are not suitable for use, submit as Shop Drawings, not as Product Data.
 2. Mark each copy of each submittal to show which products and options are applicable.
 3. Include the following information, as applicable:
 - a. Manufacturer's written recommendations.
 - b. Manufacturer's product specifications.
 - c. Manufacturer's installation instructions.
 - d. Standard color charts.
 - e. Manufacturer's catalog cuts.
 - f. Wiring diagrams showing factory-installed wiring.

- g. Printed performance curves.
 - h. Operational range diagrams.
 - i. Mill reports.
 - j. Standard product operating and maintenance manuals.
 - k. Compliance with recognized trade association standards.
 - l. Compliance with recognized testing agency standards.
 - m. Application of testing agency labels and seals.
 - n. Notation of coordination requirements.
- C. Shop Drawings: Prepare Project-specific information, drawn accurately to scale. Do not base Shop Drawings on reproductions of the Contract Documents or standard printed data.
- 1. Preparation: Include the following information, as applicable:
 - a. Dimensions.
 - b. Identification of products.
 - c. Fabrication and installation drawings.
 - d. Roughing-in and setting diagrams.
 - e. Wiring diagrams showing field-installed wiring, including power, signal, and control wiring.
 - f. Shop work manufacturing instructions.
 - g. Templates and patterns.
 - h. Schedules.
 - i. Design calculations.
 - j. Compliance with specified standards.
 - k. Notation of coordination requirements.
 - l. Notation of dimensions established by field measurement.
 - 2. Wiring Diagrams: Differentiate between manufacturer-installed and field-installed wiring.
 - 3. Sheet Size: Except for templates, patterns, and similar full-size drawings, submit Shop Drawings on sheets at least 8-1/2 by 11 inches but no larger than 30 by 40 inches.
- D. Subcontract List: Prepare a written summary identifying individuals or firms proposed for each portion of the Work, including those who are to furnish products or equipment fabricated to a special design. Include the following information in tabular form:
- 1. Name, address, and telephone number of entity performing subcontract or supplying products.
 - 2. Number and title of related Specification Section(s) covered by subcontract.
 - 3. Drawing number and detail references, as appropriate, covered by subcontract.

2.2 INFORMATIONAL SUBMITTALS

- A. General: Prepare and submit Informational Submittals required by other Specification Sections.
- 1. Number of Copies: Submit six (6) copies of each submittal, unless otherwise indicated. Engineer will not return copies.
 - 2. Certificates and Certifications: Provide a notarized statement that includes signature of entity responsible for preparing certification. Certificates and certifications shall be signed by an officer or other individual authorized to sign documents on behalf of that entity.

- B. Qualification Data: Prepare written information that demonstrates capabilities and experience of firm or person. Include lists of completed projects with project names and addresses, names and addresses of Engineers and owners, and other information specified.
- C. Product Certificates: Prepare written statements on manufacturer's letterhead certifying that product complies with requirements.
- D. Welding Certificates: Prepare written certification that welding procedures and personnel comply with requirements. Submit record of Welding Procedure Specification (WPS) and Procedure Qualification Record (PQR) on AWS forms. Include names of firms and personnel certified.
- E. Installer Certificates: Prepare written statements on manufacturer's letterhead certifying that Installer complies with requirements and, where required, is authorized for this specific Project.
- F. Manufacturer Certificates: Prepare written statements on manufacturer's letterhead certifying that manufacturer complies with requirements. Include evidence of manufacturing experience where required.
- G. Material Certificates: Prepare written statements on manufacturer's letterhead certifying that material complies with requirements.
- H. Material Test Reports: Prepare reports written by a qualified testing agency, on testing agency's standard form, indicating and interpreting test results of material for compliance with requirements.
- I. Preconstruction Test Reports: Prepare reports written by a qualified testing agency, on testing agency's standard form, indicating and interpreting results of tests performed before installation of product, for compliance with performance requirements.
- J. Compatibility Test Reports: Prepare reports written by a qualified testing agency, on testing agency's standard form, indicating and interpreting results of compatibility tests performed before installation of product. Include written recommendations for primers and substrate preparation needed for adhesion.
- K. Field Test Reports: Prepare reports written by a qualified testing agency, on testing agency's standard form, indicating and interpreting results of field tests performed either during installation of product or after product is installed in its final location, for compliance with requirements.
- L. Product Test Reports: Prepare written reports indicating current product produced by manufacturer complies with requirements. Base reports on evaluation of tests performed by manufacturer and witnessed by a qualified testing agency, or on comprehensive tests performed by a qualified testing agency.
- M. Research/Evaluation Reports: Prepare written evidence, from a model code organization acceptable to authorities having jurisdiction, that product complies with building code in effect for Project. Include the following information:
 - 1. Name of evaluation organization.
 - 2. Date of evaluation.
 - 3. Time period when report is in effect.

4. Product and manufacturers' names.
 5. Description of product.
 6. Test procedures and results.
 7. Limitations of use.
- N. Maintenance Data: Prepare written and graphic instructions and procedures for operation and normal maintenance of products and equipment. Comply with requirements in Division 1 Section "Operation and Maintenance Data."
- O. Design Data: Prepare written and graphic information, including, but not limited to, performance and design criteria, list of applicable codes and regulations, and calculations. Include list of assumptions and other performance and design criteria and a summary of loads. Include load diagrams if applicable. Provide name and version of software, if any, used for calculations. Include page numbers.
- P. Manufacturer's Instructions: Prepare written or published information that documents manufacturer's recommendations, guidelines, and procedures for installing or operating a product or equipment. Include name of product and name, address, and telephone number of manufacturer. Include the following, as applicable:
1. Preparation of substrates.
 2. Required substrate tolerances.
 3. Sequence of installation or erection.
 4. Required installation tolerances.
 5. Required adjustments.
 6. Recommendations for cleaning and protection.
- Q. Manufacturer's Field Reports: Prepare written information documenting factory-authorized service representative's tests and inspections. Include the following, as applicable:
1. Name, address, and telephone number of factory-authorized service representative making report.
 2. Statement on condition of substrates and their acceptability for installation of product.
 3. Statement that products at Project site comply with requirements.
 4. Summary of installation procedures being followed, whether they comply with requirements and, if not, what corrective action was taken.
 5. Results of operational and other tests and a statement of whether observed performance complies with requirements.
 6. Statement whether conditions, products, and installation will affect warranty.
 7. Other required items indicated in individual Specification Sections.
- R. Insurance Certificates and Bonds: Prepare written information indicating current status of insurance or bonding coverage. Include name of entity covered by insurance or bond, limits of coverage, amounts of deductibles, if any, and term of the coverage.
- S. Material Safety Data Sheets: Submit information directly to Owner.

PART 3 - EXECUTION

3.1 CONTRACTOR'S REVIEW

- A. Review each submittal and check for compliance with the Contract Documents. Note corrections and field dimensions. Mark with approval stamp before submitting to Engineer.
- B. Approval Stamp: Stamp each submittal with a uniform, approval stamp. Include Project name and location, submittal number, Specification Section title and number, name of reviewer, date of Contractor's approval, and statement certifying that submittal has been reviewed, checked, and approved for compliance with the Contract Documents.

3.2 ENGINEER'S ACTION

- A. General: Engineer will not review submittals that do not bear Contractor's approval stamp and will return them without action.
- B. Action Submittals: Engineer will review each submittal, make marks to indicate corrections or modifications required, and return it. Engineer will stamp each submittal with an action stamp and will mark stamp appropriately to indicate action taken.
- C. Informational Submittals: Engineer will review each submittal and will return it, or will reject and return it if it does not comply with requirements. Engineer will forward each submittal to appropriate party.

END OF SECTION

SECTION 01400
QUALITY CONTROL

PART 1 - GENERAL

1.1 DESCRIPTION

- A. Specific quality control requirements for the Work are indicated throughout the Contract Documents. Quality control provisions for manufactured products are specified in individual work sections.

1.2 CODES AND STANDARDS

- A. Perform testing to meet the requirements of pertinent codes and regulations and with selected standards as specified elsewhere on the Specification.

1.3 TEST REPORTS

- A. Process and distribute test reports and related instructions promptly to ensure necessary retesting and replacement of materials with the least possible delay in the Work.

1.4 PAYMENT FOR LABORATORY TESTING SERVICES

- A. The Owner will pay for all tests, which it orders, which are in compliance with specifications.
- B. Tests indicating non-compliance with the Contract Documents shall be paid for by the Contractor.
- C. Inspection or testing performed exclusively for the Contractor's convenience shall be borne by the Contractor.
- D. No separate payment will be made under this paragraph for testing required for batch design for concrete.

1.5 EQUIPMENT TESTING

- A. Upon completion of the Work and prior to final acceptance and payment, test equipment as specified or required for compliance with Contract Documents. Manufacturer's authorized representative(s) shall be present at site to inspect, check and approve equipment and installation prior to start-up and test; and to supervise testing of equipment.
- B. Adjust or replace equipment which does not meet requirements of Contract Documents during test at no extra cost to Owner.
- C. Include costs of equipment testing in the price of equipment to be installed when applicable.

1.6 MATERIAL TESTING

- A. Representatives of the testing laboratory shall have access to the Work at all times. Provide facilities for access in order that laboratory may perform its functions properly.
- B. Testing Schedules
 - 1. Consult testing laboratory in advance to determine time required to perform tests and issue each of the findings. Include required time within construction schedule.
 - 2. When changes of the construction schedule are necessary, coordinate such changes with the testing laboratory as required.
- C. All samples for testing, unless otherwise provided elsewhere in these Specifications, shall be taken by the testing laboratory. All sampling equipment and personnel shall be provided by the testing laboratory unless otherwise specified. All deliveries of samples to the testing laboratory shall be performed by the testing laboratory unless otherwise specified.

END OF SECTION

Attachment: LUCYS LS DECOMMISSIONING -Contract Document (Lucys Lift Station Decommissioning)

SECTION 01500
TEMPORARY FACILITIES AND CONTROLS

PART 1 - GENERAL

1.1 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Supplementary Conditions and other Division 1 Specification Sections, apply to this Section.

1.2 SUMMARY

- A. This Section includes requirements for temporary facilities and controls, including temporary utilities, support facilities, and security and protection facilities.
- B. Temporary utilities include, but are not limited to, the following:
1. Sewers and drainage.
 2. Water service and distribution.
 3. Sanitary facilities, including toilets, wash facilities, and drinking-water facilities.
 4. Heating and cooling facilities.
 5. Ventilation.
 6. Electric power service.
 7. Lighting.
 8. Telephone service.
- C. Support facilities include, but are not limited to, the following:
1. Temporary roads and paving.
 2. Dewatering facilities and drains.
 3. Project identification and temporary signs.
 4. Waste disposal facilities.
 5. Field offices.
 6. Storage and fabrication sheds.
 7. Temporary stairs.
 8. Construction aids and miscellaneous services and facilities.
- D. Security and protection facilities include, but are not limited to, the following:
1. Environmental protection.
 2. Stormwater control.
 3. Tree and plant protection.
 4. Site enclosure fence.
 5. Security enclosure and lockup.
 6. Barricades, warning signs, and lights.
 7. Fire protection.

E. Related Sections include the following:

1. Division 0 Section "Special Conditions" for procedures for submitting copies of implementation and termination schedule and utility reports.
2. Division 2 Section "Access Roadway Construction" for construction and maintenance of cement concrete pavement for temporary roads and paved areas.

1.3 DEFINITIONS (Not Used)

1.4 USE CHARGES

A. General: Cost or use charges for temporary facilities are not chargeable to Owner or Engineer and shall be included in the Contract Sum. Allow other entities to use temporary services and facilities without cost, including, but not limited to, the following:

1. Owner's construction forces.
2. Occupants of Project.
3. Engineer.
4. Testing agencies.
5. Personnel of authorities having jurisdiction.

1.5 SUBMITTALS (Not Used)

1.6 QUALITY ASSURANCE

A. Standards: Comply with ANSI A10.6, NECA's "Temporary Electrical Facilities," and NFPA 241.

1. Trade Jurisdictions: Assigned responsibilities for installation and operation of temporary utilities are not intended to interfere with trade regulations and union jurisdictions.
2. Electric Service: Comply with NECA, NEMA, and UL standards and regulations for temporary electric service. Install service to comply with NFPA 70.

B. Tests and Inspections: Arrange for authorities having jurisdiction to test and inspect each temporary utility before use. Obtain required certifications and permits.

1.7 PROJECT CONDITIONS

A. Temporary Utilities: At earliest feasible time, when acceptable to Owner, change over from use of temporary service to use of permanent service.

1. Temporary Use of Permanent Facilities: Installer of each permanent service shall assume responsibility for operation, maintenance, and protection of each permanent service during its use as a construction facility before Owner's acceptance, regardless of previously assigned responsibilities.

- B. Conditions of Use: The following conditions apply to use of temporary services and facilities by all parties engaged in the Work:
1. Keep temporary services and facilities clean and neat.
 2. Relocate temporary services and facilities as required by progress of the Work.

PART 2 - PRODUCTS (Not Used)

PART 3 - EXECUTION

3.1 INSTALLATION, GENERAL

- A. Locate facilities where they will serve Project adequately and result in minimum interference with performance of the Work. Relocate and modify facilities as required.
- B. Provide each facility ready for use when needed to avoid delay. Maintain and modify as required. Do not remove until facilities are no longer needed or are replaced by authorized use of completed permanent facilities.

3.2 TEMPORARY UTILITY INSTALLATION

- A. General: Engage appropriate local utility company to install temporary service or connect to existing service. Where utility company provides only part of the service, provide the remainder with matching, compatible materials and equipment. Comply with utility company recommendations.
 1. Arrange with utility company, Owner, and existing users for time when service can be interrupted, if necessary, to make connections for temporary services.
 2. Provide adequate capacity at each stage of construction. Before temporary utility is available, provide trucked-in services.
 3. Obtain easements to bring temporary utilities to Project site where Owner's easements cannot be used for that purpose.
 4. Sewers and Drainage: If sewers are available, provide temporary connections to be removed by the Contractor at project completion.
- B. Sanitary Facilities: Provide temporary toilets, wash facilities, and drinking-water fixtures. Comply with regulations and health codes for type, number, location, operation, and maintenance of fixtures and facilities.
 1. Disposable Supplies: Provide toilet tissue, paper towels, paper cups, and similar disposable materials for each facility. Maintain adequate supply. Provide covered waste containers for disposal of used material.
 2. Toilets: Install self-contained toilet units.
- C. Electric Distribution: Provide receptacle outlets adequate for connection of power tools and equipment.
 1. Provide waterproof connectors to connect separate lengths of electrical power cords if single lengths will not reach areas where construction activities are in progress. Do not exceed safe length-voltage ratio.

- D. Lighting: Provide temporary lighting with local switching that provides adequate illumination for construction operations and traffic conditions.
 - 1. Install and operate temporary lighting that fulfills security and protection requirements without operating entire system.
- E. Telephone Service: Provide temporary telephone service throughout construction period for common-use facilities used by all personnel engaged in construction activities. Install separate telephone line for the field office.

3.3 SUPPORT FACILITIES INSTALLATION

- A. General: Comply with the following:
 - 1. Locate field offices, storage sheds, sanitary facilities, and other temporary construction and support facilities for easy access.
 - 2. Maintain support facilities until near Substantial Completion. Remove before Substantial Completion. Personnel remaining after Substantial Completion will be permitted to use permanent facilities, under conditions acceptable to Owner.
- B. Temporary Roads and Paved Areas: Construct and maintain temporary roads and paved areas adequate to support loads and to withstand exposure to traffic during construction period. Locate temporary roads and paved areas within construction limits indicated on Drawings.
 - 1. Provide a reasonably level, graded, well-drained subgrade of satisfactory soil material, compacted to not less than 95 percent of maximum dry density in the top 6 inches.
- C. Dewatering Facilities and Drains: Comply with requirements in applicable Division 2 Sections for temporary drainage and dewatering facilities and operations not directly associated with construction activities included in individual Sections. Where feasible, use same facilities. Maintain Project site, excavations, and construction free of water.
 - 1. Dispose of rainwater in a lawful manner that will not result in flooding Project or adjoining property nor endanger permanent Work or temporary facilities.
 - 2. Before connection and operation of permanent drainage piping system, provide temporary drainage where roofing or similar waterproof deck construction is completed.
- D. Waste Disposal Facilities: Provide waste-collection containers in sizes adequate to handle waste from construction operations. Containerize and clearly label hazardous, dangerous, or unsanitary waste materials separately from other waste.
- E. Temporary Stairs: Until permanent stairs are available, provide temporary stairs where ladders are not adequate. Cover finished, permanent stairs with protective covering of plywood or similar material so finishes will be undamaged at time of acceptance.
- F. Existing Stair Usage: Use of Owner's existing stairs will be permitted, as long as stairs are cleaned and maintained in a condition acceptable to Owner. At Substantial Completion, restore stairs to condition existing before initial use.
 - 1. Provide protective coverings, barriers, devices, signs, or other procedures to protect stairs and to maintain means of egress. If, despite such protection, stairs become damaged, restore damaged areas so no evidence remains of correction work.

3.4 SECURITY AND PROTECTION FACILITIES INSTALLATION

- A. Environmental Protection: Provide protection, operate temporary facilities, and conduct construction in ways and by methods that comply with environmental regulations and that minimize possible air, waterway, and subsoil contamination or pollution or other undesirable effects. Avoid using tools and equipment that produce harmful noise. Restrict use of noisemaking tools and equipment to hours that will minimize complaints from persons or firms near Project site.
- B. Stormwater Control: Provide earthen embankments and similar barriers in and around excavations and subgrade construction, sufficient to prevent flooding by runoff of stormwater from heavy rains.
- C. Tree and Plant Protection: Install temporary fencing located as indicated or outside the drip line of trees to protect vegetation from construction damage. Protect tree root systems from damage, flooding, and erosion.
- D. Security Enclosure and Lockup: Install substantial temporary enclosure around partially completed areas of construction. Provide lockable entrances to prevent unauthorized entrance, vandalism, theft, and similar violations of security.
- E. Barricades, Warning Signs, and Lights: Comply with standards and code requirements for erecting structurally adequate barricades. Paint with appropriate colors, graphics, and warning signs to inform personnel and public of possible hazard. Where appropriate and needed, provide lighting, including flashing red or amber lights.
- F. Temporary Fire Protection: Until fire-protection needs are supplied by permanent facilities, install and maintain temporary fire-protection facilities of types needed to protect against reasonably predictable and controllable fire losses. Comply with NFPA 241.
 - 1. Provide fire extinguishers, installed on walls on mounting brackets, visible and accessible from space being served, with sign mounted above.
 - a. Field Offices: Class A stored-pressure water-type extinguishers.
 - 2. Store combustible materials in containers in fire-safe locations.
 - 3. Maintain unobstructed access to fire extinguishers, fire hydrants, temporary fire-protection facilities, stairways, and other access routes for firefighting. Prohibit smoking in hazardous fire-exposure areas.
 - 4. Supervise welding operations, combustion-type temporary heating units, and similar sources of fire ignition.

3.5 OPERATION, TERMINATION, AND REMOVAL

- A. Supervision: Enforce strict discipline in use of temporary facilities. To minimize waste and abuse, limit availability of temporary facilities to essential and intended uses.
- B. Maintenance: Maintain facilities in good operating condition until removal. Protect from damage caused by freezing temperatures and similar elements.
 - 1. Maintain operation of temporary enclosures, heating, cooling, humidity control, ventilation, and similar facilities on a 24-hour basis where required to achieve indicated results and to avoid possibility of damage.
 - 2. Prevent water-filled piping from freezing. Maintain markers for underground lines. Protect from damage during excavation operations.

- C. Termination and Removal: Remove each temporary facility when need for its service has ended, when it has been replaced by authorized use of a permanent facility, or no later than Substantial Completion. Complete or, if necessary, restore permanent construction that may have been delayed because of interference with temporary facility. Repair damaged Work, clean exposed surfaces, and replace construction that cannot be satisfactorily repaired.
1. Materials and facilities that constitute temporary facilities are the property of Contractor.
 2. Remove temporary paving not intended for or acceptable for integration into permanent paving. Where area is intended for landscape development, remove soil and aggregate fill that do not comply with requirements for fill or subsoil. Remove materials contaminated with road oil, asphalt and other petrochemical compounds, and other substances that might impair growth of plant materials or lawns. Repair or replace street paving, curbs, and sidewalks at temporary entrances, as required by authorities having jurisdiction.
 3. At Substantial Completion, clean and renovate permanent facilities used during construction period. Comply with final cleaning requirements in Division 1 Section "Closeout Procedures."

END OF SECTION

SECTION 01600

MATERIALS AND EQUIPMENT

PART 1 - GENERAL

1.1 DESCRIPTION

- A. All materials, appliances and types of construction shall be in accordance with the Specifications and shall, further, conform to the requirements of applicable laws, ordinances and codes.
- B. All materials and equipment shall be new, unused and designed as specified. They shall be of standard first-grade quality, produced by expert workmen, and be intended for the use for which they are offered. Materials or equipment which are inferior or of a lower grade than indicated, specified or required will not be accepted.
- C. The quality of workmanship and materials entering into the Work under each Section shall conform to the requirements of pertinent sections, clauses, paragraphs and sentences, both directly and indirectly applicable thereto, of the Specifications.
- D. Equipment and appurtenances shall be designed in conformity with AWWA, NSF, ASME, AIEE, and NEMA standards and shall be of rugged construction and of sufficient strength to withstand all stresses, which may occur during fabrication, test, transportation, installation and all conditions of operation. Protect bearings and moving parts against wear by bushings or other approved means and fully lubricate by readily accessible devices. Design details for appearance as well as utility. Protruding members, joints, corners, gear covers and the like shall be finished in appearance. Grind exposed welds smooth. Miter corners of structural shapes.

1.2 MANUFACTURER

- A. Submit names of proposed manufacturers, material men and dealers who are to furnish materials, fixtures, equipment, appliances or other appurtenances for review as early as possible to afford proper investigation and checking. No manufacturer will be approved for materials or equipment to be furnished under this Contract unless he shall be of good reputation and have a plant of ample capacity suited to the efficient production of the materials or equipment offered. He shall, upon request, be required to submit evidence that he has manufactured a similar product to the one specified and that it has been previously used for a like purpose for a sufficient length of time to demonstrate that it will fulfill all requirements of the Project.
- B. The availability of the manufacturer's service facilities for the maintenance of equipment offered will be considered in the evaluation.
- C. All transactions with the manufacturers or subcontractors shall be through the Contractor.
- D. Any two (2) or more pieces of material or equipment of the same kind, type or classification being used for identical types of service, shall be made by the same manufacturer.

1.3 SAMPLES

- A. When required, the Contractor shall submit for approval typical samples of materials and appliances. Identify samples by tags and submit sufficiently in advance of the time when they are to be incorporated into the Work so rejections will not cause delay. A letter of transmittal, in triplicate, from the Contractor requesting approval shall accompany all such samples.

1.4 EQUIVALENT QUALITY

- A. Whenever in the Contract Documents an article, material, apparatus, equipment, or process is called for by trade name of a patentee, manufacturer or dealer, or by reference to catalogue of a manufacturer or dealer, it shall be understood as intending to mean and specify the article, material, apparatus, equipment or process designated, or any approved equal in quality, finish, design, efficiency, and durability and equally serviceable for the purpose for which it is intended.
- B. Upon rejection of material or equipment submitted as the equivalent of that specifically named in the Contract, the Contractor shall proceed immediately to furnish the designated material or equipment.

1.5 DELIVERY

- A. The Contractor shall deliver materials in ample quantities to ensure the most speedy and uninterrupted progress of the Work, so as to complete the Work within the allotted time. The Contractor shall also coordinate deliveries in order to avoid delay in or impediment of the progress of the Work of any related contractor. Furnish delivery slips to the Engineer on receipt of material. Shipment by weights shall show the weights.

1.6 CARE AND PROTECTION

- A. General. The Contractor shall be solely responsible for properly storing and protection all materials, equipment and the entire work furnished under this Contract from the time such materials and equipment are delivered at the site of the Work until final acceptance of the entire Work. He shall at all times take necessary precautions to prevent injury or damage by water or by inclemencies of weather to such materials, equipment and work. All injury or damage to materials, equipment or work shall be corrected by the Contractor. Stack materials in an approved manner for convenience in counting. Do not place materials directly on the ground.
- B. Equipment. Box, crate or otherwise completely enclose and protect equipment during shipment, handling and storage. Protect equipment from exposure to the elements and keep thoroughly dry at all times. Store pumps, motors, electrical equipment and other equipment having antrification or sleeve bearings in weathertight buildings that are maintained at a minimum temperature of 60 F.
- C. Painting. Protect painted surfaces against impact, abrasion, discoloration and other damage. Repaint painted surfaces, which are damaged prior to acceptance of equipment in accordance with Section 09902.

- D. Electrical. Protect electrical equipment, controls and insulation against moisture or water damage. Connect space heaters provided in the equipment storage areas and operate at all times until equipment is placed in service.

1.7 INSTALLATION OF EQUIPMENT

- A. The Contractor shall have on hand equipment and machinery of ample capacity to facilitate this work and to handle emergencies normally encountered in work of this character.
- B. Erect equipment on the foundations at the locations and elevations shown on the Drawings, unless otherwise directed during installation.
- C. Furnish, install and protect necessary anchor and attachment bolts and other appurtenances needed for the installation of the devices included in the equipment specified. Anchor bolts shall be of ample size and strength for the purpose intended. Furnish templates and working drawings for installation.
- D. The Contractor shall, at his own expense, furnish all materials and labor for, and shall properly bed in cement grout as specified, each piece of equipment of its supporting base resting on masonry or concrete foundations. Grout shall completely fill the space between the equipment base on the foundation.

1.8 WARRANTY

- A. Unless specified otherwise, all equipment and materials furnished under this contract shall be warranted for a period of one year following testing, start-up, and final acceptance by the Engineer and Owner.

END OF SECTION

SECTION 01750
STORM WATER POLLUTION PREVENTION PLAN

PART 1 - GENERAL

1.1 DESCRIPTION

- A. This item shall govern the control measures necessary to prevent and control soil erosion, sedimentation, and water pollution, which may degrade receiving waters including rivers, streams, lakes, reservoirs, groundwater, and wetlands. The control measures contained herein shall be installed and maintained throughout the construction contract and coordinated with any permanent or temporary pollution control features specified elsewhere on the plans and in the specifications to assure effective and continuous water pollution control throughout the construction and post construction periods. The controls may include slit fences, straw bale dikes, rock berms, diversion dikes, interceptor swales, sediment traps and basins, inlet protection, stabilized construction entrances, seeding, sodding, mulching, soil retention blankets, or other structural or non-structural storm water pollution controls.

1.2 REGULATORY REQUIREMENTS

- A. The United States Environmental Protection Agency requires that a Storm Water Pollution Prevention Plan (SWPPP) be prepared. This plan shall show proposed measures to control pollutants in storm water discharges during and after construction operations. A Notice of Intent (NOI) Form shall be completed and signed by the Contractor and the Owner. This Notice of Intent must be submitted by the Contractor two days before start of construction. Submit the NOI to the following address:

Storm Water Notice of Intent
401 M. Street, SW
Washington, D.C. 20460

- B. The SWPPP is not to be submitted for EPA review; however the SWPPP shall be kept at the job site for assessment by EPA inspectors.

1.3 PRECONSTRUCTION SUBMITTALS

- A. Prior to the start of construction, the CONTRACTOR shall submit to the OWNER'S representative, for acceptance, schedules for accomplishment of the storm water pollution control measures. Work on the project shall not begin until the schedules for implementation of the controls and methods of operations have been reviewed and accepted, in writing, by the OWNER'S representative. The CONTRACTOR shall provide the OWNER'S representative for information purposes, proposed methods of storm water pollution control for CONTRACTOR operations in areas that are outside the right of way (such as construction and haul roads, field offices, equipment and supply storage areas, portable process plants, and source material storage) as well as a plan for disposal of waste materials.

PART 2 - PRODUCTS

- 2.1 CONTRACTOR to provide rock filter dams, silt fences, plastic liners, and temporary seeding materials of the size, type, and quality necessary to implement the required pollution control measures.

PART 3 - EXECUTION

3.1 CONSTRUCTION REQUIREMENTS

- A. The CONTRACTOR shall provide control measures to prevent or minimize the impact to receiving waters as required Federal, State or local regulations and/or as directed by the OWNER'S representative in writing.
- B. In any disturbed area where construction activities have ceased, permanently or temporarily, the CONTRACTOR shall initiate stabilization of the area by the use of seeding, mulching, soil retention blankets or other appropriate measures within 14 days, except in areas where construction activities are scheduled to resume within 21 days.
- C. The CONTRACTOR shall effectively prevent and control erosion and sedimentation on the site at the earliest practicable time as outlined in the approved schedule. Control measures, where applicable, will be implemented prior to the commencement of each construction operation or immediately after the area has been disturbed.
- D. The CONTRACTOR shall limit the amount of disturbed earth to the area(s) shown on the plans or as directed by the OWNER'S representative. The OWNER'S representative has the authority to limit the disturbed surface area exposed by construction operations. If, in the opinion of the OWNER'S representative, the CONTRACTOR is not able to effectively control soil erosion and sedimentation resulting from construction operations, the OWNER'S representative will limit the amount of disturbed area to that which the CONTRACTOR is able to control.
- E. Should the control measures fail to function effectively, the CONTRACTOR shall act immediately to bring the erosion and sedimentation under control by maintaining existing controls or by providing additional controls as directed by the OWNER'S representative. When, in the opinion of the OWNER'S representative, the site is adequately stabilized, the control measures, except mulches and soil retention blankets, will be removed and properly disposed of by the CONTRACTOR. Soil retention blankets shall be removed only when, in the opinion of the OWNER'S representative, final permanent perennial seeding would be adversely affected by the presence of an existing soil retention blanket.
- F. All erosion, sediment, and water pollution controls will be maintained in good working order. A rain gauge provided by the CONTRACTOR will be located at the project site. Within 24 hours of a rainfall event of 0.5 inch or more as measured by the project rain gauge, the CONTRACTOR and OWNER'S representative will inspect the entire project to determine the condition of the control measures. Sediment will be removed and devices repaired as soon as practicable but no later than seven days after the surrounding exposed ground has dried sufficiently to prevent further damage from equipment operations needed for repairs.

- G. In the event of continuous rainfall over a 24-hour period, or other circumstances that preclude equipment operation in the area, the CONTRACTOR will install additional backup devices, as determined by the OWNER'S representative, by other appropriate methods. The CONTRACTOR will remove slit accumulations and deposit the spoils in an area approved by the OWNER'S representative as soon as practical. Any corrective action will for the control measures will be accomplished by the sequence directed by the OWNER'S representative, however, areas adjacent to receiving waters shall generally have priority followed by devices protecting storm sewer inlets.
- H. The CONTRACTOR shall also conform to the following practices and controls. All labor, tools, equipment, and incidentals to complete the following work will not be paid for directly but shall be considered as subsidiary work to the various items included in the contract.
1. Disposal areas, stockpiles, and haul roads shall be constructed in a manner that will minimize and control the amount of sediment that may enter receiving waters. Disposal areas shall not be located in any floodplain or receiving waters. Construction roads may not be located in or cross any receiving waters without prior approval of the OWNER'S representative and shall be done in compliance with applicable rules and regulations.
 2. Construction operations in receiving waters shall be restricted to those areas where it is necessary to perform the work shown on the plans. Wherever streams are crossed, temporary bridges, timber mats, or other structures shall be used.
 3. Protected storage for paints, chemicals, solvents, fertilizers, and other potentially toxic materials will be provided by the CONTRACTOR at a location approved by the OWNER'S representative.
 4. Construction staging areas and vehicle maintenance areas shall be constructed by the CONTRACTOR in a manner to minimize the runoff of pollutants at a location approved by the OWNER'S representative. The CONTRACTOR shall prevent pollution of receiving waters with petroleum products or other hazardous or regulated substances. When work areas or material sources are located adjacent to a receiving water, control measures such as diversion dikes or rock berms, shall be used to keep sediment and other contaminants from entering the adjacent receiving water. Care shall be taken during the construction and removal of such barriers to minimize down-gradient sedimentation.
 5. All receiving waters shall be cleared as soon as practicable of temporary embankment, temporary bridges, matting, falsework, piling, debris, or other obstructions placed during construction operations that are not a part of the finished work.
 6. Disturbance of vegetation shall be minimized and limited to only what is shown on the construction plans or as directed by the OWNER'S representative in writing.
 7. The CONTRACTOR shall clean paved surfaces, as necessary, to remove sediment that has accumulated on the roadway.
 - a. The project will not be accepted until the CONTRACTOR has cleaned-up disturbed areas to the satisfaction of the OWNER'S representative. The project will also not be accepted until the CONTRACTOR provides a uniform perennial vegetative cover with a density of 70 percent of adjacent undisturbed areas, or, if in the opinion of the OWNER'S representative, permanent measures (such as mulching with seed, straw bale dikes, slit fences, earth dams, etc.) have been employed that will control erosion, sedimentation, and water pollution until sufficient vegetative cover can be established.

PART 4 - MEASUREMENT AND PAYMENT

- 4.1 Unless specific bid item(s) are shown in the Bid Proposal Form, there will be no separate payment for work described under this section. Include the cost of this work in other applicable bid item(s) of which this work is a component part.

END OF SECTION

Attachment: LUCYS LS DECOMMISSIONING - Contract Document (Lucys Lift Station Decommissioning)

SECTION 01770 CLOSEOUT PROCEDURES

PART 1 - GENERAL

1.1 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Special Conditions and other Division 1 Specification Sections, apply to this Section.
- B. Provide operation and maintain information as described in Table 1 at the end of Section 01782 – Operation and Maintenance Data.

1.2 SUMMARY

- A. This Section includes administrative and procedural requirements for contract closeout, including, but not limited to, the following:
 - 1. Inspection procedures.
 - 2. Project Record Documents.
 - 3. Operation and maintenance manuals.
 - 4. Warranties.
 - 5. Instruction of Owner's personnel.
 - 6. Final cleaning.
- B. Related Sections include the following:
 - 1. Division 1 Section "Operation and Maintenance Data" for operation and maintenance manual requirements.
 - 2. Divisions 2 through 16 Sections for specific closeout and special cleaning requirements for products of those Sections.

1.3 SUBSTANTIAL COMPLETION

- A. Preliminary Procedures: Before requesting inspection for determining date of Substantial Completion, complete the following. List items below that are incomplete in request.
 - 1. Address issues on the Engineer's punch list that have not been completed and corrected, the value of items on the list, and reasons why the Work is not complete.
 - 2. Advise Owner of pending insurance changeover requirements.
 - 3. Submit specific warranties, workmanship bonds, maintenance service agreements, final certifications, and similar documents.
 - 4. Obtain and submit releases permitting Owner unrestricted use of the Work and access to services and utilities. Include occupancy permits, operating certificates, and similar releases.
 - 5. Prepare and submit Project Record Documents, operation and maintenance manuals, damage or settlement surveys, property surveys, and similar final record information.

6. Deliver tools, spare parts, extra materials, and similar items to location designated by Owner. Label with manufacturer's name and model number where applicable.
7. Make final changeover of permanent locks and deliver keys to Owner. Advise Owner's personnel of changeover in security provisions.
8. Complete startup testing of systems.
9. Submit test/adjust/balance records.
10. Terminate and remove temporary facilities from Project site, along with construction tools, and similar elements.
11. Advise Owner of changeover in heat and other utilities.
12. Submit changeover information related to Owner's occupancy, use, operation, and maintenance.
13. Complete final cleaning requirements, including touchup painting.
14. Touch up and otherwise repair and restore marred exposed finishes to eliminate visual defects.

B. Inspection: Submit a written request for inspection for Substantial Completion. On receipt of request, Engineer will either proceed with inspection or notify Contractor of unfulfilled requirements. Engineer will prepare the Certificate of Substantial Completion after inspection or will notify Contractor of items, either on Contractor's list or additional items identified by Engineer, that must be completed or corrected before certificate will be issued.

1. Reinspection: Request reinspection when the Work identified in previous inspections as incomplete is completed or corrected.
2. Results of completed inspection will form the basis of requirements for Final Completion.

1.4 FINAL COMPLETION

A. Preliminary Procedures: Before requesting final inspection for determining date of Final Completion, complete the following:

1. Submit a final Application for Payment in accordance with the requirements of the Special Conditions.
2. Submit copy of Engineer's Substantial Completion inspection list of items to be completed or corrected (punch list). The copy of the list shall state that each item has been completed or otherwise resolved for acceptance.
3. Submit evidence of final, continuing insurance coverage complying with insurance requirements.
4. Instruct Owner's personnel in operation, adjustment, and maintenance of products, equipment, and systems.

B. Inspection: Submit a written request for final inspection for acceptance. On receipt of request, Engineer will either proceed with inspection or notify Contractor of unfulfilled requirements. Engineer will prepare a final Certificate for Payment after inspection or will notify Contractor of construction that must be completed or corrected before certificate will be issued.

1. Reinspection: Request reinspection when the Work identified in previous inspections as incomplete is completed or corrected.

1.5 LIST OF INCOMPLETE ITEMS (Not Used)

1.6 PROJECT RECORD DOCUMENTS

- A. General: Do not use Project Record Documents for construction purposes. Protect Project Record Documents from deterioration and loss. Provide access to Project Record Documents for Engineer's reference during normal working hours.
- B. Record Drawings: Maintain and submit one set of blue- or black-line white prints of Contract Drawings and Shop Drawings.
 - 1. Mark Record Prints to show the actual installation where installation varies from that shown originally. Require individual or entity who obtained record data, whether individual or entity is Installer, subcontractor, or similar entity, to prepare the marked-up Record Prints.
 - a. Give particular attention to information on concealed elements that cannot be readily identified and recorded later.
 - b. Accurately record information in an understandable drawing technique.
 - c. Record data as soon as possible after obtaining it. Record and check the markup before enclosing concealed installations.
 - d. Mark Contract Drawings or Shop Drawings, whichever is most capable of showing actual physical conditions, completely and accurately. Where Shop Drawings are marked, show cross-reference on Contract Drawings.
 - 2. Mark record sets with erasable, red-colored pencil. Use other colors to distinguish between changes for different categories of the Work at the same location.
 - 3. Mark important additional information that was either shown schematically or omitted from original Drawings.
 - 4. Note Construction Change Directive numbers, Change Order numbers, alternate numbers, and similar identification where applicable.
 - 5. Identify and date each Record Drawing; include the designation "PROJECT RECORD DRAWING" in a prominent location. Organize into manageable sets; bind each set with durable paper cover sheets. Include identification on cover sheets.
- C. Miscellaneous Record Submittals: Assemble miscellaneous records required by other Specification Sections for miscellaneous record keeping and submittal in connection with actual performance of the Work. Bind or file miscellaneous records and identify each, ready for continued use and reference.

1.7 OPERATION AND MAINTENANCE MANUALS

- A. Reference Section 01782 – Operation and Maintenance Data.

1.8 WARRANTIES (Not Used)

PART 2 - PRODUCTS

2.1 MATERIALS

- A. Cleaning Agents: Use cleaning materials and agents recommended by manufacturer or fabricator of the surface to be cleaned. Do not use cleaning agents that are potentially hazardous to health or property or that might damage finished surfaces.

PART 3 - EXECUTION

3.1 DEMONSTRATION AND TRAINING

- A. Instruction: Instruct Owner's personnel to adjust, operate, and maintain systems, subsystems, and equipment not part of a system.
 - 1. Provide instructors experienced in operation and maintenance procedures.
 - 2. Provide instruction at mutually agreed-on times. For equipment that requires seasonal operation, provide similar instruction at the start of each season.
 - 3. Schedule training with Owner with at least seven (7) days' advance notice.
 - 4. Coordinate instructors, including providing notification of dates, times, length of instruction, and course content.
- B. Program Structure: Develop an instruction program that includes individual training modules for each system and equipment not part of a system, as required by individual Specification Sections. For each training module, develop a learning objective and teaching outline. Include instruction for the following:
 - 1. System design and operational philosophy.
 - 2. Review of documentation.
 - 3. Operations.
 - 4. Adjustments.
 - 5. Troubleshooting.
 - 6. Maintenance.
 - 7. Repair.

3.2 FINAL CLEANING

- A. General: Provide final cleaning. Conduct cleaning and waste-removal operations to comply with local laws and ordinances and Federal and local environmental and antipollution regulations.
 - 1. Complete the following cleaning operations before requesting inspection for certification of Substantial Completion for entire Project or for a portion of Project:
 - a. Clean Project site, yard, and grounds, in areas disturbed by construction activities, including landscape development areas, of rubbish, waste material, litter, and other foreign substances.
 - b. Sweep paved areas broom clean. Remove petrochemical spills, stains, and other foreign deposits.

- c. Rake grounds that are neither planted nor paved to a smooth, even-textured surface.
 - d. Remove tools, construction equipment, machinery, and surplus material from Project site.
 - e. Clean exposed exterior and interior hard-surfaced finishes to a dirt-free condition, free of stains, films, and similar foreign substances. Avoid disturbing natural weathering of exterior surfaces. Restore reflective surfaces to their original condition.
 - f. Remove debris and surface dust from limited access spaces, including roofs, plenums, shafts, trenches, equipment vaults, manholes, attics, and similar spaces.
 - g. Sweep concrete floors broom clean in unoccupied spaces.
 - h. Clean transparent materials, including mirrors and glass in doors and windows. Remove glazing compounds and other noticeable, vision-obscuring materials. Replace chipped or broken glass and other damaged transparent materials. Polish mirrors and glass, taking care not to scratch surfaces.
 - i. Remove labels that are not permanent.
 - j. Touch up and otherwise repair and restore marred, exposed finishes and surfaces. Replace finishes and surfaces that cannot be satisfactorily repaired or restored or that already show evidence of repair or restoration.
 - 1) Do not paint over "UL" and similar labels, including mechanical and electrical nameplates.
 - k. Remove excess lubrication, paint and mortar droppings, and other foreign substances.
 - l. Replace parts subject to unusual operating conditions.
 - m. Clean plumbing fixtures to a sanitary condition, free of stains, including stains resulting from water exposure.
 - n. Leave Project clean and ready for use.
- B. Comply with safety standards for cleaning. Do not burn waste materials. Do not bury debris or excess materials on Owner's property. Do not discharge volatile, harmful, or dangerous materials into drainage systems. Remove waste materials from Project site and dispose of lawfully.

END OF SECTION

SECTION 015813- PROJECT SIGN**PART 1 - GENERAL****1.01 DESCRIPTION**

- A. All material, labor, equipment, tools and superintendence necessary to furnish, install, and maintain Project Sign.

1.02 REFERENCES

- A. City of Celina Standard Detail for Project Sign.

PART 2 - PRODUCTS

- A. Contractor may contact any City approved manufacturer.

PART 3 - EXECUTION**3.01 INSTALLATION**

- A. The Contractor shall coordinate with the City regarding the location prior to installation. The City shall provide on-site inspection of the installation.

PART 4 - MEASUREMENT AND PAYMENT**4.01 MEASUREMENT**

- A. This Item will be measured on a per Each (EA) basis.

4.02 PAYMENT

- A. All work performed and materials furnished in accordance with this Item and measured as provided under MEASUREMENT will be paid for at the unit bid price for "Project Sign" in accordance with the City of Celina's Standard Detail for Project Sign. This price is full compensation for all material, labor, equipment, tools and superintendence necessary to furnish and install Project Sign.

END OF SECTION

SECTION 017113- MOBILIZATION

PART 1 - GENERAL

1.01 DESCRIPTION

The work under this section of the specification shall include the establishment of offices and other facilities on the project site and the movement of personnel, construction equipment, and supplies to the project site or to the vicinity of the project site to enable the Contractor to begin work on the other contract items that will be performed by the Contractor. This Item also includes all costs associated with bonding and insurance.

PART 2 - PRODUCTS

Not used.

PART 3 - EXECUTION

Not used.

PART 4 - MEASUREMENT AND PAYMENT

4.01 MEASUREMENT

- A. This Item will be measured on a Lump Sum (LS) basis as the work progresses.
- B. The maximum bid amount for this Item shall be 5% of the total amount bid for the project.

4.02 PAYMENT

Partial payments of the bid for Mobilization will be as follows. The adjusted contract amount for construction items as used below is defined as the total contract amount less the bid for Mobilization.

- A. When 1% of the adjusted contract amount for construction items is earned, 50% of the mobilization lump sum bid will be paid. Previous payments under this Item will be deducted from this amount.
- B. When 5% of the adjusted contract amount for construction items is earned, 75% of the mobilization lump sum bid will be paid. Previous payments under this Item will be deducted from this amount.
- C. When 10% of the adjusted contract amount for construction items is earned, 90% of the mobilization lump sum bid will be paid. Previous payments under this Item will be deducted from this amount.
- D. When 50% of the adjusted contract amount for construction items is earned, 100% of the mobilization lump sum bid will be paid. Previous payments under this Item will be deducted from this amount.

END OF SECTION

SECTION 017416- DUST CONTROL

PART 1 - GENERAL

1.01 DESCRIPTION

- A. All material, labor, equipment, tools and superintendence necessary for Dust Control in accordance with *Public Works Construction Standards*, NCTCOG, 4th Edition, Item 203.8.

1.02 REFERENCES

- A. *Public Works Construction Standards*, NCTCOG, 4th Edition, Item 203.8

PART 2 - PRODUCTS

2.01 MATERIALS

- A. Refer to *Public Works Construction Standards*, NCTCOG, 4th Edition; Item 203.8.

PART 3 - EXECUTION

3.01 INSTALLATION

- A. Refer to *Public Works Construction Standards*, NCTCOG, 4th Edition; Item 203.8.

PART 4 - MEASUREMENT AND PAYMENT

4.01 MEASUREMENT

- A. This Item shall not be measured as a separate contract Item.

4.02 PAYMENT

- A. The work performed and materials furnished in accordance with this Item will not be paid for directly but will be subsidiary to pertinent Items.

END OF SECTION

SECTION 03614
PORTLAND CEMENT CONCRETE PAVEMENT

PART 1 - GENERAL

1.1 SCOPE

- A. This section specifies the furnishing and placing of Portland cement concrete pavement on prepared sub grades. Construct pavement of designated thickness and to line, grade and typical cross section, as shown.

1.2 RELATED WORK

- A. Division 2, Site Work.
 - 1. Roadway Excavation

1.3 HANDLING AND STORAGE

- A. Do not mix different classes of aggregate without written permission of the Engineer.
- B. The class of aggregate being used can be changed before or during the job with proper notice. The new class must meet specifications.
- C. Segregated aggregate will be rejected. Before using aggregate whose particles are separated by size, mix them uniformly to grading requirements.
- D. Aggregates mixed with dirt, weeds or foreign matter will be rejected.
- E. Do not dump or store aggregate in the roadbed.

PART 2 - 2.0 PRODUCTS

2.1 MATERIALS

- A. Portland Cement.
 - 1. Sample and test cement to verify compliance with standards of ASTM C-150, Type I or ASTM C-175, Type III.
 - 2. Bulk cement, which meets referenced standards, may be used if the method of handling is approved by the Engineer. When using bulk cement, provide satisfactory weighing devices.

- B. Water. Furnish clean, drinkable water free from injurious amount of oils, alkalis or other deleterious substances.
- C. Coarse Aggregate. Provide crushed stone or gravel which is clean, hard, durable, and well graded within specified limits. When tested by standard laboratory methods, coarse aggregate must conform to the following requirements:
1. The maximum percentage by weight of deleterious substances must not exceed the following values:

Constituents	Percent by Weight
Removed by decantation	4.00
Shale	0.25
Clay Lumps	0.25
Constituents	Percent by Weight
Soft fragments	3.00
Other local deleterious substances, such as friable pieces	3.00
The sum of the percentages of above constituents shall not exceed	5.00

2. Furnish coarse aggregate worn no more than 45 percent (45%) when tested according to AASTHO T-96.
3. Conform to the following grading requirements for aggregate tested on a standard square-opening sieve.

Sieve	Percent Retained
2-1/2 inches	0
1-1/4 inches	0 to 20
1/8 inch	25 to 65
No. 4	95 to 100

- D. Fine Aggregate. Provide washed sand having clean, hard, durable grains, well graded from coarse to fine. The sand must be free from soft or flaky particles or other injurious matter. When tested by standard laboratory methods, fine aggregate must conform to the following requirements:

1. Conform to the following grading requirements for aggregates tested on standard sieve.

Screen or Sieve	Percent Retained by Weight
3/8 inch screen	0
1/4 inch screen	0 to 5

20 mesh sieve	15 to 50
100 mesh sieve	85 to 100

2. Weight removed by elutriation test must not be more than two percent (2%).
 3. When subjected to color test for organic impurities, fine aggregate must not show color darker than standard color.
- E. Mineral Filler. The addition of stone dust, sand, or crushed (oyster) shell dust of acceptable quality and cleanliness may be required as mineral filler to improve workability or plasticity of concrete mixture. When mineral filler is used, it must be batched and weighed separately. Filler may be used in amounts not to exceed 15 percent (15%) of weight of fine aggregate. When tested with standard laboratory sieves, mineral filler must meet the following requirements:
- a. Passing 30 mesh sieve 95 to 100 percent
 - b. Passing 200 mesh sieve 50 to 100 percent
- F. Reinforcing Steel.
1. Provide new billet steel manufactured by the open hearth process and conforming to ASTM A-615, Grade 60. Store steel to protect it from mechanical injury and rust. At the time of placement, steel should be free from dirt, scale, rust, paint, oil or other injurious materials.
 2. Cold bend reinforcing steel to shapes shown. If re-bending is required, the reinforcing steel must be Grade 40. Grade 60 reinforcing steel may not be re-bent.
 3. Wire fabric must be of gage and facing shown and must meet ASTM A-82. Use fabric in which longitudinal and transverse wires have been electrically welded at points of intersection. Welds must have sufficient strength not to be broken during handling or placing. Welding and fabrication of fabric sheets must conform to standards ASTM A-185.
 4. Furnish the manufacturers certificate giving property of steel. Provide specimens for testing, when required.
- G. Air Entraining Agent. Furnish an air-entraining agent, which meets standards of ASTM C-260. Use MB-VR by Master Builders Company, Air-in By Hunt Process Corporation-Southern, or an approved equal.
- H. Retardant. As retardant provide Pozzolith No. 8 by Master Builders Company, HPS-R by Hunt Process Corporation-Southern, or an approved equal.
- I. Expansion Joint Material. Furnish filler board of selected stock. Use wood of density and type as follows:
1. Clear, all heart cypress weighing no more than 40 pounds per cubic foot, after being oven dried to constant weight.
 2. Clear, all heart redwood weighing no more than 30 pounds per cubic foot, after being oven dried to constant weight.
- J. Joint Sealing Compound. Furnish hot-poured elastomeric polymer exceeding Federal Specifications SS-S-164.

- K. Load Transmission Devices. Provide smooth steel bar dowel, as shown. Steel bars must conform to standards of ASTM A-615, Grade 60.
- L. Metal Supports for Reinforced Steel and Joint Assembly. Employ metal of approved shape and size. Space supports as directed.
- M. Liquid Membrane Forming Compound for Curing Concrete. Provide Type II white pigmented compound conforming to standards of ASTM C-309.

2.2 PROPORTIONING

- A. Responsibility. Proportioning of the concrete mix is the responsibility of the Contractor. Design the concrete mixture and furnish a statement giving the proportion of materials in the mix. Submit commercial laboratory report showing that proportions and materials selected will produce laboratory mixed concrete of the specified quality, having strength 10 percent (10%) higher than that specified. Testing of design mixes is the Contractor's responsibility.
- B. Concrete Mix. Provide a concrete mix that is uniform and workable. Design the mix to produce concrete, which will have a compressive strength of 3,500 psi at 28 days. Flexural strength shall be 500 psi for six-inch (6") and 500 psi for seven-inch (7") concrete at seven (7) days and 600 psi at 28 days. Settlement of concrete must be at least 1-1/2-inches, but no more than 4-1/2inches, when gauged by a standard slump test.
 - 1. Concrete pavement must contain at least five and a half (5.5) sacks of cement per cubic yard. The concrete mixture shall contain no more than 8.0 gallons of water, net, per sack of cement. Addition of mineral filler may be required to improve workability or plasticity of concrete.
 - 2. The net amount of water is the amount added at the mixer, plus pre-waters in the aggregate, minus absorption the aggregate displays in 30 minutes. No water allowance will be made for evaporation after batching.
 - 3. Coarse dry aggregate will not exceed 85 percent (85%) of the loose volume of concrete.
 - 4. Add the air-entraining agent to the concrete to produce the effect that could be obtained by use of Air-Entraining Portland cement, as specified in ASTM C-175. Use the amount needed to entrain three percent (3%) to five percent (5%) of air by volume of concrete. Add the agent to the batch in a solution of the mixing water. Batch this solution by means of a mechanical batcher capable of accurate measurement. Insure a uniform distribution throughout the batch during the specified mixing period.
 - 5. Retardant is required when the ambient temperature exceeds 85° F. Proportion as recommended by the manufacturer. Use the same brand as used for the air-entraining agent. Add and batch the material using the same methods as used for the air-entraining agent.

2.3 MIXING EQUIPMENT

- A. Condition. Mixing equipment must be in first class working condition and must be inspected and approved by the Engineer before paving operations will be permitted.
- B. Scales.
 - 1. Weigh materials separately and accurately using standard scales attached to a standard batching plant approved by the Engineer. Consider a sack of cement weighing 94 pounds to be one (1) cubic foot.
 - 2. Employ beam type or springless dial type scales. Equip the beam type with a springless dial indicator showing at least 100 pounds over or under the required weight. Use graduated scales or dial indicator showing increments of five (5) pounds or less.
 - 3. Use scales accurate within four (4) pounds per 1,000 pounds net load in the hopper.
- C. Mixer.
 - 1. A capacity of not less than 14-S mixer, as rated by Mixer Manufacturers Bureau of Associated General Contractors, is required. Provide a speed regulator to hold a mixer to the normal speed of revolution. Equip the mixer with an automatic timer and lock for the discharging device to prevent discharge until all materials have been mixed together for the minimum time required. The time and lock must operate independently of the drum. Also provide a bell to indicate completion of a mixing time. The bell must be plainly audible to a distance of 50-feet (50') from the mixer.
 - 2. Equip the mixer with an accurate device to measure water within one percent (1%) of the total amount required. Construct the measuring drum with an opening to atmospheric pressure when the measured amount of water is inside. Place and construct the drum so that a single batch of water can be discharged into a calibrated tank or a weighing device attached to the mixer, without seriously delaying paving operations. Check the operation of this water-measuring device daily.
- D. Batch Truck. Batch trucks, for the transportation of measured materials from the batching plant to the mixer, must be covered tight to prevent excessive evaporation or any loss of materials.

2.4 MIXING

- A. Central batching and transit mixing will be permitted. A central mixing plant will be allowed upon approval of mixing and handling methods.
- B. Mix concrete in a batch-mixer as specified only in such quantities as are required for immediate use. Thoroughly mix aggregate and cement for a period of not less than 50 seconds, computed from the time the last aggregate disappears into the drum until the concrete begins to appear in the discharge chute. Lock the mixer discharge with an automatic timing device until the specified time has elapsed. Introduce water into the drum during the first 15 seconds of mixing. Discharge the entire contents of the drum before the materials are placed for a succeeding batch. Re-tempering or remixing will not be permitted.

- C. For transit mixed concrete use a water-type truck mixer. Mix each batch for 100 revolutions at the mixer manufacturer's mixing speed. Perform additional mixing or agitation at the speed specified for agitation.
- D. Stamp the time of loading the transit-mix truck on the delivery ticket before the truck leaves the plant. Equip truck mixers with water tank and measuring devices which permit positive measurement of mixing water. When aggregate contains more than six percent (6%) water, place the concrete within ½ hour after the introduction of water. When aggregate contains from three percent (3%) to six percent (6%) water, place concrete within ½ hour after the introduction of cement. Transit mix concrete must conform to other applicable requirements of this section.

PART 3 - EXECUTION

3.1 WEATHER CONDITIONS

- A. Place concrete only when the air temperature is above 40°F and rising. Place no concrete if the temperature is below 50 deg. F and falling. Maintain the temperature of the air surrounding the concrete at 50 deg. F for not less than five (5) days. The Contractor is responsible for the quality and strength of concrete placed under any weather conditions.

3.2 EQUIPMENT

- A. Equipment necessary for preparing the sub grade, placing, consolidating, and finishing the concrete pavement, in accordance with these specifications and in accordance with the construction drawings, must be in good working order. It must have the capacity to perform the work with an adequate factor of safety. Equipment proposed for use under this specification is subject to approval by the Engineer.

3.3 SUBGRADE

- A. Properly prepare, shape and compact each section of sub grade before placing forms, steel or concrete. After forms have been set to proper grade and alignment, use a sub grade planer to shape the sub grade to its final cross section. Check the contour of the sub grade with the template.

3.4 FORMS

- A. Side Forms. Use metal or wood forms of approved shape and section. A form as deep as the pavement edge thickness is preferred. Forms with depth up to one-inch (1") greater or less than pavement thickness may be used. Forms with less depth than pavement thickness will be brought to required depth by securely attaching wooden planks of approved section and size to the bottom of the form. Use a form section at least 10-feet (10') in length, and staked in position with at least three (3) pins. Forms must have adequate strength to withstand machine loads without visible springing or settlement. Use forms free from warps, bends and kinks and sufficiently true to provide a straight edge on the concrete.

Test the top of each form section with a straight edge and verify that it conforms to requirements for the surface of complete pavement. Use flexible or curved forms of wood or metal to set the proper radius on curves of 100-feet (100') radius or less.

B. Form Setting.

1. Rest forms directly on sub grade. Do not shim with pebbles or dirt. Remove sub grade that will not support the loaded form. Replace and compact sub grade to required density. Accurately set forms to required grade and alignment and, during the entire operation of placing, compacting and finishing of concrete, do not deviate from this grade and alignment more than $\frac{1}{8}$ -inch ($\frac{1}{8}$ ") to 10-feet (10') in length. Do not remove forms for at least 24-hours after the completion of finishing operations. Provide a supply of forms that will be adequate to comply with this requirement and for orderly and continuous placing of concrete. Set the forms and check the grade for at least 130-feet (130') ahead of the mixer.
2. Adjacent slabs may be used instead of the forms, provided that the concrete is well protected from possible damage by finishing equipment. These adjacent slabs must not be used for forms until the concrete has aged at least seven (7) days. For short radius curves, forms less than 10-feet (10') in length or curved forms may be used. For curb returns at street intersections and driveways, wood forms of good grade and quality may be used. Do not use any material, which, in the opinion of the Engineer, is unsuitable for forms.

3.5 REINFORCING STEEL AND JOINT ASSEMBLIES

- A. Accurately place reinforcing steel and joint assemblies and position them securely in accord with details shown. Wire reinforcing bars securely together at intersections and splices. Bars and coatings must be free of rust, dirt or other foreign matter when the concrete is installed.
- B. Place pavement joint assemblies at required locations and elevations, and rigidly secure all parts in required positions. Install dowel bars accurately in joint assemblies as shown, each parallel to the pavement surface and to the center line of the pavement and rigidly secure in the required position to prevent displacement during placing and finishing of concrete. Accurately cut header boards, joint filler and other material used for forming joints to receive each dowel bar.
- C. Place all reinforcing steel and secure to chairs.

3.6 PLACING

- A. Batches not placed as specified within 30 minutes after water or cement has been added will be rejected. Fine aggregate containing more than six percent (6%) moisture and coarse aggregate containing more than three percent (3%) moisture will likewise be rejected.
- B. Deposit concrete rapidly and continuously on sub grade or sub base in successive batches. Distribute concrete to the required depth and for entire width of the pour by shoveling or by other approved methods. Do not use rakes in handling concrete. At the end of the day or

in case of unavoidable interruption of more than 30 minutes, place a transverse construction joint at the point of stopping work, provided that the section on which work has been suspended is not less than 10-feet from the preceding joint. Sections less than 10-feet along must be removed and replaced.

- C. Take special care in placing and spading concrete against forms and at longitudinal and transverse joints to prevent honeycombing. Voids in the edge of the finished pavement will be cause for rejection.
- D. Concrete will be rejected if the temperature of the concrete exceeds 95°F prior to placement.

3.7 COMPACTING

- A. Consolidate the concrete using an approved mechanical vibratory unit designed to vibrate concrete internally. Extend a vibratory unit across the pavement, not quite touching the side forms. Equip the unit with synchronized vibrators. Space individual vibrators at close enough intervals to vibrate and consolidate the entire width of the pavement uniformly. Mount mechanical vibrators to avoid contact with forms, reinforcement, transverse or longitudinal joints.
- B. Furnish enough hand-manipulated mechanical vibrators for proper consolidation of concrete along forms, at joints and in areas not covered by mechanically controlled vibrators.

3.8 FINISHING

- A. Finish concrete pavement by power-driven transverse finishing machines or by hand finishing methods.
 - 1. Use the transverse finishing machine to make at least two (2) trips over each area. Make the last trip over a given area a continuous run of not less than 40-feet (40'). After transverse screening, use a hand operated longitudinal float to test and level the surface to the required grade.
 - 2. Hand finish with a mechanical strike and tamping template as wide as the pavement to be finished. Shape the template to the pavement section. Move the strike template forward in the direction of the work, maintaining a slight excess of material in front of the cutting edge. Make at least two (2) trips over each area. Screen the pavement surface to the required section. Work the screed with a combined transverse and longitudinal motion in the direction work is progressing. Maintain the screed in contact with the forms. Use a longitudinal float to level the surface.
- B. On narrow strips and transitions, finish concrete pavement by hand. Thoroughly work concrete around reinforcement and embedded fixtures. Strike-off concrete with a strike-off screed. Move the strike-off screed forward with combined transverse and longitudinal motion in direction work is progressing, maintaining the screed in contact with the forms, and maintaining a slight excess of materials in front of the cutting edge. Tamp the concrete with a tamping template. Use a longitudinal float to level the surface.

- C. After completion of the straight edge operation, make the first pass of a burlap drag as soon as construction operations permit and before the water sheen has disappeared from the surface. Follow this by as many passes as required to produce the desired texture depth. Permit no unnecessary delays between passes. Keep the drag wet, clean and free from encrusted mortar during use. Paving broom finish may be provided in lieu of burlap drag.

3.9 SURFACE TESTS

- A. Test the entire surface before the initial set and correct irregularities or undulations. Bring surface within requirements of the following test and then finish. Place an approved 10-foot (10') straight edge parallel to the center of the roadway to bridge any depressions and touch all high spots. Do not permit ordinates measured from the face of the straight edge to the surface of the pavement to exceed 1/16-inch (1/16") per foot from the nearest point of contact. In no case permit the maximum ordinate to a 10-foot (10') straight edge to exceed 1/8-inch (1/8").

3.10 JOINTS

- A. Placement. Place joints of the types shown on drawings at required locations and at spacing shown.
- B. Construction Joints. Place a transverse construction joint wherever concrete placement must be stopped for more than 30 minutes. Place longitudinal construction joints at interior edges of pavement lanes where required. Work the concrete well against the bulkhead.
- C. Expansion Joints. Place expansion joints at radius points of curb returns for cross street intersections, or as shown on plans. Use no boards shorter than six-feet (6'). When pavement is 24-feet or narrower, use not more than two (2) lengths of board. Secure pieces to form a straight joint. Shape board filler accurately to the cross section of the concrete slab. Use pre-molded joint filler, accurately shaped, in curb section. Use load transmission devices of the type and size shown. Use a joint sealing compound as required.
- D. Contraction Joints. Make contraction joints straight and place them at spacing shown. Joints shall be sawed into the completed pavement surface as soon after initial concrete set as possible to control cracking but with enough elapsed time to prevent any damage by blade action to the slab surface and to the concrete immediately adjacent to the joint. Any portion of the curing membrane, which has been disturbed by sawing operations, shall be restored by spraying the areas with additional curing compound. All sawing operations should be conducted and completed within that period of time from 5 to 12 hours after the concrete slab is poured. The sawed groove shall be thoroughly cleaned for the full depth and width of the joint and filled.

3.11 MEMBRANE CURING

- A. After the concrete surface has been finally finished and the surplus water sheen has disappeared, seal the surface with single uniform coating of an approved curing compound. Apply the compound at the rate of coverage recommended by the manufacturer and as directed by Engineer, but not less than one 1 gallon per 180 square feet of surface area. Control and check the rate of application.
- B. Thoroughly agitate the compound during use and apply by means of approved mechanical power pressure sprayers, equipped with satisfactory atomizing nozzles. For application on small miscellaneous items, hand powered spray equipment may be used. For all spraying equipment, provide means to prevent loss of compound between the nozzle and the concrete surface while spraying.
- C. Thoroughly moisten the surface just before applying the curing compound. Where discontinuities, pin holes or other defects show, or where rain has fallen, immediately apply an additional coat of compound to the newly coated surface before the film has dried sufficiently to resist damage. Apply the added coat at the same rate of coverage as specified.

3.12 JOINT SEALING

- A. Seal joints only when surface and joints are dry, ambient temperature is above 50°F, and weather is not foggy or rainy.
- B. Before work is started, the joint sealing equipment must be in first class working condition, and be approved by the Engineer. Use a concrete grooving machine or a power operated wire brush and other equipment such as plows, brooms, brushes and blowers as required to produce satisfactory joints.
- C. Clean joints of loose scale, dirt, dust and curing compound. When required, remove the joint filler to the depth shown. The term joint includes wide joint spaces, expansion joints, dummy groove joints or cracks, either performed or natural. Remove loose material from concrete surfaces adjacent to joints.
- D. Fill joints neatly with joint sealer to the depth shown. Pour sufficient joint sealer into the joints so that, upon completion, the surface of the sealer within the joints will be ¼-inch (¼") below the level of the adjacent surface or at an elevation as directed.

3.13 PROTECTION AND OPENING PAVEMENT TO TRAFFIC

- A. Barricade a pavement section from use for at least 72 hours during the curing period. Do not open pavement to traffic until concrete is at least 10 days old. On those sections of pavement open to traffic, seal the joints; clean the pavement and place earth against the pavement edges before permitting use by traffic. Such opening of pavement to traffic in no way relieves the contractor from his responsibility for the work.

3.14 TESTING

- A. Laboratory Services. The Contractor will appoint a commercial laboratory and payment for laboratory services rendered will be as outlined in Division 1, Quality Control.
- B. Duties. Arrange for the laboratory to inspect and test materials entering the concrete and check the design of concrete mixes to meet specified strengths, uses and finishes. The lab will analyze aggregate for quality durability, grading and free water content. The lab will take representative specimens of ingredients and mixes; make test cylinders and measure their compressive strength. The lab will check the moisture content of aggregates and control their mix subject to approval.
- C. Test Procedures. The laboratory will make tests in conformance with current standard test procedures of ASTM and AASHTO.
- D. Test Reports. The laboratory will promptly furnish written reports covering results of test and inspections to the Engineer and the Contractor.
- E. Test Beams. Four (4) test beams for flexural strength and two (2) cylinders for compressive strength will be made for each 750 square yards or less of pavement placed in one (1) day or one (1) per street. Beams and cylinders will be made, cured, and tested using applicable ASTM Standards for sampling and testing.
 - 1. Two (2) beams will be tested at seven (7) days. Two (2) beams and two (2) cylinders will be tested at twenty-eight (28) days. The minimum flexural strength shall be 500 psi at seven (7) days and 600 psi at twenty-eight (28) days, unless otherwise required by the Engineer.
- F. Core Samples. In the event test beams fail, and/or if otherwise directed by the Owner, drill core samples of concrete pavement at locations designated to measure thickness and compressive strength. One (1) core shall be taken for each 1,000 square yards of pavement, except that not less than one (1) core for each street. Cores shall be taken in alternate one-half (½) sections of the roadway. At age of 28 days, each core may be tested for compressive strength. The compressive strength of each core tested must be at least 3,000 psi.

3.15 MEASUREMENT AND PAYMENT

4.01 MEASUREMENT

- A. Refer to *Public Works Construction Standards*, NCTCOG, 5th Edition; Item 303.9

4.02 PAYMENT

- A. Refer to *Public Works Construction Standards*, NCTCOG, 5th Edition; Item 303.9.

END OF SECTION

SECTION 02601 MANHOLES

PART 1 - GENERAL

1.1 SCOPE

- A. Manholes shall be constructed complete with covers, vents, drops, fittings, and other appurtenances as shown or specified. Manholes shall be constructed of pre-cast concrete or cast-in-place concrete (as approved by City) or as shown on the plans.

PART 2 - PRODUCTS

2.1 CONCRETE

- A. Materials, handling, forms, finishing, curing, and other work shall be as specified on the plans. Concrete mix shall be prepared using ASTM C150 Type II cement with the ConShield antimicrobial admixture or approved equal, and shall be designated to achieve a minimum 28-day compressive strength of 4,000 psi.

2.2 PRECAST CONCRETE MANHOLES

- A. Precast reinforced concrete manhole sections shall conform to ASTM Designation C 478 (C478M), with the following additions:
 1. All pipe shall be machine made by a process, which shall provide for uniform placement of zero slump concrete in the form and compaction by mechanical devices, which shall assure a dense concrete in the finished product, except that reducer cones may be wet-cast.
 2. Aggregates for the concrete shall comply with requirements of the current Concrete Aggregates, ASTM Designation C33, with the additional requirement that the aggregate shall have a minimum of 50 percent of calcium carbonate equivalent.
 3. Minimum wall thickness for the manhole risers shall be as listed under Wall "B" in the "Class Tables" of ASTM Designation C 76 (C 76M).
 4. Unless otherwise noted, manhole steps shall not be furnished. If required, the steps shall be of the plastic or rubber coated steel type, with a clear cleat space of 10 in. minimum that shall support a concentrated load of 300 pounds.
- B. Joints shall conform to the joint specification ASTM Designation C 478 (C478M).
- C. Lifting Devices: Manhole sections and cones may be furnished with lift lugs or lift holes. If lift lugs are provided, they shall be 180 degrees apart. Cast-in-place nuts must have clean threads capable of inserting lug bolts. The lift lug design must be approved by the Owner. If lift holes are provided, they shall be plugged with a nonmetallic nonshrink grout approved by the Owner. Field repairs shall not be allowed.

2.3 RESILIENT CONNECTORS

- A. Resilient connectors between manhole structures and pipes shall meet the requirements of ASTM Designation C 923 or ASTM C 443. The resilient connector shall provide an airtight seal, which eliminates infiltration and exfiltration.

2.4 COATINGS AND LININGS

- A. Coatings and linings called for in the specifications or shown on the plans shall meet the requirements as specified by the Owner and shall be installed or applied by the manufacturer.

2.5 FIBERGLASS MANHOLES (Must be approved by the City)

- A. Fiberglass Reinforced Plastic Manholes will meet the requirements of ASTM-D-3753, and to be Flowtite Manholes by Owens Corning Fiberglass Corporation or approved equal.

1. Fiberglass reinforced plastic manholes shall be a one-piece unit of one class, fabricated in a composite laminate. Manholes to be fabricated with anti-flotation flanges at bottom, and integral pipe stubs or resilient connectors.
2. Class - The manholes shall be manufactured in one class of load rating. This class shall be H-20 wheel load (16,000 pounds dynamic wheel load).
3. Resin - Unsaturated isophthalic polyester resins shall be used and they shall meet the requirements of current ASTM designations and tests. The flexural strength when tested according to ASTM Method D-790-70 shall be 10,000 p.s.i. Reinforcement shall be fiberglass mat continuous roving, chopped roving and/or roving fabric. The fiberglass shall be Type "E" and have a finish compatible with the resin used. Fillers, when used, must not degrade the resin chemical resistant properties. Additives, such as thixotropic agents, catalyst and promoters may be added as required by the specified manufacturing process used to meet this standard.
4. Laminate - Cured laminate must meet the following conditions.

<u>Properties</u>	<u>Test Method</u>	<u>Requirement</u>
Glass Content (% by weight)	ASTM D2584-68	20 to 70%
Compressive Strength	D 695-69	Min. 12,000 psi
Flexural Strength	D 790-70	Min. 12,000 psi
Flexural E-Modules	ASTM D 790-70	Min. 700,000 psi
Surface Hardness	ASTM D 2583-67	Min. 80% of resin's normal value

5. The Contractor shall furnish the manufacturer's certificate that the material meets the standards set forth herein. All fiberglass manhole sections shall be identified with the manufacturer's name, identification number and manhole length.

PART 3 - EXECUTION

3.1 MANHOLE CONSTRUCTION

- A. Sanitary sewer manholes shall be fabricated in different configurations to meet with specific needs required in the sanitary sewer system. Unless otherwise shown or specified, manholes shall have a minimum inside diameter of four feet. Manholes constructed in advance of paving projects shall be constructed with the top of the concrete portion of the manhole 23 inches below the final finished grade. The ring and cover shall be placed on a built-up section of brick and mortar. Manholes shall be watertight. Manholes shall be constructed in accordance with the details shown on the drawings.
 - 1. Cast-In-Place. The base, wall and cone shall be poured and vibrated to assure a monolithic structure. Construction joints with waterstops must be approved by the Owner.
 - 2. Precast. The precast sections shall be of the bell-and-spigot design incorporating tapped O-ring gaskets, or tongue-and-groove with premolded joint sealing compound. Lift holes may be used but must be filled with a nonshrink grout after the section is in place. Combination of joints shall be selected to minimize the number of individual segments. Long joints shall be used in the bottom and shorter segments utilized for top adjustments. Shoring straps shall be installed on the first two joints of precast sections used in Type "S" manholes.
 - 3. Drop. Drop manholes shall be constructed in accordance with details on the plans. The construction is the same as that for a cast-in-place manhole with special provisions incorporated to provide drop piping.
 - 4. Type "S". Type "S" manholes (sealed manholes) shall be constructed in accordance with details shown on the plans.
 - 5. FRP. Prepare subgrade and construct concrete foundation. Insert FRP manhole into wet concrete in accordance with manufacturer's recommendations. Upon curing of concrete, backfill with select material in maximum 12" lifts and compact evenly around perimeter of manhole.

3.2 GROUTING

- A. All grout shall be used within 30 minutes after mixing. Grout, which has begun to take on initial set, shall be discarded and shall not be mixed with additional grout.

3.3 CONNECTIONS

- A. The first full joint of pipe extending from the manhole shall be cradled in concrete to the pipe joint in the same pour as that for the manhole base slab as shown on the drawings.
- B. In no case shall the invert section through a manhole be greater than that of the outgoing pipe. The shape of the invert shall conform exactly to the lower half of the pipe it connects. Side branches shall be connected with as large radius of curve as practicable. All inverts shall be troweled to a smooth clean surface.

3.4 MANHOLE FRAME AND COVER

- A. The manhole frame and cover shall be to V-1432 or approved equal. Bolts shall be stainless steel. Rings and covers shall be 32" diameter with 30" clear opening.
- B. Manhole frames and covers shall be furnished and installed in accordance with the details shown on the drawings and as specified herein.
- C. Manhole insert, when shown on the plans, shall be manufactured from corrosion proof material suitable for atmosphere associated with wastewater collection systems. They shall be made from High Density Polyethylene Copolymer material that meets ASTM Specification Designation D-1248 Class A, Category 5, Type III. The thickness shall be uniform 1/8" or greater and manufactured to the size to be inserted into the manhole frame.
- D. The insert shall have a system of relieving pressure from the manhole or relieving a vacuum in the manhole. The venting system shall contain no moving parts which could be affected by grit accumulations nor have any parts subject to corrosion. The venting system shall not allow water to completely fill the insert, which during freezing weather could freeze and lift the manhole cover. Each insert should be installed in accordance with the manufacturer's instructions.

3.5 TESTING

- A. Manholes shall be tested for leakage separately and independently of the wastewater lines by hydrostatic exfiltration testing, vacuum testing, or other pre-approved methods. If a manhole fails a leakage test, the manhole must be made water tight and retested. The maximum leakage for hydrostatic testing shall be 0.025 gallons per foot diameter per foot of manhole depth per hour. Alternative test methods must ensure compliance with the above allowable leakage. Hydrostatic exfiltration testing shall be performed as follows: all wastewater lines coming into the manhole shall be sealed with an internal pipe plug, then the manhole shall be filled with water and maintained full for at least one hour. For concrete manholes a wetting period of 24 hours may be used prior to testing in order to allow saturation of the concrete.
- B. Should the test disclose a water loss greater than permitted, the contractor shall, at his own expense, locate and repair defective joints, pipes, etc. and retest until losses are within specified allowances.

3.6 MEASUREMENT AND PAYMENT

MEASUREMENT

- A. Refer to Public Works Construction Standards, NCTCOG, 4th Edition, Item 502.1.6.

PAYMENT

- A. Refer to Public Works Construction Standards, NCTCOG, 4th Edition, Item 502.1.6.

END OF SECTION

SECTION 02560 SANITARY SEWERS

PART 1 - GENERAL

1.1 DESCRIPTION

- A. This section describes the complete work necessary to install sanitary sewers and appurtenances, including sanitary manholes, drops, stacks, clean outs, and service connections.

1.2 RELATED WORK

- A. Division 2, Site Work.
 - 1. Excavation, Trenching and Backfilling
 - 2. Manholes
 - 3. Trench Safety Systems

PART 2 - PRODUCTS

- 2.1 Except as otherwise specified, furnish materials according to requirements of the governing specification.

2.2 SANITARY SEWER PIPE

- A. Gravity Sewers. Install the following pipe materials for gravity sanitary sewers. Use of all types listed below in a single project is acceptable.
 - 1. Polyvinyl-Chloride (PVC) Pipe. The pipe material shall have a cell classification of 12454-B, 12454-C, or 13364-B (with minimum tensile modulus of 500,000 psi) as defined in ASTM D-1784. Minimum pipe stiffness at five percent (5%) deflection shall be 115 psi for all sizes when calculated according to ASTM D-2241. Maximum deflection allowed of the inside wall is five percent (5%) of the inside diameter.
 - a. For four-inch (4") to 15-inch (15") diameter lines, provide PVC Plastic Gravity Sewer Pipe conforming to ASTM D-2241, SDR 26.
 - b. For eighteen-inch (18") diameter and larger lines, provide sewer pipe conforming to ASTM Designation F-679.

2.3 JOINTS

- A. PVC Pipe. Provide Fluid-Tite by Certain-teed, Ring-Tite by Johns-Manville, or an approved equal rubber gasket compression joint conforming to ASTM D-3212. The gasket material shall conform to ASTM F-477. Force mains shall be jointed with an integral bell and gasket meeting the requirements of ASTM F-477 and ASTM D-3139.

- B. Ultra-Rib (PVC) Pipe. Provide rubber O-ring joints conforming to ASTM D-3212. The gasket material shall conform to ASTM F-477.

2.4 MANHOLE JOINTS

- A. Provide size-on-size resilient connectors between the pipe and the manhole wall. Connectors shall allow for the differential settlement of the manhole wall and the pipe. Pipe to manhole connectors shall conform to ASTM C-923.

2.5 POLYVINYL-CHLORIDE (PVC) PIPE-SDR 21 FOR FORCE MAINS

- A. Unplasticized polyvinyl chloride pipe shall be the integral wall bell and spigot joint type which meets or exceeds all of the requirements set forth in ASTM Standard Specification D-1869 and F 477 (latest revision).
- B. Latitudes in workmanship and finish allowed by ASTM notwithstanding, all pipe shall have smooth exterior and interior surfaces, be first quality, be free from cracks, blisters and other imperfections, and be true to theoretical shapes and forms throughout each length.
- C. Marking of pipe shall be in conformance with ASTM D-2241, latest revision.
- D. The pipe will be extruded from clean, virgin, approved class 12454-A PVC resin compound conforming to ASTM Specification D-1785; of the sizes shown in the proposal and on the drawings and conforming to ASTM D-2241 with a Standard Dimension Ratio (SDR) of 21 for 200 P.S.I.
- E. Each pipe size to be furnished on this project shall be tested by the manufacturer, in accordance with ASTM D-2241, latest revision. Results of these tests shall be submitted to the Engineer with each truckload when delivered to the job site.

2.6 FORCE MAIN FITTINGS

- A. Fittings shall conform to ANSI/AWWA - C110/A21.10 or ANSI/AWWA - C153/A21.53 and ANSI/AWWA - C111/A21.11 standards.
- B. All fittings shall be cement lined according to ANSI/AWWA - C104/A21.4. Fittings may be gray or ductile iron or compact ductile iron.

PART 3 - EXECUTION

3.1 PIPE INSTALLATION

- A. Install pipe in accordance with applicable provisions of the reference specification.

3.2 PIPE BEDDING

- A. Unless noted otherwise, bedding for all sanitary sewer pipe to conform to the requirements of Excavation, Trenching, and Backfilling for Utilities. Provide crushed stone embedment for sewers 24-inch and larger, and granular embedment for sewers smaller than 24-inch.

3.3 MANHOLE DROPS

- A. Provide manhole drops wherever invert of sewer pipe enters a manhole 2.0 feet or more above the invert of the manhole, or as shown on drawings. This item shall include the wye, sewer pipe for stack, concrete and all necessary labor, accessories, and materials required to joint and drop the entering sewer into the standard manhole as shown on the plans.

3.4 CLEANOUTS

- A. Construct cleanouts as detailed. After installation, mark clean outs with flagged, 2 x 4 stake. Show locations on project record drawings.

3.5 BACKFILL

- A. Backfill as specified in the section "Excavation, Trenching, and Backfilling." Unless otherwise directed, use cement stabilized-sand for backfilling sanitary sewer pipe trenches which will be beneath concrete pavements.

3.6 LEAKAGE TEST

- A. After backfilling and removing debris from each section of sewer line, conduct a line acceptance test under observation of an inspector. Test the sanitary sewer lines in strict accordance with the following leakage test using low-pressure air. If the test results indicate an unacceptable installation, locate the source of leakage, correct the defect, and retest until the installation is proven satisfactory.

1. Minimum Requirement for Equipment.

- a. Control Panel
- b. Low-Pressure air supply connected to control panel
- c. Pneumatic Plugs. Of acceptable size for diameter of pipe to be tested; capable of withstanding internal test pressure without leaking or requiring external bracing.
- d. Air hose from control panel to:
 - 1) Air Supply
 - 2) Pneumatic plugs
 - 3) Sealed line for pressurizing
 - 4) Sealed line for monitoring internal pressure

2. Testing Pneumatic Plugs

- a. Test plugs before using in actual test installation. Place on length of pipe on ground and seal at both ends with pneumatic plugs to be checked. Pressurize plugs to 25 psig; then pressurize sealed pipe to five (5) psig. The plugs are acceptable if they remain in place against the test pressure without external aids.

3. Compensating for Ground Water Pressure

- a. Where ground water exists, install a capped pipe nipple at the same time the sewer line is placed. Use a ½-inch (½") capped pipe nipple approximately 10-inches (10") long. Make the installation through the manhole wall on top of the sewer line where the line enters the manhole.

- b. Immediately before performing the line acceptance test, remove the pipe cap, clear the pipe nipple with air pressure, and connect a clear plastic tube to pipe nipple. Support the tube vertically and allow water to rise in the tube. After the water stops rising, measure the height in feet of water over the invert of the pipe. Divide this height by 2.3 feet/psi to determine the ground water pressure to be used in line testing.

4. Line Testing

- a. After pneumatic plugs have been checked, place plugs in line at manholes and inflate plugs to 25 psig. Introduce low-pressure air into the sealed line until the internal air pressure reaches four (4) psig greater than the ground water pressure. Allow at least two (2) minutes for air pressure to stabilize. If at least 3.5 psig over ground water pressure is maintained disconnect the air hose from the control panel to the air supply and measure the time of the pressure drop between 3.5 and 2.5. psig above ground water pressure.
- b. The installation is acceptable if the air loss rate does not exceed 0.0015 cfm per square foot of internal pipe surface with an average test pressure of 3.0 psig greater than ground water pressure. The line between manholes is within acceptable limits if the time for the one (1) psig pressure drop is not less than the time compiled by the following equations.

T =	$0.0850(D)(K)/(Q)$ where T = time for pressure to drop 1.0 pounds per square inch gauge in seconds
K =	$0.000419DL$, but not less than 1.0
D =	Average inside diameter in inches
L =	Length of line of same pipe size in feet
Q =	Rate of loss, assume 0.0015 ft. ³ /min/sq.ft. internal surface

- c. The minimum testing times for each pipe diameter are as follows:

Pipe Diameter (Inches)	Minimum Time (Seconds)	Length for Minimum Time (Feet)	Time for Longer Length (Seconds)
6	340	398	0.855(L)
8	454	299	1.520(L)
10	567	239	2.374(L)
12	680	199	3.419(L)
15	850	159	5.342(L)
18	1020	133	7.693(L)
21	1190	114	10.471(L)
24	1360	100	13.676(L)
27	1530	88	17.309(L)
30	1700	80	21.369(L)
33	1870	72	25.856(L)

- d. The test may be stopped if there is no pressure loss in the first 25% of the calculated testing time. If any pressure loss or leakage has occurred during the first 25% of the testing period, then the test shall continue for the entire test duration as outlined above or until failure.

- e. Lines with a 27-inch average inside diameter and larger may be air tested at each joint. Pipe greater than 36 inch diameter must be tested for leakage at each joint. If the joint test is used, a visual inspection of the joint shall be performed immediately after testing. The pipe is to be pressurized to 3.5 psi greater than the pressure exerted by the groundwater above the pipe. Once the pressure has stabilized, the minimum time allowable for the pressure to drop from 3.5 to 2.5 psi shall be ten (10) seconds.
5. Force main shall be tested as follows:
- a. After the pipe has been laid and backfilled, but prior to the replacement of pavement, each valved section of newly laid pipe shall be subjected to a hydrostatic pressure test. For any section being tested, the pressure applied shall be such that at the lowest point in the section the pressure shall be 100 pounds per square inch. Adjustment as required shall be made for differential in elevation between the low point of the section being tested and the centerline of the pressure test gauge.
 - b. Each valved section of pipe shall be slowly filled with water, and the specified test pressure measured to the point of lowest evaluation, shall be supplied by means of a pump connected to the pipe in a satisfactory manner. The pump, pipe connection, and all necessary apparatus including gauges and meters shall be furnished by the Contractor. The Owner will furnish water for filling lines and making tests.
 - c. The duration of each pressure test shall be four (4) hours. Before applying the specified test pressure, all air shall be expelled from the pipe. To accomplish this, taps shall be made, if necessary, at the points of highest elevation and afterwards tightly plugged. At intervals during the test, the entire route of the pipe line shall be inspected to locate any leaks or breaks. Any defective joints, cracked or defective pipe, fittings, or valves discovered in consequence of this pressure test shall be removed and replaced with sound material in the manner provided, and the test shall be repeated until satisfactory results are obtained.
 - d. No pipe installation will be accepted until the leakage is less than a rate equal to the amount determined by the following formula:

$$L = (S)(D)(P^{0.5})/133,200$$

Where

- L = leakage in gal/hr
- S = length of pipe in ft
- D = inside diameter of pipe in inches
- P = pressure in pounds per square inch

- e. Should any test of pipe in place disclose leakage greater than that specified, the Contractor shall, at his own expense, locate and repair the defective joints until the leakage is within the specified allowance.
- f. Leakage is defined as the quantity of water supplied into the newly laid pipe, or any valved section of it, necessary to maintain the specified leakage test pressure after the pipe has been filled with water and the air expelled.
- g. Manhole Testing: Manholes shall be tested for leakage separately and independently of the wastewater lines by hydrostatic exfiltration testing, vacuum testing, or other methods acceptable to the engineer. The maximum leakage for hydrostatic testing shall be 0.025 gallons per foot diameter per foot of manhole depth per hour. Alternative test methods must ensure

compliance with the above allowable leakage. Hydrostatic exfiltration testing shall be performed as follows: all wastewater lines coming into the manhole shall be sealed with an internal pipe plug, then the manhole shall be filled with water and maintained full for at least one hour. For concrete manholes a wetting period of 24 hours may be used prior to testing in order to allow saturation of the concrete.

- h. Should the test disclose a water loss greater than permitted, the contractor shall, at his own expense, locate and repair defective joints, pipes, etc. and retest until losses are within specified allowances.
- i. There will be no separate payment for testing. All lines will be tested and the cost of such testing will be included in the unit costs of the various items in the Proposal.

3.7 DEFLECTION TEST

- A. The Deflection test shall be conducted on all flexible pipe after final backfill has been in place at least 30 days. No pipe shall exceed a deflection of five percent (5%). For pipes with inside diameters less than 27 inches, a rigid mandrel shall be used in running the deflection test. For pipes with an inside diameter 27 inches and greater, a method approved by the Executive Director of TCEQ shall be used to test for vertical deflections.
- B. The test shall be performed without mechanical pulling devices.
- C. The mandrel shall be constructed of steel or rigid plastic able to withstand a minimum of 200 psi without deformation.
- D. The mandrel shall have an outside diameter equal to 95 percent (95%) of the nominal inside diameter of the pipe being tested. The inside diameter of the pipe, for the purpose of determining the outside diameter of the mandrel, shall be the average outside diameter of the pipe minus two (2) minimum wall thicknesses for O.D.-controlled pipe, and the average inside diameter for I.D.-controlled pipe. Statistical or other "tolerance packages" shall not be considered in mandrel sizing.
- E. The mandrel shall have a minimum of nine (9) runners, each having a minimum length (in inches) equal to the number of runners. The barrel section of the mandrel shall have a length of at least 75% of the inside diameter of the pipe. Contractor shall provide an approved proving ring for the mandrel. Adjustable or flexible mandrels are not acceptable.

3.8 SANITARY SEWER AND WATER MAIN SEPARATION DISTANCES

- A. The following separation distances shall be maintained between potable water and wastewater treatment plants, and waterlines and sanitary sewers.
 - 1. Water line/new sewer line separation. When new sanitary sewers are installed, they shall be installed no closer to waterlines than nine feet in all directions. Sewers that parallel waterlines must be installed in separate trenches. Where the nine foot separation distance cannot be achieved, the following guidelines will apply:
 - a. Where a sanitary sewer parallels a waterline, the sewer shall be constructed of cast iron, ductile iron or PVC meeting ASTM specifications with a pressure rating for both the pipe and joints of 150 psi. The vertical separation shall be a minimum of two feet between outside diameters and the horizontal

- separation shall be a minimum of four feet between outside diameters. The sewer shall be located below the waterline.
- b. Where a sanitary sewer crosses a waterline and the sewer is constructed of cast iron, ductile iron or PVC with a minimum pressure rating of 150 psi, an absolute minimum distance of 6 inches between outside diameters shall be maintained. In addition the sewer shall be located below the waterline where possible and one length of the sewer pipe must be centered on the waterline.
 - c. Where a sewer crosses under a waterline and the sewer is constructed of ABS truss pipe, similar semi-rigid plastic composite pipe, clay pipe or concrete pipe with gasketed joints, a minimum two foot separation distance shall be maintained. The initial backfill shall be from one quarter diameter below the centerline of the pipe to one pipe diameter (but not less than 12 inches) above the top of the pipe.
 - d. Where a sewer crosses over a waterline all portions of the sewer within nine feet of the waterline shall be constructed of cast iron, ductile iron, or PVC pipe with a pressure rating of at least 150 psi using appropriate adapters. In lieu of this procedure the new conveyance may be encased in a joint of 150 psi pressure class pipe at least 18 feet long and two nominal sizes larger than the new conveyance. The space around the carrier pipe shall be supported at 5 feet intervals with spacers or be filled to the spring-line with washed sand. The encasement pipe should be centered on the crossing and both ends sealed with cement grout or manufactured seal.
2. Waterline/manhole separation. Unless sanitary sewer manholes and the connecting sewer can be made watertight and tested for no leakage, they must be installed so as to provide a minimum of nine feet of horizontal clearance from an existing or proposed waterline. Where the nine foot separation distance cannot be achieved, a carrier pipe as described in subsection A (1) of this section may be used where appropriate.

3.9 MEASUREMENT AND PAYMENT

MEASUREMENT

- A. Refer to *Public Works Construction Standards*, NCTCOG, 5th Edition, Item 502.1.6.

PAYMENT

- A. Refer to *Public Works Construction Standards*, NCTCOG, 5th Edition, Item 502.1.6.

END OF SECTION

SECTION 02051

ABANDONMENT OF SANITARY SEWERS

PART 1 GENERAL

1.01 SECTION INCLUDES

- A. Abandonment in place of existing sanitary sewers, manholes, and force mains.

1.02 UNIT PRICES

- A. Measurement for grout fill and abandonment of existing gravity sewers is on a linear foot basis for each diameter of sewer being abandoned. Measurement will be along the centerline of the sewer from centerline to centerline of manholes.
- B. Measurement for gravel fill and abandonment of sanitary sewer manholes (Wet well) per City's standard details is by each manhole abandoned in conformance with this Section.
- C. Payment will be full compensation for all material, equipment, and labor required for complete abandonment grouting, including air venting, testing, temporary plugs, pipes and all incidentals.
- D. No separate payment will be made for plugging and abandoning sanitary sewer force mains. Include the cost of such abandonment in related work.
- E. Acceptability of grout material is based on achieving an average strength of at least 75 as defined in Paragraph 2.01B.1.

1.03 DEFINITIONS

- A. Abandonment. Sanitary sewer abandonment consists of demolition and removal of any portion of manholes existing within the specified depth of the surface, and the abandonment in place of sewer lines and manholes as specified in this Section.
- B. Flowable Fill. Flowable fill (abandonment grout) shall be a controlled low-strength material consisting of a fluid mixture of cement, fly ash, aggregate, water and with admixtures as necessary to provide workable properties. Placement of flowable fill may be by grouting techniques in sewer pipes or other restricted areas, or as mass placement by chutes or tremie methods in unrestricted locations with open access. The long-term hardened strength shall be within a specified range.
- C. Ballast. Large aggregate either replaced with the voids subsequently filled with flowable fill injected by grouting method; or in areas with open access, placed individually and sequentially at the same time as the flowable fill placement.

- D. Backgrouting. A secondary stage pressure grouting to ensure that voids have been filled within the abandoned sewer. Back grouting will only be required at critical locations indicated on the Drawings or if there is evidence of incomplete flowable fill placements.

1.04 SUBMITTALS

- A. Submittals shall conform to requirements of all sections and provisions of these specifications.
- B. Flowable fill mix design report:
 - 1. Flowable fill type and production method.
 - 2. Use of ballast. Provide percentage of ballast of the total placement and size limits for the ballast if fill is intended to be used with ballast.
 - 3. Aggregate gradation of fill. The aggregate gradation of the mix (excluding ballast) shall be used as a pilot curve for quality control during production.
 - 4. Fill mix constituents and proportions including materials by weight and volume, and air content but excluding ballast. Give types and amounts of admixtures including air entrainment or air generating compounds.
 - 5. Fill densities and viscosities, including wet density at the point of placement.
 - 6. Initial time of set.
 - 7. Bleeding and shrinkage.
 - 8. Compressive strength.
- C. Technical information for equipment and operational procedures including projected slurry injection rate, grout pressure, method of controlling grout pressure, bulkhead and vent design, and number of stages of grout application.
- D. Experience record for the proposed crew, showing a minimum of 5 similar projects using the proposed or similar equipment and methods.
- E. At least 10 days prior to commencing any abandonment activities, submit a plan for abandonment, describing the proposed grouting sequence, bypass pumping requirements and plugging, if any, and other information pertinent to completion of the work.

PART 2 PRODUCTS

2.01 FLOWABLE FILL

A. Design Mix Criteria. Provide design of one or more mixes to meet the design criteria and conditions for placement. Present the information required by Paragraph 1.05B in the mix design report including the following:

1. Cement: ASTM C150 Type I or II. Volume and weight per cubic yard of fill. Provide minimum cement content of 100 pounds per cubic yard.
2. Fly ash: ASTM C618 Class C or F. Volume and weight per cubic yard of fill. Provide minimum Fly ash content of 200 pounds per cubic yard.
3. Potable water: Volume and weight per cubic yard of fill. Amount of water determined by mix design testing.
4. Aggregate gradation: 100 percent passing the 3/8 inch sieve and not more than 10 percent passing the #200 sieve. The mix design report shall define a pilot gradation based on the following sieve sizes 3/8-inch, Nos. 4, 8, 16, 30, 50, 100 and 200. Do not deviate from the pilot gradation by more than +/-10 percentage points for any sieve for the production material.
5. Aggregate source material: Screened or crushed aggregate, pit or bank run fine gravels or sand, or crushed concrete. If crushed concrete is used, at least 30 percent of natural aggregate shall be added as necessary to provide workability.
6. Admixtures: Use admixtures meeting ASTM C494 and ASTM C107 as needed to improve pumpability, to control time of set, and reduce bleeding.
7. Fluidifier: Use a fluidifier meeting ASTM C397 as necessary to hold the solid constituents in suspension. Add a shrinkage compensator if necessary.
8. Performance additive: Use a flowable fill performance additive, such as Darafill or approved equal, to control the fill properties.

B. Flowable Fill Requirements

1. Unconfined compressive strength: minimum 75 psi at 56 days as determined based on an average of three tests for the same placement. Present at least three acceptable strength tests for the proposed mix design in the mix design report.
2. Placement characteristics: self-leveling.
3. Shrinkage characteristics: non-shrink.
4. Water bleeding for fill to be placed by grouting method in sewers: not to exceed 2 percent according to ASTM C940.
5. Minimum wet density: 90 pounds per cubic foot.

2.02 BALLAST

- A. Ballast material: natural rock or concrete pieces with a minimum size equal to at least 10 times the maximum aggregate size of the flowable fill and a maximum size of 24 inches. The maximum dimension shall not be more than 20 percent of the minimum dimension of the space to be filled.
- B. Ballast composition: free of any regulated waste material.

2.03 PLUGS FOR FORCE MAINS

- A. Grout Plugs: Cement-based dry-pack grout conforming to ASTM C1107, Grade B or C.
- B. Manufactured Plug: Commercially available plug or cap specifically designed and manufactured to be used with the pipe being abandoned.

PART 3 EXECUTION

3.01 PREPARATION

- A. Have fill mix design reports and other submittals required by Paragraph 1.05 accepted by the Owner's Representative prior to start of placement. Notify the Owner's Representative at least 24 hours in advance of grouting with flowable fill.
- B. Select fill placement equipment and follow procedures with sufficient safety and care to avoid damage to existing underground utilities and structures. Operate equipment at a pressure that will not distort or imperil any portion of the work, new or existing.
- C. Clean sewer lines and video with closed circuit television to identify connections, locate obstructions, and assess the condition of the pipe. Locate previously unidentified connections, which have not been redirected and reconnected as a part of this project, and report them to the Owner's Representative. During placement of the fill, compensate for any irregularities in the sewer pipe, such as obstructions, open joints, or broken pipe to ensure no voids remain unfilled.
- D. Perform demolition work prior to starting fill placement. Clean placement areas of sewers and manholes of debris that may hinder fill placement. Remove excessive amounts of sludge and any other substances that may degrade performance of the fill. Do not leave sludge or other debris in place if filling more than 2 percent of the placement volume. Dispose of waste material in compliance with Section 01500 - Temporary Facilities and Controls.
- E. Remove free water prior to starting fill placement.

3.02 EQUIPMENT

- A. Mix flowable fill in an automated batch plant and deliver it to the site in ready-mix trucks. Performance additives may be added at the placement site if required by mix design.
- B. Use concrete or grout pumps capable of continuous delivery at the planned placement rate.

3.03 DEMOLITION OF ABANDONED SANITARY SEWER MANHOLES (WET WELL), PIPELINE STRUCTURES AND FORCE MAINS PRIOR TO ABANDONMENT

- A. Remove manhole frames and covers and any castings from other existing pipeline structures. Deliver these castings to the Owner's storage yard. Alternatively, salvaged castings may be used upon approval by the Owner's Representative for construction of new manholes on this project.
- B. Demolish and remove precast concrete adjustment rings and corner section, or brick and mortar corbel and chimney, or other pipeline structure, to a minimum depth of 4 feet below finished grade. The structure may be removed to a greater depth, but not deeper than 18 inches above the crown of the abandoned sewer.
- C. If the adjacent sewer lines are not to be filled, place temporary plugs in each line connecting to the manhole in preparation for filling the manhole.
- D. Excavate overburden from force mains to be abandoned at the locations indicated on the Drawings. Cut the existing force main, if necessary, to provide an end surface perpendicular to the axis of the pipe and suitable for the plug to be installed. Remove any force main piping material remaining outside of the segment to be abandoned.

3.04 INSTALLATION

- A. Abandon sewer lines by completely filling the sewer line with flowable fill. Abandon manholes and other structures by filling with ¾" gravel within the depth of structures left in place.
- B. Place flowable fill to fill the volume between the manholes as completely as practicable. Continuously place flowable fill from manhole to manhole with no intermediate pour points, but not exceeding 500 feet in length.
- C. Have the filling operation performed by experienced crews with equipment to monitor density of the flowable fill and to control pressure.
- D. Temporarily plug sewer lines which are to remain in operation during pouring/pumping to keep the lines free of flowable fill.
- E. Pump flowable fill through bulkheads constructed for placement of two 2-inch PVC pipes or use other suitable construction methods to contain the flowable fill in the

lines to be abandoned. These pipes will act as injection points or vents for placement of flowable fill.

- F. Place flowable fill under pressure flow conditions into a properly vented open system until flowable fill emerges from the vent pipes. Pump flowable fill with sufficient pressure to overcome friction and to fill the sewer from the downstream end, to discharge at the upstream end.
- G. Inject flowable fill through replaced ballast using grouting equipment and a series of grout pipes discharging at the bottom of the placement, allowing the fill to rise through the ballast effectively filling all voids. Alternatively, sequentially place individual pieces of ballast at the same time as flowable fill is placed. Do not fill with ballast more than 50 percent of the volume at any level to prevent nesting and void formation.
- H. Remediate placement of flowable fill which does not fill voids in a sewer, in manhole or other structures, or where voids develop due to excessive shrinkage or bleeding of the fill by using pressure grouting either from inside the sewer or from the surface.
- I. Plug each end of force mains being abandoned.
- J. Force main abandonment
 - 1. Clean the inside surface of force mains at least 12 inches from the ends, as necessary, to achieve a firm bond and seal the grout plug or manufactured plug to the pipe surface. Similarly, clean and prepare the exterior pipe surface if a manufactured cap is to be used.
 - 2. When using a grout plug, place a temporary plug or bulkhead approximately 12 inches inside the pipe. Fill the pipe end completely with dry-pack grout mixture.
 - 3. When using a manufactured plug or cap, install the fitting, as recommended by the manufacturer's instructions, to form a watertight seal.
- K. Backfill to the surface, above the pipe or structures left in place, with flowable fill in restricted areas, compacted bank run sand in unrestricted areas to be paved or select fill in unrestricted areas outside of pavement. Place and compact backfill, other than flowable fill, in compliance with these specifications.
- L. Collect and dispose of excess flowable fill material and other debris in accordance with all sections of these specifications.

3.05 FIELD QUALITY CONTROL

- A. Provide batch plant tickets for each truck delivery of flowable fill. Note on the tickets addition of admixtures at the site.
- B. Check flow characteristics and workability of the fill as the placement proceeds.
- C. Obtain at least three test cylinders for each placement area for determination of 56 day compressive strength and bleeding. The acceptance of the placement will be based on the average strength of the three tests.
- D. Record the volume of ballast together with the flowable fill placement for the same space to demonstrate that voids have been filled.

3.06 PROTECTION OF PERSONS AND PROPERTY

- A. Provide safe working conditions for employees throughout demolition and removal operations. Observe safety requirements for work below grade.
- B. Maintain safe access to adjacent property and buildings. Do not obstruct roadways, sidewalks or passageways adjacent to the work.

END OF SECTION

SECTION 330132- TELEVISION INSPECTION FOR WASTEWATER MAINS**PART 1 – GENERAL****1.01 DESCRIPTION**

All material, labor, equipment, tools and superintendence necessary to perform television inspection of wastewater mains in accordance with *Public Works Construction Standards*, NCTCOG, 4th Edition, Item 507.5.2.

1.02 REFERENCES

- A. *Public Works Construction Standards*, NCTCOG, 4th Edition, Item 507.5.2

1.03 SUBMITTALS

- A. CD or DVD with wastewater main television inspection videos and data log summary sheets.

PART 2 – PRODUCTS

Not Used

PART 3 – EXECUTION**3.01 PREPARATION**

- A. Refer to *Public Works Construction Standards*, NCTCOG, 4th Edition, Item 507.5.2.

PART 4 – MEASUREMENT AND PAYMENT**4.01 MEASUREMENT**

- A. Refer to *Public Works Construction Standards*, NCTCOG, 4th Edition, Item 507.6.1.

4.02 PAYMENT

- A. Television inspection of wastewater mains shall be subsidiary to the wastewater main bid items.
No separate pay item for television inspection of wastewater mains.

END OF SECTION

SECTION 02221
TRENCHING, BACKFILLING, & COMPACTING

PART 1 - GENERAL

1.1 Description

A. Related Work Specified Elsewhere:

1. Division 1 – General Requirements.
2. Series 100 – Earthwork

1.2 Protection

A. Protection of Existing Underground Improvements:

1. Existing utility lines exist on site and are to be retained and protected from damage during excavation and backfilling activities. The Contractor shall verify the locations of utilities with the Owner prior to beginning demolition and excavation activities.
2. Existing tree roots may be encountered during excavation operations. Roots shall be protected according to Standard Notes and Details for Tree and Natural Area Protection.

PART 2 - PRODUCTS

2.1 Materials

- A. Normal Backfill: Earth, loam, sandy clay, sand and gravel, soft shale, or other approved materials free from large clods of earth or stones over two and one-half (2-1/2") inches maximum dimension.
- B. Compacted Backfill: Granular in nature not containing roots, sod, rubbish, or stones over two and one-half (2-1/2") inches maximum dimension as approved by Owner's Representative.

PART 3 - EXECUTION

3.1 Inspection

- A. The Contractor and a representative of the City shall stake out the location of proposed trenching. The layout shall be approved by the City representative before actual installation is started.

3.2 Excavation And Trenching

A. Trench Excavation:

1. Excavate trench width necessary to properly construct sanitary sewer improvements.
2. Accurately grade trench bottom to provide uniform bearing and support for sanitary sewer improvements on undisturbed soil along entire length.
3. Except where rock is encountered, do not excavate below indicated depths.
4. Backfill rock excavation over-depths and unauthorized over-depths with loose, granular, moist earth and thoroughly tamp.
5. Remove wet or otherwise unstable soil that is incapable of supporting pipe, as determined by Owner's Representative to depth required and backfill trench bottom to grade with coarse sand, fine gravel, or other material as approved.

B. Depth of Cover: Excavate trenches for utilities to a depth that will provide the minimum depths of cover from existing grade (or from indicated finish grade) as indicated on the Drawings.

3.3 Backfilling:

A. Do not perform backfilling of trenches until all required tests and inspections have been performed and utility system is approved.

B. Normal Backfill:

1. Where compacted backfill is not specified, carefully backfill with excavated materials approved for backfilling.
2. Deposit in six (6") inch layers and carefully tamp until storm drainage improvements have a minimum cover as specified.
3. Place remainder of backfill material in trench in one (1') foot layers and tamp.
4. Settling of backfill with water is not acceptable.
5. Grade surface to reasonable uniformity and leave slightly mounded over trenches in a uniform and neat condition.

C. Trench Backfill: Use normal backfill specified with following additional requirements:

1. Use selected fill dirt or sand if soil conditions are rocky.
2. In rocky areas, trenching depth shall be two (2") inches below normal trench depth to allow for bedding.
3. Use fill dirt or sand in filling four (4") inches above pipe.
4. Top six (6") inches of backfill shall be topsoil, free of rocks over one (1") inch, subsoil, trash, or caliche.

3.4 Clean and Adjust:

A. Settlement:

1. Rework any trenches improperly backfilled or where settlement occurs to depth required for compaction.

2. Refill and compact with surface restored to required grade.
3. Leave in a completed surface condition as specified.

3.5 PART 4 – MEASUREMENT AND PAYMENT

MEASUREMENT

- A. Refer to *Public Works Construction Standards*, NCTCOG, 5th Edition, Item 504.7 for measurement of backfill.
- B. Refer to *Public Works Construction Standards*, NCTCOG, 5th Edition, Item 107.19.3.6 for measurement of trench safety.

PAYMENT

- A. Refer to *Public Works Construction Standards*, NCTCOG, 5th Edition, Item 504.7 for payment of backfill.
- B. Refer to *Public Works Construction Standards*, NCTCOG, 5th Edition, Item 107.19.3.6 for payment of trench safety.
- C. All excavation for utility installation shall be considered subsidiary to the utility bid item. No separate pay item for excavation, backfill and/or trenching, unless otherwise noted.

END OF SECTION

SECTION 347113- BARRICADES, SIGNS, AND TRAFFIC HANDLING

PART 1 - GENERAL

1.01 DESCRIPTION

- A. All material, labor, equipment, tools and superintendence necessary to furnish and install Barricades, Signs, and Traffic Handling in accordance with the Contract Documents.

1.02 REFERENCES

- A. TxDOT Item 502
- B. TxDOT's Standard Details included in the plans.
- C. City of Celina's General Notes

PART 2 - PRODUCTS

2.01 MATERIALS

- A. All traffic control devices requiring reflective sheeting shall have Type C -high specific intensity sheeting for signs with white backgrounds and Type E -fluorescent prismatic sheeting for signs with orange backgrounds.

PART 3 - EXECUTION

3.01 IMPLEMENTATION

- A. Refer to TxDOT Item 502.
- B. The Traffic Control Plan (TCP) shall be in accordance with the standard plan sheets WZ (BTS-1)-13 & WZ (BTS-2)-13 for signals, and as provided for in the latest edition of *Texas Manual on Uniform Traffic Control Devices for Streets and Highways* (TMUTCD).
- C. Barricades and warning signs, as appropriate, shall be placed at stockpiles to adequately warn motorists. At all stockpile sites that are less than 30 feet from the edge of any traveled lane, a Type III barricade shall be erected immediately in front of or at each end if required by the City. When a stockpile site equals or exceeds 100 feet in length, one object marker (OM- 2HP) per 100 feet shall be placed alongside the stockpile.
- D. All traffic control signs shall be clean and legible, and maintained clean and legible throughout the construction phases.
- E. The Contractor shall plan his or her work sequence in a manner that will cause the minimum interference with traffic during construction operations. Before beginning work, the Contractor shall submit, for approval by the City, a plan of construction operations outlining in detail a sequence of work to be followed, setting out the method of handling traffic along, across, and adjacent to work.
- F. If, at any time during construction, the Contractor's proposed plan of operation for handling traffic does not provide for safe, comfortable movement, the Contractor shall immediately change its operations to correct the unsatisfactory condition.
- G. Subject to the approval of the City and in accordance with the plans, portions of this project, which are not affected by or in conflict with the proposed method of handling traffic or utility adjustments, can be constructed during any phase.
- H. During construction, the Contractor shall furnish, place, and maintain vertical panels or drums as indicated in the plans along the edge of pavements and fills in accordance with the latest edition of TMUTCD. The vertical panels shall be supplemented with lights as directed by City.
- I. Barricades and signs shall be placed in such a manner as to not interfere with the sight distance of drivers entering the highway from driveways or side streets. To facilitate shifting, barricades and signs used in lane closures or traffic staging may be erected and mounted on portable supports. The designs of these supports shall be in compliance with current TxDOT and Texas MUTCD standards and are subject to the approval of the City.

- J. The Contractor shall provide and maintain flaggers at such points and for such periods of time as may be required to provide for the safety and convenience of public travel and contractor's
- K. Personnel, and as shown on the plans or as directed by the city. These flaggers shall be located at each end of the lane closure and shall be properly attired. The two flaggers shall be in two-way radio contact with each other at all times.
- L. The Contractor will not be permitted to commence work on the road before sunrise and shall arrange his work so that no machinery or equipment shall be closer than 30 feet to the traveled roadway after sunset except as authorized by the City. The Contractor must comply with the City's Noise Ordinance at all times.
- M. The Contractor shall keep traveled surfaces used in his hauling operation clear and free of dirt or other material.
- N. The use of rubber-tired equipment, licensed for operation on public highways, will be required for moving dirt and other materials along or across paved surfaces.
- O. Where the Contractor desires to move any equipment not licensed for operation on public highways on or across any pavement, the Contractor shall protect the pavement from all damage as directed by the City.
- P. No lane closures will be allowed prior to 9:00 a.m. or after 3:30 p.m., Monday through Friday unless otherwise directed by the City.

PART 4 - MEASUREMENT AND PAYMENT

4.01 MEASUREMENT

- A. This Item shall be measured on a Lump Sum (LS) basis or on a Monthly (MO) basis as indicated in the Contract Documents.

4.02 PAYMENT

- A. All work performed and materials furnished in accordance with this Item will be paid for at the unit bid price for "Barricades, Signs, and Traffic Handling." This price is full compensation for all material, labor, equipment, tools and superintendence necessary to complete all work including, but not limited to, signage, barricades, flagmen, temporary pavement markers and markings, detours, and temporary pavement.

END OF SECTION

SECTION 330523- TRENCHLESS UTILITY INSTALLATION

PART 1 – GENERAL

1.01 DESCRIPTION

- A. All material, labor, equipment, tools and superintendence necessary to furnish and install utility lines using trenchless installation methods in accordance with *Public Works Construction Standards*, NCTCOG, 5th Edition, Item 503.

1.02 REFERENCES

- A. *Public Works Construction Standards*, NCTCOG, 5th Edition, Item 503
- B. City of Celina's Standard Details included in the plans.

1.03 QUALITY ASSURANCE

A. DESIGN CRITERIA

The pipe casing (or carrier pipe on uncased bores) shall be designed by a Licensed Professional Engineer for the following loading conditions and applicable combinations thereof:

1. Cooper's E-80 Railway loading or AASHTO HS20 loading as applicable
2. Earth loading with the height of fill above the casing as shown on the plans
3. Loads applied during jacking, including axial load from jacking
4. All other applicable loading conditions, including loads applied during transportation and handling.

B. INSTALLER'S QUALIFICATIONS

Installation shall be by a competent, experienced contractor or sub-contractor. The installation contractor shall have a satisfactory experience record of at least three (3) years engaged in similar work of equal scope. All welding shall be performed by a certified welder in the state of Texas

C. PERFORMANCE REQUIREMENTS

Lateral or vertical variation in the final position of the pipe casing (or carrier pipe on uncased bores) from the line and grade established by the ENGINEER shall be permitted only to the extent of 1" in 10' feet, provided that such variation shall be regular and only in the direction that will not detrimentally affect the function of the carrier pipe.

1.04 SUBMITTALS

Submittals shall include:

- A. Shop drawings of the casing pipe (or carrier pipe for uncased bores) from the manufacturer. Shop drawings shall include calculations for the design of the casing pipe (or carrier pipe for uncased bores) by a Licensed Professional Engineer.
- B. Provide Certificate of Adequacy of Design of casing and/or carrier pipe.
- C. Provide record data of casing insulators including sketches of insulators with material components and dimensions and proposed locations of insulators.
- D. Provide Pressure Grout material and method.

PART 2 – PRODUCTS

2.01 MATERIALS

- A. Refer to *Public Works Construction Standards*, NCTCOG, 5th Edition, Item 503.2.
- B. High Density Polyethylene casing spacers are required unless otherwise specified. Refer to the City of Celina Approved Materials List.
- C. Steel casing pipe shall be new (or used if approved by the OWNER) and suitable for the purpose intended and shall have a minimum yield strength of 35,000 psi. Casing shall meet ASTM A-36, ASTM A-570, ASTM A-135, ASTM A-139, or approved equal.
- D. Casing pipe shall have a red oxide primer inside and out (from manufacturer) in accordance with AWWA C- 210. Pipe joints shall be welded in accordance with AWWA C-206.

PART 3 – EXECUTION

3.01 GENERAL

- A. Refer to *Public Works Construction Standards*, NCTCOG, 5th Edition, Item 503.3.
- B. All casing pipe joints shall be watertight with no water entering the casing from any sources prior to carrier pipe installation.
- C. The carrier pipe shall be installed within the casing between the limits indicated on the Plans to the specified lines and grades, and utilizing methods which include due regard for safety of workers, adjacent structures and improvements, utilities, and the public.
- D. Furnish all necessary equipment, power, water, and utilities for carrier pipe installation, insulator runner lubricant, grouting, and other associated Work required for the Contractor's methods of construction.
- E. Conduct all operations such that trucks and other vehicles do not interfere with traffic or create a dust or noise nuisance in the streets and to adjacent properties. Promptly clean up, remove, and dispose of spoils and slurry spillage and any slurry discharges.
- F. All Work shall be done so as not to disturb roadways, adjacent structures, landscaped areas, or existing utilities. Any damage shall be immediately repaired to original or better condition and to the satisfaction of the Engineer.

3.02 INSTALLATION OF CARRIER PIPE

- A. Pipe Installation: Carrier pipe shall meet the requirements of the applicable Specification section. Remove all loose soil from casing. Grind smooth all rough welds at casing joints. Provide casing spacers, or insulators, or other approved devices, as required, to prevent flotation, movement, or damage to the pipe during installation and annular space grout placement. Every individual pipe section should be supported by spacers as shown in the City's Standard Details. Carrier pipe shall be installed without sliding or dragging it on the ground or in the casing in a manner that could damage the pipe. Coat the casing spacer runners with a non-corrosive/environmentally safe lubricant to minimize friction when installing the carrier pipe.
- B. Testing of Carrier Pipe: Testing of the carrier pipe joints shall be completed prior to the filling of the annular space between the casing and carrier pipe with grout. Pressure testing shall be performed in accordance with the specification for the selected pipe material. Any leakage found during this inspection shall be corrected.
- C. Backfill Annular Space with Grout: After the installation of the carrier pipe, the annular space (all voids) between the casing and the carrier shall be filled with grout so all remaining surfaces of the exterior carrier pipe wall and casing interior are in contact with the grout. Furnish the necessary grout, equipment, hoses, valves, and fittings for the backfilling operation. Grout shall be pumped through a pipe or hose. Use grout pipes, or other appropriate materials to avoid damage to carrier pipe during grouting. The grout shall be proportioned to flow and to completely fill all voids between the carrier pipe and the casing. The Contractor shall provide end seals, as approved by the Engineer at each end of the casing to contain the grout backfill. The end seals shall be designed to withstand the anticipated grouting pressure and be watertight to prevent groundwater from entering the casing. Block the carrier pipe during grouting to prevent flotation during grout installation. The Contractor shall also protect and preserve the interior surfaces of the casing from damage. It is the responsibility of the Contractor to submit to the Engineer sufficient information indicating all proposed equipment, materials, and the method for filling this void.

3.03 SAFETY

- A. The Contractor is responsible for safety on the job site. Perform all Work in accordance with the current applicable regulations of the Federal, State, and local agencies. In the event of conflict, comply with the more restrictive applicable requirement.

- B. No gasoline powered equipment shall be permitted in jacking shafts and receiving shafts/pits. Diesel, electrical, hydraulic, and air powered equipment is acceptable, subject to applicable local, state, and federal regulations.
- C. Methods of construction shall be such as to ensure the safety of the Work, Contractor's and other employees on site, and the public.
- D. Furnish and operate a temporary ventilation system in accordance with applicable safety requirements when personnel are underground. Perform all required air and gas monitoring. Ventilation system shall provide a sufficient supply of fresh air and maintain an atmosphere free of toxic or flammable gasses in all underground work areas.
- E. Perform all Work in accordance with all current applicable regulations and safety requirements of the Federal, State, and local agencies. Comply with all applicable provisions of 29 CFR Part 1926, Subpart S, Underground Construction and Subpart P, Excavations, by OSHA. In the event of conflict, comply with the more stringent requirements.
- F. The Contractor shall develop an emergency response plan for rescuing personnel trapped underground in a shaft excavation or pipe. Keep on-site all equipment required for emergency response in accordance with the agency having jurisdiction.

PART 4 – MEASUREMENT AND PAYMENT

4.01 MEASUREMENT

- A. Refer to *Public Works Construction Standards*, NCTCOG, 5th Edition; Item 503.4.

4.02 PAYMENT

- A. Refer to *Public Works Construction Standards*, NCTCOG, 5th Edition; Item 503.4.

END OF SECTION



3010 Gaylord Parkway
Suite 190
Frisco, TX 75034
TEL 972.377.7480
FAX 972.377.8380
www.GarverUSA.com

10/29/2018

Mrs. Catherine Oduro
City of Celina
142 N. Ohio Drive
Celina, TX 75009

Re: Celina Lucy's Lift Station Decommissioning
Recommendation of Award

Dear Mrs. Oduro:

Bids were received for the Lucy's Lift Station Decommissioning at City Hall at 3:00 PM on October 24th, 2018. The bids have been checked for accuracy and for compliance with the contract documents. A tabulation of the bids received is enclosed with this letter.

A total of 5 bids were received for the project. ANA Site Construction Company submitted the low bid for the project in the amount of **\$107,825.00**.

We believe the bid submitted by ANA Site Construction Company represents a responsive and responsible bid. We recommend the construction contract for Lucy's Lift Station Decommissioning be awarded to ANA Site Construction Company.

Please call me if you have any questions.

Sincerely,

GARVER, LLC

A handwritten signature in blue ink, appearing to read 'Paul Bansbach', written over a circular stamp.

Paul Bansbach, P.E.
Project Manager

Attachments: Bid Tabulation

Attachment: Recommendation of Award (Lucys Lift Station Decommissioning)

Celina Lucy's Lift Station Decommissioning - Bid Tabulation
10/29/2018

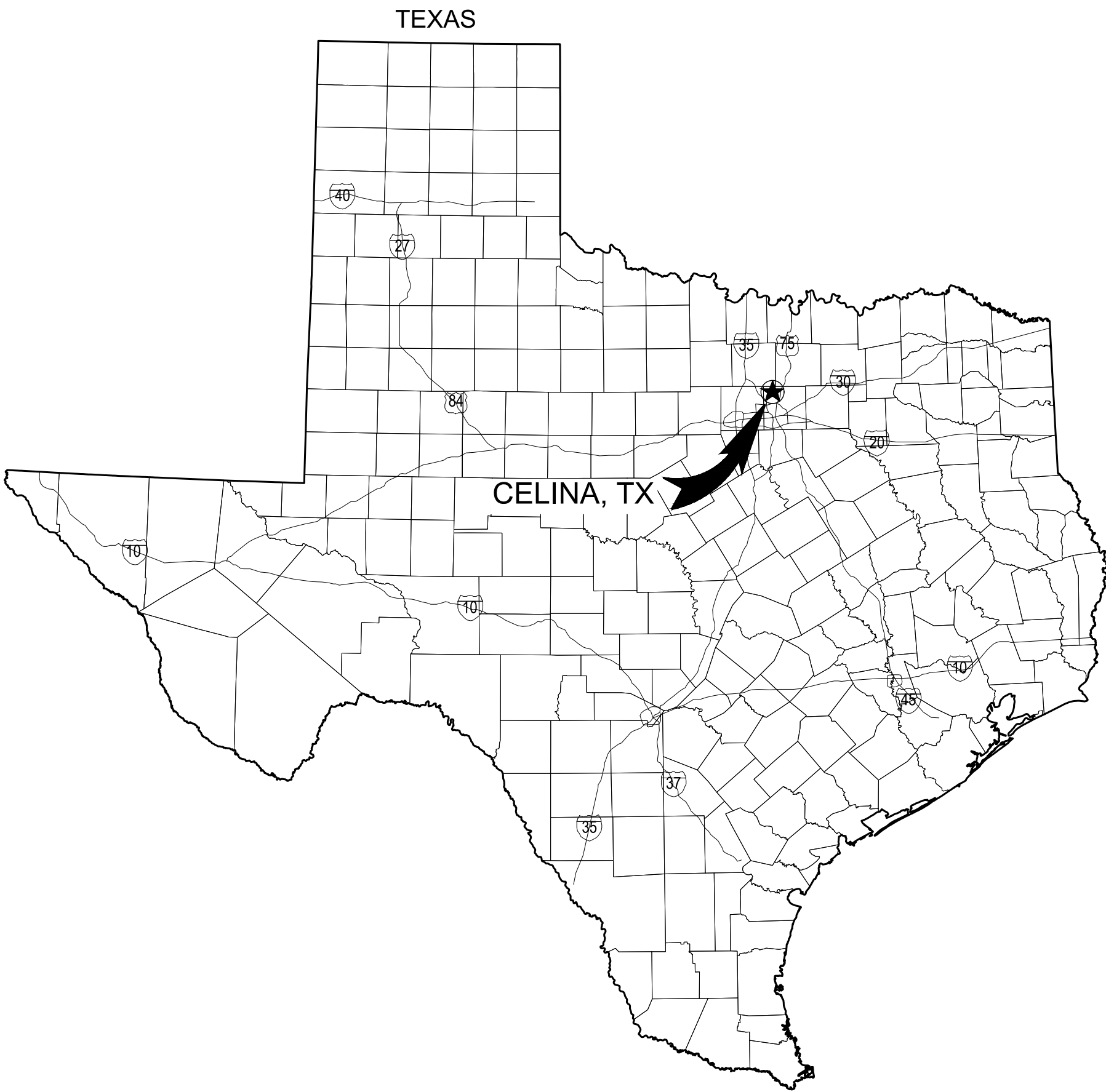
Item No.	Item	Qty	Unit	ANA Site Construction		Grod Construction, LLC		C3 Site Construction, LLC		Dickerson Construction Company		WilCo Underground	
				Unit Cost	Item Cost	Unit Cost	Item Cost	Unit Cost	Item Cost	Unit Cost	Item Cost	Unit Cost	Item Cost
1	Mobilization	1	LS	\$ 15,880.00	\$ 15,880.00	\$ 19,500.00	\$ 19,500.00	\$ 5,282.00	\$ 5,282.00	\$ 6,000.00	\$ 6,000.00	\$ 20,000.00	\$ 20,000.00
2	Temporary Traffic Control	1	LS	\$ 1,875.00	\$ 1,875.00	\$ 2,500.00	\$ 2,500.00	\$ 4,000.00	\$ 4,000.00	\$ 1,000.00	\$ 1,000.00	\$ 10,000.00	\$ 10,000.00
3	Storm Water Pollution Prevention Plan	1	LS	\$ 1,875.00	\$ 1,875.00	\$ 1,900.00	\$ 1,900.00	\$ 2,780.00	\$ 2,780.00	\$ 1,000.00	\$ 1,000.00	\$ 10,000.00	\$ 10,000.00
4	18" Steel Casing by Bore	64	LF	\$ 367.00	\$ 23,488.00	\$ 442.00	\$ 28,288.00	\$ 646.00	\$ 41,344.00	\$ 400.00	\$ 25,600.00	\$ 600.00	\$ 38,400.00
5	8" C900 PVC (DR-25)	134	LF	\$ 54.00	\$ 7,236.00	\$ 57.00	\$ 7,638.00	\$ 86.00	\$ 11,524.00	\$ 120.00	\$ 16,080.00	\$ 95.00	\$ 12,730.00
6	8" PVC (SDR 26)	216	LF	\$ 39.00	\$ 8,424.00	\$ 50.00	\$ 10,800.00	\$ 85.00	\$ 18,360.00	\$ 120.00	\$ 25,920.00	\$ 110.00	\$ 23,760.00
7	6" PVC (SDR 26)	70	LF	\$ 80.00	\$ 5,600.00	\$ 80.00	\$ 5,600.00	\$ 82.00	\$ 5,740.00	\$ 120.00	\$ 8,400.00	\$ 80.00	\$ 5,600.00
8	4' Diameter Manhole	4	EA	\$ 5,565.00	\$ 22,260.00	\$ 4,900.00	\$ 19,600.00	\$ 3,821.00	\$ 15,284.00	\$ 3,500.00	\$ 14,000.00	\$ 5,000.00	\$ 20,000.00
9	Remove and Replace Existing Concrete	720	SF	\$ 13.00	\$ 9,360.00	\$ 12.00	\$ 8,640.00	\$ 13.00	\$ 9,360.00	\$ 22.00	\$ 15,840.00	\$ 20.00	\$ 14,400.00
10	Grout Fill and Abandon 6" Sewer Line	373	LF	\$ 14.00	\$ 5,222.00	\$ 8.00	\$ 2,984.00	\$ 18.00	\$ 6,714.00	\$ 10.00	\$ 3,730.00	\$ 5.00	\$ 1,865.00
11	Remove and Dispose of Existing 6" Sewer Line	1	LS	\$ 2,500.00	\$ 2,500.00	\$ 1,200.00	\$ 1,200.00	\$ 1,548.00	\$ 1,548.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
12	Existing Lift Station Abandonment Including Pumps and Electrical Wiring	1	LS	\$ 2,905.00	\$ 2,905.00	\$ 5,500.00	\$ 5,500.00	\$ 2,299.00	\$ 2,299.00	\$ 6,000.00	\$ 6,000.00	\$ 10,000.00	\$ 10,000.00
13	Project Sign	1	EA	\$ 1,200.00	\$ 1,200.00	\$ 650.00	\$ 650.00	\$ 765.00	\$ 765.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
	Total Bid Price			\$ 107,825.00		\$ 114,800.00		\$ 125,000.00		\$ 125,570.00		\$ 168,755.00	

Attachment: Recommendation of Award (Lucys Lift Station Decommissioning)

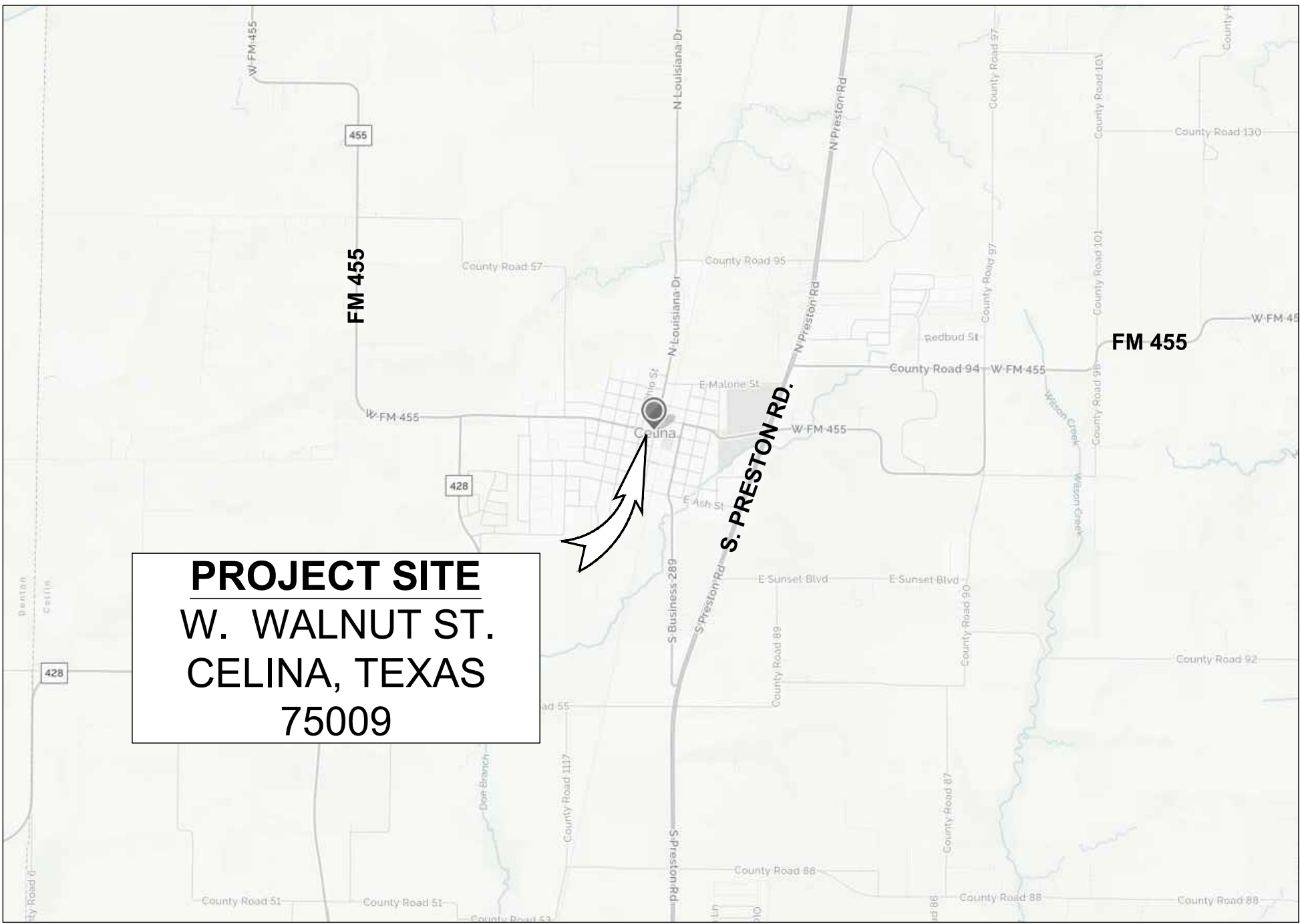


LUCY'S LIFT STATION DECOMMISSIONING CITY OF CELINA

CELINA, TEXAS



LOCATION MAP



VICINITY MAP

NO SCALE

GARVER PROJECT NO. 18088215
SEPT. 2018



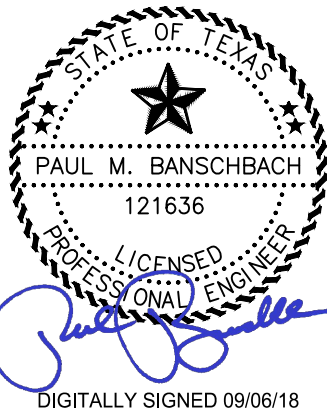
3010 Gaylord Parkway
Suite 190
Frisco, TX 75034
(972) 377-7480

INDEX OF DRAWINGS		
SHT. NO.	DWG. NO.	DESCRIPTION
01	G001	COVER SHEET
02	G002	STANDARD NOTES
03	C101	ALIGNMENT A STA 0+00 - 3+73
04	C501	CIVIL DETAILS I
05	C502	CIVIL DETAILS II
06	C503	CIVIL DETAILS III



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GARVER, LLC OR EXPLICITLY
ALLOWED IN THE GOVERNING
PROFESSIONAL SERVICES
AGREEMENT FOR THIS WORK.

REGISTRATION NO.
F-5713



DIGITALLY SIGNED 09/06/18

REV.	DATE	DESCRIPTION	BY



CITY OF CELINA

CELINA, TEXAS

LUCY'S LIFT STATION
DECOMMISSIONING

COVER SHEET

JOB NO.: 18088215
DATE: SEPT. 2018
DESIGNED BY: PMB
DRAWN BY: EAF

BAR IS ONE INCH ON
ORIGINAL DRAWING
0 1"
IF NOT ONE INCH ON THIS SHEET,
ADJUST SCALES ACCORDINGLY.

DRAWING NUMBER

G001

SHEET
NUMBER **01**



Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Paul DeBuff, Assistant to the City Manager
CC: Jason Laumer, City Manager
Date: November 13, 2018
Re: Facilities Agreement w/ Celina Real Estate

Action Requested:

Consider and act to authorize the City Manager to execute an agreement by and between the City of Celina and Celina Real Estate, L.P. for a facilities agreement regarding use of property for parking during construction. (Brawner)

Background Information:

In the Spring of 2019, Celina will begin renovation of the Council Chambers, City Hall and EDC. This agreement allows the City's contractors to use the plot on the northeast corner of Pecan and Colorado as a laydown lot and materials staging yard.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

There is no financial impact associated with this agreement.

Legal Review:

The City Attorney has reviewed this agreement.

Supporting Documents:

- Proposed agreement

Staff Recommendation:

Staff recommends approval.

FACILITIES AGREEMENT

Off-site Parking

This Facilities Agreement (this “Agreement”) is by and between the CITY OF CELINA, TEXAS, a home rule city located in Collin and Denton County, Texas (the “City”) and CELINA REAL ESTATE (CRE) and is made and entered into effective as of January 1, 2019 (the “Effective Date”). The parties are sometimes individually referred to as a "Party" and collectively as the “Parties.”

RECITALS

WHEREAS, CRE holds fee simple title to approximately 0.3329 acres of land described by property identification number on the attached Exhibit A (the “Property”); and

WHEREAS, the City is renovating its City Hall and Annex (the “Improvements”); and

WHEREAS, during construction of the Improvements, the City will need off-site parking spaces for employees and visitors to City Hall and Annex; and

WHEREAS, CRE has agreed to enter this Facilities Agreement with the City; and

WHEREAS, the Facilities Agreement will provide the terms by which the City may use the Property for off-site parking during the construction of the Improvements.

NOW THEREFORE, for and in consideration of these premises and of the mutual promises, obligations, covenants and benefits herein contained, the parties contract and agree as follows:

- 1) Term. This Agreement shall remain in effect from January 1, 2019 to February 28, 2020 (“Term”).
- 2) Use of Property for Parking. CRE agrees that the City may use the Property for use as a laydown yard, materials staging area and parking of vehicles by contractors for the City during the Term of this agreement.
- 3) Assignment/Non-Transferable. The parties agree that this Agreement will be assigned or transferred without the prior written consent of the City of Celina.
- 4) Successors and Assigns. The parties, and their partners, assigns, successors, subcontractors, executors, officers, agents, employees, representatives, and administrators are hereby bound to the terms and conditions of this Agreement.
- 5) Notices. Any notice provided or permitted to be given under this Agreement must be in

writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City, to:

City of Celina, Texas
c/o City Manager
142 N. Ohio St.
Celina, Texas 75009

If to the CRE, to:

Celina Real Estate, LP
16400 Dallas Parkway, Suite 100
Dallas, Texas 75248
Attn: Robin McGuire
rmcguire@elandenergy.com
Fax: 214-368-5415

With a copy to:
Van Nichols
1341 S. Preston Rd., Suite C
Celina, Texas 75009
vannichols@aol.com
Fax: 972-382-4774

Each party has the right to change, from time to time, its notice addresses by giving at least 10 days written notice to the other parties.

- 6) No Additional Waiver Implied. The failure of any party to insist upon strict performance of any provision of this Agreement shall not be construed as a waiver of the future performance of such provision by the other parties.
- 7) Reservation of Rights. All rights, powers, privileges and authority of the parties hereto not restricted or affected by the express terms and provisions hereof are reserved by the parties and, from time to time, may be exercised and enforced by the parties.
- 8) Construction and Venue. This Agreement is a contract made under and shall be construed in accordance with and governed by the laws of the United States of America and the State of Texas, as such laws are now in effect and venue for any

action shall lie only in Collin County, Texas.

- 9) Cumulative Remedies. All rights and remedies of the parties under this Agreement shall be cumulative, and none shall exclude any other right or remedy provided by law, or by any other provisions of the Agreement. All such rights and remedies may be exercised and enforced concurrently and whenever, and as often, as occasion for their exercise arises.
- 10) Immunity. The parties agree that the City of Celina has not waived its sovereign immunity by entering into and performing its obligations under this Agreement.
- 11) Waiver of Breach. A waiver by either party of a breach of the Agreement by the other party does not constitute a continuing waiver or a waiver of any subsequent breach of the Agreement.
- 12) Parties Bound. The Agreement shall be binding upon, and inure to the benefit of, the parties to the Agreement and their respective heirs, executors, administrators, legal representatives, successors, and assigns when permitted by this Agreement.
- 13) No Third-Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third-party beneficiaries by entering into this Agreement.
- 14) Incorporation of Recitals. The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are hereby incorporated into the body of this Agreement and adopted as findings of the parties.
- 15) Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified, amended or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto. The subject matter of this Agreement is for the use of the identified property only and not any other matters that may exist between the parties past, present or future.
- 16) Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.
- 17) Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. A facsimile signature will also be deemed to constitute an original if properly executed.
- 18) Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the

individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.

- 19) Force Majeure. Neither CRE nor the City of Celina shall be required to perform any term, condition, or covenant in the Agreement so long as performance is delayed or prevented by force majeure, which shall mean acts of God, strikes, lockouts, material or labor restrictions by any governmental authority, civil riots, floods, and any other cause not reasonably within the control of the party and which by the exercise of due diligence the party is unable, wholly or in part, to prevent or overcome.
- 20) Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by the parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.
- 21) Savings/Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
- 22) Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its legal counsel.

IN WITNESS WHEREOF, the Parties hereto have executed this agreement in multiple copies, each of equal dignity.

Accepted and executed as of the __ day of _____, 2018.

CITY OF CELINA

By: _____
Jason Laumer, City Manager

CELINA REAL ESTATE, LLC,
a Texas limited liability company

By: _____

Name: _____
Title: _____

Exhibit ALEGAL
DESCRIPTION &
DEPICTION

WHEREAS, CRE, LLC is the owner of a parcel of land situated in Celina, Collin County, Texas, and being more particularly described as follows:

BEING 0.3329 acres, described as Property ID 978598, located at Celina Original Donation, Block 14, Lot 7 8 9 10.



Attachment: Facilities Agreement 10.23.18 (Facilities Agreement w/ Celina Real Estate)



Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Brooks Wilson, Planning Consultant
CC: Jason Laumer, City Manager
Date: November 13, 2018
Re: Disannexation of 9050 Prairie Meadow Lane, Celina, Texas.

Action Requested:

Consider and act to authorize the City Manager to execute an agreement by and between the City of Celina and Thomas F. Yenny for an annexation deferment and subsequently consider and act upon an ordinance of the City of Celina, Texas, repealing ordinance No. 2017-112, annexing certain territories contiguous to and adjoining the City of Celina, Texas, to wit being an approximately 2.015 acre tract of land generally located on the east side of Prairie Meadow Lane and north of CR 101; and being more particularly described by metes and bounds in Exhibit "A" and graphically depicted in Exhibit "B" attached hereto and incorporated herein. (Thomas F. Yenny Disannexation) (McAfee)

Applicant:

Thomas F. Yenny
2075 Boone Circle
Frisco, TX 75033

Background Information:

This 2.015 acre tract of land was annexed on November 20, 2017. The owner claims that he was not given sufficient notice of the annexation to respond to the City within the allotted time period. He is asking that he be granted a Pre-Annexation Agreement that will allow him to disannex his property for a period not to exceed five (5) years.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City Attorney has drafted the Disannexation Ordinance and the associated Agreement.

Supporting Documents:

Pre-Annexation Agreement
Disannexation Ordinance

Staff Recommendation:
Staff recommends approval.

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

STATE OF TEXAS)
)
COUNTY OF COLLIN)

**CHAPTER 43 AND CHAPTER 212 TEXAS LOCAL GOVERNMENT CODE
DEVELOPMENT AND SERVICES AGREEMENT**

This Agreement is entered into pursuant to Sections 43.016 and 212.172 of the Texas Local Government Code by and between the City of Celina, Texas (the "City") and the undersigned property owner(s) (the "Owner"). The term "Owner" includes all owners of the Property.

WHEREAS, the Owner owns a parcel of real property in Collin County, Texas, legally described as Prairie Meadows Estates, Lot 17, containing 2.0150 acres, more or less, Collin County, Texas, and more particularly described and depicted on Exhibit "A" attached hereto and incorporated herein (the "Property"); and

WHEREAS, the City intends to begin the process to institute annexation proceedings on all or portions of Owner's Property in the near future; and

WHEREAS, the Owner desires to have the Property remain in the City's extraterritorial jurisdiction, in consideration for which the Owner agrees to enter into this Agreement; and

WHEREAS, this Agreement is entered into pursuant to Sections 43.016 and 212.172 of the Texas Local Government Code, in order to address the desires of the Owner and the procedures of the City; and

WHEREAS, the Owner has submitted a petition to the City in accordance with Section 43.0671 of the Texas Local Government Code, attached hereto as Exhibit "B"; and

WHEREAS, the parties intend for this to be, pursuant to Section 43.0672 of the Texas Local Government Code, an agreement for municipal services with the specific services described in Exhibit "C" attached hereto; and

WHEREAS, the Owner requests and the parties desire the Property to be annexed at a future date; and

WHEREAS, the Owner and the City acknowledge that this Agreement is binding upon the City and the Owner and their respective successors and assigns for the term (defined below) of this Agreement; and

WHEREAS, this Development Agreement is to be recorded in the Real Property Records of Collin County.

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

Section 1. The City guarantees the continuation of the extraterritorial status of the Owner's Property, its immunity from annexation by the City, and its immunity from City property taxes, for the term of this Agreement, subject to the provisions of this Agreement. Except as provided in this Agreement, the City agrees not to annex the Property, agrees not to involuntarily institute proceedings to annex the Property, and further agrees not to include the Property in a statutory annexation plan for the Term of this Agreement. However, if the Property is annexed pursuant to the terms of this Agreement, then the City shall provide services to the Property pursuant to Chapter 43 of Texas Local Government Code.

Section 2. The Owner covenants and agrees not to use the Property for any use other than for agriculture, wildlife management, and/or timber land consistent with Chapter 23 of the Texas Tax Code without the prior written authority of the City Council.

The Owner covenants and agrees that the Owner will not file any type of subdivision plat or related development document for the Property, which includes but is not limited to seeking to create any special district (including but not limited to a Municipal Utility District, Fresh Water Supply District, Water Control and Improvement District, Municipal Management District, Public Improvement District, or any similar special district) within any part of the Property within the City's extraterritorial jurisdiction ("ETJ") including by seeking to file, or filing, any legislation or any application with the Texas Commission on Environmental Quality ("TCEQ") to create any such special district (a "Development Document"), until the Property has been annexed into, and zoned by, the City.

The Owner covenants and agrees not to construct, or allow to be constructed, any improvements or buildings on the Property that would require a permit or building permit if the Property were in the City limits, until the Property has been annexed into, and zoned by, the City; provided, however, the Owner may make improvements to the Property with the prior written consent of the City and build a single-family residence. The Owner also covenants and agrees that the City's AG—Agricultural District zoning requirements apply to the Property, and that the Property shall be used only for AG—Agricultural District zoning uses that exist on that Property at the time of the execution of this Agreement, unless otherwise provided in this Agreement.

The Owner acknowledges that each and every owner of the Property must sign this Agreement in order for the Agreement to take full effect, and **the Owner who signs this Agreement covenants and agrees, jointly and severably, to indemnify, hold harmless, and defend the City against any and all legal claims, by any person claiming an ownership interest in the Property who has not signed the Agreement, arising in any way from the City's reliance on this Agreement.**

Section 3. The Owner acknowledges and stipulates that if any plat or Development Document is filed in violation of this Agreement, or if the Owner commences construction on or development of the Property in violation of this Agreement, then in addition to the City's other remedies, such act will constitute Owner's consent to proceed

with public hearings and annexation of the Property. The Owner agrees and stipulates that such annexation shall be voluntary, and the Owner hereby consents to such annexation through a petition attached hereto as Exhibit “B”. If annexation proceedings begin pursuant to this Section, the Owner acknowledges that this Agreement serves as an exception to Local Government Code Section 43.052, as applicable, requiring a municipality to use certain statutory procedures under an annexation plan. Owner further agrees that this Agreement fulfills requirements of Local Government Code Section 43.0672 and the municipal services shall be provided upon annexation as set forth in Exhibit “C” attached hereto. Furthermore, the Owner hereby waives any and all vested rights and claims that they may have under Section 43.002(a)(2) and Chapter 245 of the Texas Local Government Code that would otherwise exist by virtue of any actions Owner has taken in violation of Section 2 herein. Owner acknowledges and stipulates that this Development Agreement is not a permit, as defined in Texas Local Government Code, Section 245.001(1), required by the City and was not required by City for Owner to develop the Property.

Section 4. Pursuant to Sections 43.016(b) of the Texas Local Government Code, Owner agrees that the City is authorized to enforce all of the City’s regulations, permit requirements and planning authority applicable in its City limits to future improvements on the Property, including construction of a single-family residence, that do not materially interfere with the use of the Property for agriculture, wildlife management, or timber, in the same manner the regulations are enforced within the City’s boundaries. The City states and specifically reserves its authority pursuant to Chapter 251 of the Texas Local Government Code to exercise eminent domain over property that is subject to a Chapter 43 and/or Chapter 212 development agreement. City regulations that apply in its extraterritorial jurisdiction will continue to apply to the Property.

Section 5. The term of this Agreement (the “Term”) is five (5) years from the date that the City Manager’s signature to this Agreement is acknowledged by a public notary. The Owner, and all of the Owner’s heirs, successors and assigns shall be deemed to have filed a petition for voluntary annexation before the end of the Term, for annexation of the Property to be completed on or after the end of the Term. The City may, but is not required, commence the voluntary annexation of the Property prior to the end of the Term. In connection with annexation pursuant to this section, the Owner hereby waives any vested rights they may have under Section 43.002(a)(2) and Chapter 245 of the Texas Local Government Code that would otherwise exist by virtue of any plat or construction any of the Owners may initiate during the time between the expiration of this Agreement and the institution of annexation proceedings by the City.

Section 6. Property annexed pursuant to this Agreement will initially be zoned AG – Agricultural pursuant to the City’s Code of Ordinances, pending determination of the property’s permanent zoning in accordance with the provisions of applicable law and the City’s Code of Ordinances.

Section 7. Any person who sells or conveys any portion of the Property shall, no later than 14 days prior to such sale or conveyance, give written notice of this Agreement to the prospective purchaser or grantee, and shall give written notice of the sale or conveyance to the City. Furthermore, the Owner and the Owner’s heirs, successor, and assigns shall give the City written notice within 14 days of any change in the agricultural

exemption status of the Property. A copy of either notice required by this section shall be forwarded to the City at the following address:

City of Celina
Attn: City Manager
142 N. Ohio
Celina, Texas 75009

Section 8. A certified copy of this Agreement shall be recorded in the real property records of Collin County, Texas, and this Agreement shall constitute a covenant that runs with the Property that may only be released with the City's written consent.

Section 9. If a court of competent jurisdiction determines that any covenant of this Agreement is void or unenforceable, including the covenants regarding involuntary annexation, then the remainder of this Agreement shall remain in full force and effect.

Section 10. This Agreement may be enforced by any Owner or the City by any proceeding at law or in equity. Failure to do so shall not be deemed a waiver to enforce the provisions of this Agreement thereafter. Notwithstanding the preceding terms of this section, the City does not waive immunity from suit or liability.

Section 11. Owner and City acknowledge and expressly agree that no subsequent change in the law regarding annexation shall affect the enforceability of this Agreement or the City's ability to annex the properties covered herein pursuant to the terms of this Agreement.

Section 12. The validity of this Agreement and any of its terms and provisions, as well as the rights and duties of the parties, shall be governed by the laws of the State of Texas; and venue for any action concerning this Agreement shall be only in Collin County, Texas.

Section 13. This Agreement may be separately executed in individual counterparts and, upon execution, shall constitute one and same instrument.

Section 14. This Agreement shall survive its termination to the extent necessary for the implementation of the provisions of Sections 2, 3, 4 and 11 herein.

Section 15. This Agreement embodies the complete agreement of the parties hereto, superseding all oral or written, previous and contemporary agreements between the parties and relating to the matters in this Agreement and except as otherwise provided herein, cannot be modified without written agreement of the parties to be attached to and made a part of this Agreement.

Section 16. The determinations recited and declared in the preambles to this Agreement are hereby incorporated herein as part of this Agreement.

Section 17. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

Entered into this ____ day of _____, 2018.

CITY OF CELINA

By: _____

Name: Jason Laumer

Title: City Manager

Date: _____

THE STATE OF TEXAS §

§

COUNTY OF COLLIN §

This instrument was acknowledged before me on _____, 2018, by Jason Laumer, City Manager of the City of Celina, Texas on behalf of said City.

Notary Public in and for the State of TEXAS

OWNER: THOMAS F. YENNY

By: _____

Name: Thomas F. Yenny

Title: Owner

Date: _____

THE STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2018, by Thomas F. Yenny, owner of said Property.

Notary Public in and for the State of TEXAS

EXHIBIT "A"
Description and Depiction of Property

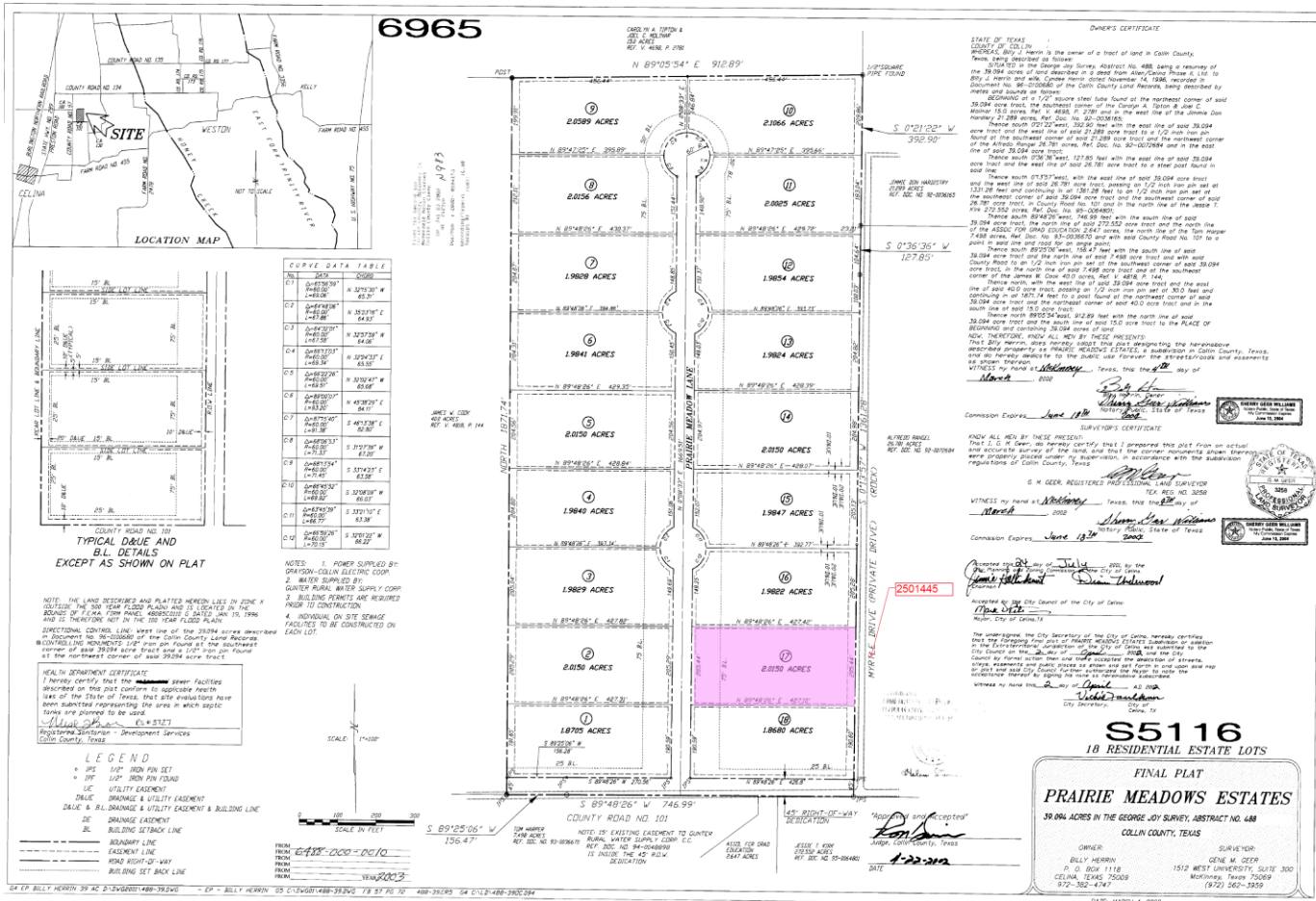


EXHIBIT "B"
Annexation Petition

TO: THE MAYOR AND CITY COUNCIL MEMBERS OF THE CITY OF CELINA,
 TEXAS:

I, **Thomas F. Yenny**, owner of the hereinafter described tracts or parcels of land ("Property"), hereby voluntarily petition the City Council of the City of Celina, Texas, to annex the Property and extend the present city limits and extraterritorial jurisdiction so as to include as part of the City of Celina, Texas, the Property, containing approximately 2.0150 acres of land, described as follows:

Being all that certain tract or parcel of land situated in Collin County, Texas and known by the Collin County Appraisal District as Property ID 2501445, being an approximate 2.0150 acre tract of land legally described as Prairie Meadows Estates, Lot 17, and as more particularly described and depicted in Exhibit 1, attached hereto.

I desire to enter into a written agreement for municipal services with the City of Celina pursuant to Section 43.0672 of the Local Government Code. If any portion of the Property is appraised for ad valorem tax purposes as agricultural, wildlife management use or timber land under Chapter 23 of the Tax Code, I certify that I was offered a development agreement pursuant to Section 43.016 of the Local Government Code and still requested annexation. I request that the City of Celina institute annexation proceedings at any time prior to December 31, 2031.

I certify that the above-described Property is contiguous and adjacent to the City of Celina, Texas, and that this petition is signed and duly acknowledged by each and every person, corporation, or entity having an ownership interest in said Property.

OWNER(S):

Signature: _____ Print Name: _____

Acknowledgement Follows

NOTARY ACKNOWLEDGEMENT

STATE OF TEXAS §
 COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared Thomas F Yenny, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this ____ day of _____, 2018.

(SEAL)

 NOTARY PUBLIC in and for the
 STATE OF TEXAS

 Printed Name

My commission expires: _____

FOR OFFICE USE ONLY:

Date of filing with City: _____

Received by: _____

EXHIBIT 1

Description and Depiction of Property

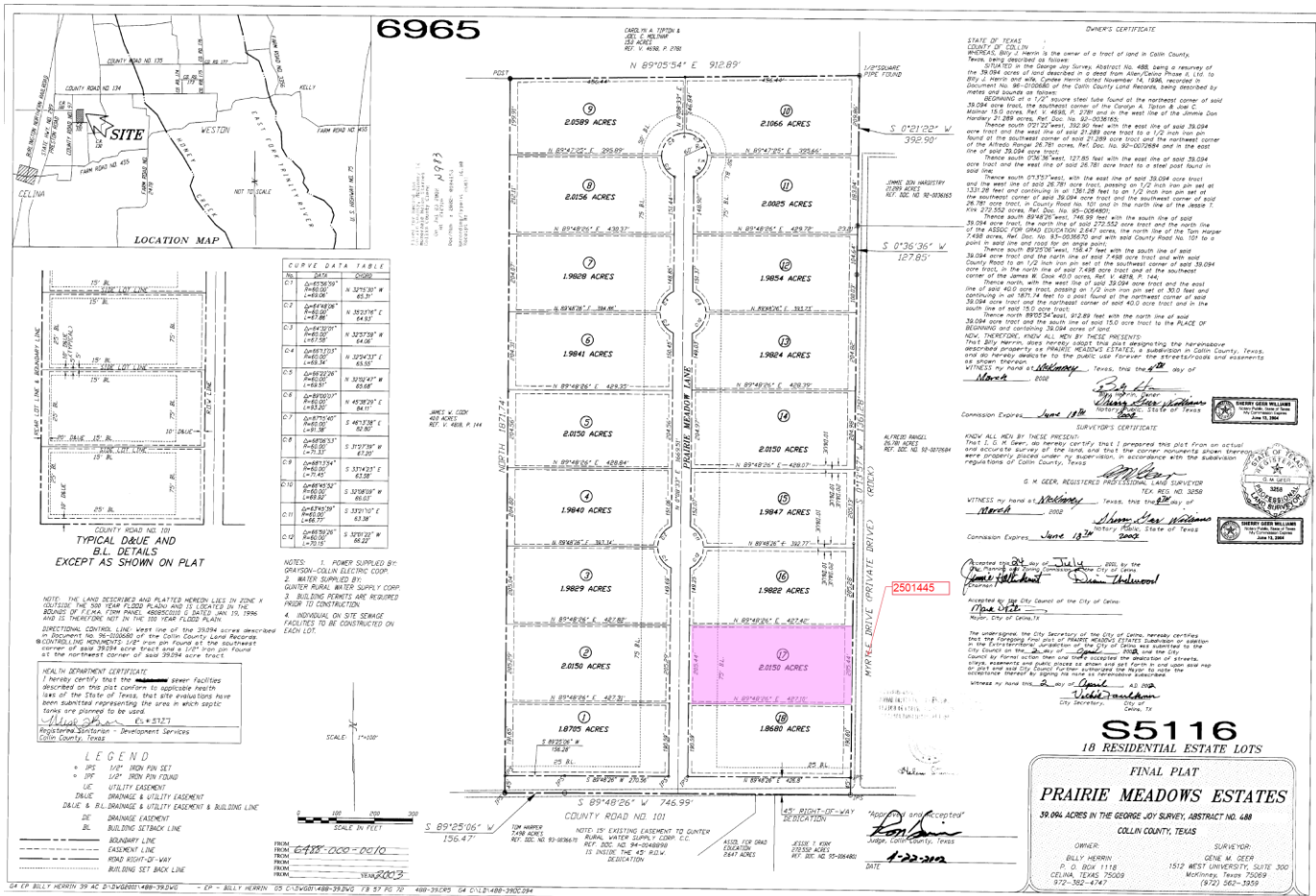


EXHIBIT "C"

Agreement for Municipal Services (Service Plan)

A) MUNICIPAL SERVICES GENERALLY

- 1) This agreement for municipal services has been prepared in accordance with the Texas Local Government Code ("LGC"), Section Sec. 43.0672. Municipal facilities and services to the annexed area will be provided or made available on behalf of the City of Celina in accordance with this agreement. The City of Celina shall provide the annexed tract the levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of service, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density.
- 2) For purposes of this service plan, to "provide" services includes having services provided by any method or means by which the City provides municipal services to any other areas of the City, and may include causing or allowing private utilities, governmental entities and other public service organizations to provide such services by contract or right, in whole or in part, and may include duties on part of the private landowner with regard to such services.

B) EMERGENCY SERVICES

- 1) Police Protection
 - a) Police protection from the City of Celina Police Department shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas on the effective date of the annexation ordinance. Some of these services include:
 - i) Normal patrol and responses;
 - ii) Handling of complaints and incident reports;
 - iii) Special units, such as traffic enforcement and investigations; and
 - iv) Coordination with other public safety support agencies.
 - b) *As development commences in these areas, sufficient police protection, including personnel and equipment will be provided to furnish these areas with the level of police services consistent with the characteristics of topography, land utilization and population density of the areas.*
 - c) Upon ultimate development, police protection will be provided at a level consistent with other similarly situated areas within the city limits.
- 2) Fire Protection
 - a) The Celina Fire Department will provide emergency and fire prevention services to the annexed area. These services include:
 - i) Fire suppression and rescue;
 - ii) Pre-hospital medical services including triage, treatment and transport by Advanced Life Support (ALS) fire engines, trucks and ambulances;
 - iii) Hazardous materials response and mitigation;
 - iv) Emergency prevention and public education efforts;
 - v) Technical rescue response; and

- vi) Constriction Plan Review and required inspections.
 - b) Fire protection from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.
 - c) As development commences in these areas, sufficient, fire protection, including personnel and equipment will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization and population density of the areas. It is anticipated that fire stations planned to service areas currently with the City of Celina will be sufficient to serve the annexed area.
 - d) Upon ultimate development, fire protection will be provided at a level consistent with similarly situated areas within the city limits.
- 3) Emergency Medical Services
- a) The Celina Fire Department will provide emergency and safety services to the annexed area. These services include:
 - i) Emergency medical dispatch and pre-arrival First Aid instructions;
 - ii) Pre-hospital emergency Advanced Life Support (ALS) response; and transport; and
 - iii) Medical rescue services.
 - b) Emergency Medical Services (EMS) from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.
 - c) As development commences in these areas, sufficient EMS, including personnel and equipment, will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization and population density of the areas.
 - d) Upon ultimate development, EMS will be provided at a level consistent with similarly situated areas within the city limits.

C) SOLID WASTE

- 1) Solid Waste and Recycling Collection Services will be provided to the annexed area immediately upon the effective date of the annexation at a level consistent with current methods and procedures presently provided to similar areas within the City. Private solid waste collection service providers operating in the affected area immediately prior to annexation and currently providing customers with service may continue to provide their existing service for up to two (2) years.

D) WASTEWATER FACILITIES

- 1) As development commences in these areas, sanitary sewer mains as defined by the Certificate of Convenience and Necessity (CCN) Number 20764, as issued by the Texas Commission on Environmental Quality (TCEQ) will be extended in accordance with the provisions of the City's codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with applicable City codes, ordinances, regulations and policies. Capacity and extensions shall be provided consistent with the characteristics of topography, land utilization and population density of the areas. If the annexed area is in the CCN of another provider, wastewater service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new wastewater provider, in time.
- 2) Sanitary sewer mains and lift stations installed or improved to City standards, and

accepted by the City, within the annexed area which are located within dedicated easement, rights-of-way, or any other acceptable location approved by the City Manager or his designee, shall be maintained by the City on the effective date of this ordinance.

- 3) Operation and maintenance of wastewater facilities in the annexed area that are within the certificated service area of another wastewater utility will be the responsibility of that utility. Operation and maintenance of private wastewater facilities in the annexed area will be the responsibility of the owner.

E) WATER FACILITIES

- 1) Connections to existing City of Celina water distribution mains for water service as defined by Certificate of Convenience and Necessity (CCN) Number 12667, as issued by the Texas Commission on Environmental Quality (TCEQ) will be provided in accordance with existing City codes, ordinances, regulations and policies. Upon connection to existing distribution mains, water service will be provided at rates established by city ordinance. If the annexed area is in the CCN of another provider, water service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new water provider, in time.
- 2) As development commences in these areas, water distribution mains will be extended in accordance with City of Celina codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with the City of Celina's codes, ordinances, regulations and policies. Water service extensions and capacity shall be provided consistent with the characteristics of topography, land utilization and population density of the area.
- 3) Operation and maintenance of existing water facilities in the annexed area that are within the service area of another water utility will be the responsibility of that utility. Operation and maintenance of private water facilities in the annexed area will be the responsibility of the owner.

F) ROAD AND STREETS

- 1) Emergency roadway/street maintenance shall be provided within the annexed area on the effective date of the applicable ordinance of acceptance. Routine maintenance will be provided within the annexed area and will be scheduled as part of the City's annual program and in accordance with the City's current codes, ordinances, regulations, policies and procedures defined therein and/or as established by the City Council. Private roads/streets and drives shall remain private and not be improved, reconstructed, maintained or serviced by the City.
- 2) Any construction or reconstruction will be considered within the annexed area on a City-wide basis and within the context of the City's Capital Improvement Plan and/or yearly fiscal budgetary allotments by the City Council. As development, improvement or construction of roads/streets to City standards commences within the annexed area, the policies of the City of Celina with regard to participation in the costs thereof, acceptance upon completion and maintenance after completion shall apply.
- 3) Roadway/street signage and associated posts will be replaced in priority of importance starting with regulatory signs, then warning signs, then informational signs and in conformance with fiscal allotments by the City Council. If a sign remains, it will be reviewed and placed on the City's inventory listed for routine re-placement. All existing signs will be reviewed for applicability and based upon an engineering study. New signs will be installed when necessary and based upon an engineering study.
- 4) Routine maintenance of road/street markings will be placed on a priority listing and scheduled within the yearly budgetary allotments by the City Council.

- 5) The City will coordinate any request for improved road and street lighting with the local electric provider. Any and all road and street lighting will be pursuant to the rules, regulations and fees of such electric utility and shall be maintained by the applicable utility company.

G) ENVIRONMENTAL HEALTH, INSPECTIONS AND CODE ENFORCEMENT SERVICES

- 1) Enforcement of the City's environmental health ordinances and regulations, including but not limited to, weed and brush ordinances, junked and abandoned vehicle ordinances and animal control ordinances, shall be provided within this area sixty (60) days of the effective date of the annexation ordinance. These ordinances and regulations will be enforced through the use of existing personnel.
- 2) Inspection services including the review of building plans, the issuance of permits and the inspection of all buildings, plumbing, mechanical and electrical work to ensure compliance with City codes and ordinances will be continued to be provided after the effective date of the annexation ordinance. Existing personnel will be used to provide these services.
- 3) The City's zoning, subdivision, sign and other ordinances shall be enforced in this area beginning upon the effective date of the annexation.
- 4) All inspection services furnished by the City of Celina, but not mentioned above, will be provided to this area beginning within sixty (60) days of the effective date of the annexed ordinance.
- 5) As development and construction commence in this area, sufficient personnel will be provided to furnish this area the same level of environmental health, inspection and code enforcement services as are furnished throughout the City.

H) PLANNING AND ZONING SERVICES

- 1) The Planning and zoning jurisdiction of the City will extend to this area upon the effective date of the annexation ordinance. City planning will thereafter encompass this property, and it shall be entitled to consideration for zoning in accordance with the City's Zoning Ordinance and Comprehensive Plan.

I) PARKS, PLAYGROUNDS, LIBRARIES, SWIMMING POOLS

- 1) Residents within the annexed area may utilize all existing park and recreation facilities, on the effective date of this ordinance. Fees for such usage shall be in accordance with current fees established by ordinance.
- 2) As development commences in the area, additional park and recreation facilities shall be constructed based on park policies defined in the Park Master Plan and as specified in the Park Dedication Ordinance. The general planned locations and classifications of parks will ultimately serve residents from the current City limits and residents from areas being considered for annexation.

J) PUBLICLY OWNED FACILITIES

- 1) Any publicly owned facility, building, or service located within the annexed area, and not otherwise owned or maintained by another governmental entity, shall be maintained by the City of Celina on the effective date of the annexation ordinance.

K) OTHER SERVICES

- 1) Other services that may be provided by the City of Celina, such as municipal and general administration will be made available on the effective date of the annexation. The City of Celina shall provide levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of services, infrastructure, and infrastructure maintenance

available in other parts of the City of Celina with similar topography, land use, and population density similar to those reasonably contemplated or projected in the area.

L) UNIFORM LEVEL OF SERVICES IS NOT REQUIRED

- 1) Nothing in this Service Plan shall require the City of Celina to provide a uniform level of full municipal services to each area of the City, including the annexed areas, if different characteristics of topography, land use, and population density are considered a sufficient basis for provided different levels of service. The City Council finds and determines that this Service Plan will not provide any fewer services, and it will not provide a lower level of services, than were in existence in the annexed area at the time immediately preceding the annexation process.
- 2) The City of Celina's codes, ordinances, regulations and policies that apply throughout the City may be reviewed at City Hall and at <http://www.franklinlegal.net/codes.html>.

M) TERM

- 1) This Service Plan shall be valid for a term of ten (10) years. Renewal of the Service Plan shall be at the discretion of the City Council and must be approved by ordinance.

N) AMENDMENTS

- 1) This Service Plan may be amended if the City Council determines at a public hearing that changed conditions or subsequent occurrences make this Service Plan unworkable or obsolete. The City Council may amend the Service Plan to conform to the changed conditions, subsequent occurrences or any other legally sufficient circumstances exist pursuant to the LGC or other Texas or Federal laws that make this service plan unworkable, obsolete or unlawful.

CITY OF CELINA, TEXAS

ORDINANCE NO. 2018 - _____
YENNY DISANNEXTION

AN ORDINANCE OF THE CITY OF CELINA, TEXAS, PROVIDING FOR THE DISANNEXTION OF CERTAIN TERRITORY BEING APPROXIMATELY 2.0150 ACRES OF LAND GENERALLY LOCATED EAST OF COUNTY ROAD 97, WEST OF COUNTY ROAD 132, NORTH OF COUNTY ROAD 101, AND SOUTH OF COUNTY ROAD 134; AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AND GRAPHICALLY DEPICTED IN EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN; PROVIDING FOR THE RETRACTION OF THE BOUNDARY LIMITS OF SAID CITY SO AS TO EXCLUDE THE DESCRIBED PROPERTY FROM THE CITY LIMITS, PROVIDING THAT THE INHABITANTS THEREOF SHALL NO LONGER BE CITIZENS OF CELINA, TEXAS; AND PROVIDING THAT THE TERRITORY DISANNEXTED SHALL NOT BEAR ITS PRO RATA PART OF TAXES; PROVIDING INSTRUCTIONS FOR FILING THIS ORDINANCE AND FOR CORRECTING THE OFFICIAL MAP AND BOUNDARIES OF SAID CITY; PROVIDING SEVERABILITY AND CUMULATIVE CLAUSES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina ("City") is a home-rule municipality organized under the laws of the State of Texas; and

WHEREAS, the City Council of Celina, Texas ("City Council") previously adopted Ordinance No. 2017-112 on November 21, 2017, annexing a tract of land totaling approximately 2.0150 acres, more or less, and identified with the Collin County Appraisal District as Property ID No. 2501445 and legally described as Prairie Meadows Estates, Lot 17, Collin County, Texas; being more particularly described and depicted in Exhibit "A", which is incorporated herein, (the "Property"); and

WHEREAS, it was the City Council and property owners' ("Owner") intention to enter into a development and services agreement ("Agreement") pursuant to Sections 43.016 (formerly Section 43.035) and 212.172 of the Texas Local Government Code to have the Property remain in the City's extraterritorial jurisdiction and be annexed upon development; and

WHEREAS, all of the Property described herein is now located within the corporate limits of the City; and

WHEREAS, the Owner has requested that the City Council disannex the Property but has submitted a voluntary petition for annexation at a future date; and

WHEREAS, City declares it would not disannex the Property if this Agreement, and promises of Owner therein, were not enforceable; and

WHEREAS, in accordance with Section 43.142 of the Texas Local Government Code, a home-rule municipality may disannex territory pursuant to its Charter so long as not inconsistent with Chapter 43 of the Texas Local Government Code; and

WHEREAS, Section 1.03 of the City Charter allows the City Council to disannex an area within the corporate limits of the City; and

WHEREAS, the Owner acknowledges, and the City Council finds, that during the time that the property has been located within the City's corporate territorial limits the amount of property taxes collected by the City was roughly proportional to the amount of money the City spent for the direct benefit of the area during that period; and, therefore, the City shall not be required to refund any taxes or fees to the Owner; and

WHEREAS, the Owner acknowledges, and City Council finds, that the request does not allege that the City Council failed or refused to provide services or to cause services to be provided within the Property with a period required by statute or specified in a service plan prepared for the Property; and, therefore, the disannexation does not fall under the purview of Texas Local Government Code Section 43.141; and

WHEREAS, the Owner acknowledges, and City Council finds, that the property to be disannexed includes the disannexation of a portion of Celina Road, and the width requirements of Texas Local Government Code Section 43.147 are met; and

WHEREAS, the City Council finds and determines that disannexation of the Property, including adjacent right-of-way, hereinafter described is in the best interests of the citizens of the City of Celina and the owners and residents of the area.

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

SECTION 1. Findings. It is hereby officially determined that the findings and recitations contained above in the preamble of this ordinance are true and correct and are incorporated herein by reference.

SECTION 2. Disannexation. That the following described territory, to wit:

Collin County Appraisal District Property ID 2501445, being an approximate 2.0150 acre tract of land in Collin County, Texas, legally described as Prairie Meadows Estates, Lot 17 and the adjacent right-of-way of County Road 101,

being more particularly described and depicted in Exhibit "A", which is incorporated herein as if written word for word, and that such area shall be and is hereby disannexed from the corporate limits of the City and excluded from the boundary limits of the City, and the present corporate boundary limits of said City, at the various points contiguous to the area hereinafter described, are altered and amended so as to exclude said area from the corporate limits of the City, thereby

adding the territory into the City's extraterritorial jurisdiction. The disannexed Property shall no longer bear its pro rata part of the taxes levied by the City, and the inhabitants thereof shall no longer be citizens and shall no longer be bound by the acts, ordinances, resolutions and regulations of the City, with the exception of those ordinances and regulations applicable in the City's extraterritorial jurisdiction. During the time that the Property has been located within the City's corporate territorial limits, the amount of property taxes collected by the City was roughly proportional to the amount of money the City spent for the direct benefit of the Property and the City shall not be required to refund any taxes or fees to the Owner.

SECTION 3. Official Map. The official map and boundaries of the City, previously adopted, are amended to exclude the Property as part of the City of Celina. The City Secretary is directed and authorized to perform or cause to be performed all acts necessary to correct the official map of the City to remove the disannexed Property as required by applicable law.

SECTION 4. Severability Clause. It is hereby declared by the City Council of the City of Celina that if any of the sections, paragraphs, sentences, clauses, phrases, words, or provisions of this ordinance should be declared unconstitutional or otherwise invalid for any reason, such event shall not affect any remaining sections, paragraphs, sentences, clauses, phrases, words, or provisions of this ordinance.

SECTION 5. Repealing Clause. If any portion of the Agreement is not valid, City Council declares it would not have adopted this ordinance and it shall be void ab initio; notwithstanding, the Property shall not be liable for back taxes.

SECTION 6. Cumulative Clause. This ordinance shall be cumulative of all provisions of ordinances of the City of Celina except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed.

SECTION 7. Public Meeting. It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required by law.

SECTION 8. Filing Instructions. The City Secretary is hereby directed to file a certified copy of this ordinance with the County Clerk of Collin County, Texas, and with other appropriate officials and agencies as required by state and federal law.

SECTION 9. Effective Date. This ordinance shall be in full force and effect immediately upon its passage and approval by the City Council of the City of Celina, Texas.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas, on this 13th day of November, 2018.

Sean Terry, Mayor
City of Celina, Texas

ATTEST:

Vicki Faulkner, City Secretary
City of Celina, Texas

Attachment: Thomas Yenny Disannexation Ordinance (2018 - 60 : Disannexation of 9050 Prairie Meadow Lane)





Fire Department
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Mark Metdker, Public Safety Director
CC: Jason Laumer, City Manager
Date: November 13, 2018
Re: This is our annual Interlocal Cooperation Agreement for Fire and EMS with Denton County

Action Requested:

Consider and act upon an agreement by and between the City of Celina and Denton County for Fire and Emergency Medical Services. (Metdker)

Background Information:

This is an annual occurrence

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

Legal Review:

N/A

Supporting Documents:

Exhibits

Staff Recommendation:

approval

THE COUNTY OF DENTON

§

CITY OF CELINA

§

FIRE DEPARTMENT

§

STATE OF TEXAS

§

**INTERLOCAL COOPERATION AGREEMENT
FIRE PROTECTION SERVICES**

THIS AGREEMENT, which has an effective date of October 1, 2018, is made and entered into by and between Denton County, a political subdivision of the State of Texas, hereinafter referred to as "the **COUNTY**," and the City Celina Fire Department, a municipal corporation, located in Denton County, Texas, hereinafter referred to as "the **AGENCY**".

WHEREAS, the **COUNTY** is a duly organized political subdivision of the State of Texas engaged in the administration of county government and related services for the benefit of the citizens of Denton County; and

WHEREAS, the **AGENCY** is a municipal corporation, duly organized and operating under the laws of the State of Texas and engaged in the provision of fire protection services and related services for the benefit of the citizens of the City of Celina; and

WHEREAS, the **AGENCY** is the owner and operator of certain fire protection vehicles and other equipment designed for the extinguishing of fire and prevention of damage to property and injury to persons from fire and has in its employ trained personnel whose duties are related to the use of such vehicles and equipment; and

WHEREAS, the **COUNTY** and the **AGENCY** mutually desire to be subject to and contract pursuant to provisions of the Texas Government Code, Chapter 791 and the Texas Local Government Code, Chapter 352, and

NOW, THEREFORE, the **COUNTY** and the **AGENCY**, for the mutual promises, covenants, Agreements and consideration stated herein, agree as follows:

I.
TERM

The term of this Agreement shall be for the period beginning of October 1, 2018, and ending September 30, 2019.

II.
SERVICES

The services to be rendered in accordance with this Agreement by the **AGENCY** are the fire protection services normally rendered by the **AGENCY** to citizens of the City of Celina in circumstances of emergency, but which services will now be extended to all citizens of the

COUNTY residing in the unincorporated areas of the **COUNTY** within the operating territory or jurisdiction of the **AGENCY**, as agreed to by the **AGENCY** and the **COUNTY** in this Agreement and as set forth in “Exhibit A,” attached hereto and incorporated herein by reference. These services are rendered in consideration of the basic funding and the separate per call fee set forth in this Agreement for the common good and benefit and to serve the public convenience and necessity of the citizens of the **COUNTY** who are not otherwise protected with respect to fire prevention, extinguishment, safety and rescue services. The services to be rendered are as follows:

- A. The **AGENCY** shall make available and provide emergency fire prevention, extinguishment, safety and rescue services within the agreed or specified territory or jurisdiction of the **AGENCY**.
- B. The **AGENCY** shall respond to requests for fire protection services made within the portion of the **COUNTY** designated as “*Celina*” as set out in Exhibit "A".
- C. The **COUNTY** agrees that, in the event a fire in the **AGENCY**'s unincorporated designated area which the **AGENCY** considers to be of an incendiary nature and upon request by the **AGENCY**, the County Fire Marshal will dispatch investigation personnel to the fire scene within a response time sufficient to legally maintain and protect all evidence of said fire and will conduct all appropriate investigation and assist in the prosecution of any case of arson. The **AGENCY** shall not be responsible for investigations of suspected incendiary fires in the unincorporated areas, but shall cooperate with the County Fire Marshal in immediately relating all pertinent information possible to the investigator(s).
- D. The **COUNTY** agrees that the County Fire Marshal may assist in the conduct of appropriate investigations of a fire which the **AGENCY** considers to be of incendiary nature in the **AGENCY**'s incorporated area upon request of the **AGENCY**.
- E. The **AGENCY** shall submit monthly statements on the Texas Fire Incident Reporting System's standardized forms to the Denton County Fire Marshal, 701 Kimberly Drive, Suite A101, Denton, Texas 76208. This form will serve as the billing statement to the **COUNTY** for reimbursement of calls made in the unincorporated area. The Denton County Fire Marshal shall provide the forms upon request from the **AGENCY**.
- F. The **AGENCY**, in the performance of its duties and responsibilities under this Agreement, shall have the responsibility, within the sole discretion of the officers and employees of the **AGENCY**, except as otherwise determined by the Denton County Fire Marshal, to determine priorities in the dispatching and use of the **AGENCY**'s equipment and personnel, and the judgment of any such officer or employee as to such matters shall be the final determination.

The **COUNTY** shall designate the County Judge to act on behalf of the **COUNTY** and to serve as "Liaison Officer" between the **COUNTY** and the **AGENCY**. The County Judge, or her designated substitute, shall devote sufficient time and attention to insure the performance of all duties and obligations of the **COUNTY** under this Agreement and shall provide immediate and direct supervision of employees, agents, contractors, sub-contractors and/or laborers of the **COUNTY** engaged in the performance of this Agreement for the mutual benefit of the **COUNTY** and the **AGENCY**.

III. PERFORMANCE OF SERVICE

The **AGENCY** shall devote sufficient time and attention to insure the performance of all duties and obligations of the **AGENCY** under this Agreement and shall provide immediate and direct supervision of the **AGENCY's** employees, agents, contractors, sub-contractors and/or laborers engaged in the performance of this Agreement for the mutual benefit of the **AGENCY** and the **COUNTY**.

IV. COMPENSATION

The **COUNTY** agrees to pay to the **AGENCY** for the full performance of services as provided in this Agreement the sum of **\$10,000.00**, payable upon execution of this Agreement, and further agrees to pay the sum of **\$550.00** per fire call in the designated unincorporated areas of the **COUNTY** from October 1, 2018, to September 30, 2019. The **COUNTY** anticipates the **AGENCY** to run approximately **1** fire call for a total funding of **\$550.00** for fire calls. The total payments by the **COUNTY** to the **AGENCY** pursuant to this Agreement are estimated to be **\$10,550.00**. The **COUNTY** will make no payment to the **AGENCY** for service provided outside the agreed service district whether by Mutual Aid Agreement or otherwise. The **AGENCY** understands and agrees that payment by the **COUNTY** to the **AGENCY** shall be made in accordance with the normal and customary processes and business procedures of the **COUNTY** and in conformance with applicable state law.

V. FINANCIAL RECORDS

The **AGENCY** agrees to make its financial records available for audit and/or review by the **COUNTY**, upon request by the **COUNTY**.

VI.
RESPONSIBILITY OF THE COUNTY

The **COUNTY**, to the extent permitted by law, shall be responsible for the acts, negligence and omissions of all officers, employees and agents of the **COUNTY** who are engaged in the performance of this Agreement.

VII.
RESPONSIBILITY OF THE AGENCY

The **AGENCY**, to the extent permitted by law, shall be responsible for the acts, negligence and omissions of all officers, employees and agents of the **AGENCY** who are engaged in the performance of this Agreement.

VIII.
APPLICABLE LAW

The **COUNTY** and the **AGENCY** understand and agree that liability under this contract is governed by the Texas Government Code, Chapter 791 and the Texas Local Government Code, Chapter 352. This Agreement is made in contemplation of the applicability of these laws to the Agreement. Insofar as legally possible the **COUNTY** and the **AGENCY** agree to be bound by the above mentioned statutes as they exist as of the date of this Agreement.

IX.
DEFAULT

In the event of default of any of the covenants herein contained, this Agreement may be terminated at the discretion of the non-defaulting party if such default continues for a period of ten (10) days after notice to the other party in writing of such default and the intent to terminate this Agreement due to the default. Unless the default is cured, this Agreement shall terminate.

X.
TERMINATION

This Agreement may be terminated any time, by either the **COUNTY** or the **AGENCY** by giving sixty (60) days advance written notice to the other party. In the event of termination by either party, the **AGENCY** shall be compensated pro rata for all services performed to the termination date together with reimbursable expenses then due as authorized by this Agreement. In the event of such termination, should the **AGENCY** be overcompensated on a pro rata basis for all services performed to the termination date and/or be overcompensated reimbursable expenses, the **COUNTY** shall be reimbursed pro rata for all such overcompensation.

Acceptance of such reimbursement shall not constitute a waiver of any claim that may otherwise arise out of this Agreement.

XI.
GOVERNMENTAL IMMUNITY

The fact that the **COUNTY** and the **AGENCY** accept certain responsibilities relating to the rendition of fire protection services under this Agreement as part of their responsibility for providing protection for the public health makes it imperative that the performance of these vital services be recognized as a governmental function and that the doctrine of governmental immunity shall be, and it is hereby, invoked to the extent permitted by law. Neither the **AGENCY**, nor the **COUNTY** waive, nor shall be deemed to have hereby waived, any immunity or defense that would otherwise be available to it against claims arising from the exercise of government powers and functions.

XII.
ENTIRE AGREEMENT

This Agreement represents the entire Agreement between the **COUNTY** and the **AGENCY** and supersedes all prior negotiations representations and Agreements, either written or oral. This Agreement may be amended only by written instrument signed by both parties.

XIII.
LAW OF CONTRACT

This Agreement and any of its terms or provisions, as well as the rights and duties of the parties hereto, shall be governed by the laws of the State of Texas. The venue for any dispute, or matter, arising under this Agreement shall lie in Denton County, Texas.

XIV.
SEVERABILITY

In the event that any portion of this Agreement shall be found to be contrary to law, it is the intent of the parties hereto that the remaining portions shall remain valid and in full force and effect to the fullest extent possible.

XV.
AUTHORITY

The undersigned officer or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties.

XVI.
SERVICE AREA

Acceptance of this Agreement constitutes approval of the service area set out in attached Exhibit "A".

EXECUTED in triplicate originals on the dates set forth below.

COUNTY

Denton County, Texas
110 West Hickory Street, 2nd Floor
Denton, Texas 76201

AGENCY

City of Celina
142 N. Ohio Drive
Celina, Texas 75009

By _____
Mary Horn
Denton County Judge

By _____
Name _____
Fire Chief

Acting on behalf of and by the
authority of Denton County
Commissioners Court of
Denton County, Texas

Acting on behalf of and by the
authority of the City of Celina

DATED: _____

DATED: _____

ATTEST:

BY: _____
Denton County Clerk

APPROVED AS TO CONSENT:

BY: _____
Denton County Fire Marshall

APPROVED AS TO FORM:

BY: _____
Assistant District Attorney

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$_____ to
accomplish and pay the obligation of Denton County under this Contract/Agreement.

James Wells, Denton County Auditor

Attachment: 2018-2019 Celina Fire (Fire/EMS ICA with Denton County)

THE COUNTY OF DENTON	§	
	§	CITY OF CELINA
	§	AMBULANCE SERVICES
STATE OF TEXAS	§	

INTERLOCAL COOPERATION AGREEMENT
AMBULANCE SERVICE

THIS AGREEMENT, which has an effective date of October 1, 2018, is made and entered into by and between Denton County a political subdivision of the State of Texas, hereinafter referred to as "the **COUNTY**," and the City of Celina, a municipal corporation, located in Denton County, Texas, hereinafter referred to as "the **AGENCY**".

WHEREAS, the **COUNTY** is a duly organized political subdivision of the State of Texas engaged in the administration of county government and related services for the benefit of the citizens of Denton County; and

WHEREAS, the **AGENCY** is a municipal corporation, duly organized and operating under the laws of the State of Texas and engaged in the provision of ambulance services and related services for the benefit of the citizens of the City of Celina; and

WHEREAS, the **AGENCY** is an owner and operator of certain ambulance vehicles and other equipment designed for the transportation of persons who are sick, infirmed or injured and has in its employ trained personnel whose duties are related to the treatment of said individuals and the use of such vehicles and equipment; and

WHEREAS, the **COUNTY** desires to obtain emergency ambulance and related services for the benefit of residents of the **COUNTY** living in unincorporated areas of the **COUNTY** which the **AGENCY** is capable of providing; and

WHEREAS, the provision of emergency ambulance and related services is a governmental function that serves the public health and welfare and is of mutual concern to both the **COUNTY** and the **AGENCY**; and

WHEREAS, the **COUNTY** desires to expend County funds to defray the expense of establishing, operating and maintaining emergency ambulance services in the County; and

WHEREAS, the **COUNTY** and the **AGENCY** mutually desire to be subject to and contract pursuant to the provisions of Texas Government Code, Chapter 791 and Texas Health and Safety Code, Section 774.003, and

Attachment: 2018-2019 Celina Ambulance (Fire/EMS ICA with Denton County)

NOW THEREFORE, the **COUNTY** and the **AGENCY**, in consideration of the mutual promises, covenants, and Agreements stated herein, agree as follows:

I.
TERM

The term of this Agreement shall be for the period beginning of October 1, 2018, and ending on September 30, 2019.

II.
DEFINITIONS

As used herein, the words and phrases hereinafter set forth shall have the meanings as follows:

- A. "Emergency" shall mean any circumstance that calls for immediate action and in which the element of time in transporting the sick, wounded or injured for medical treatment is essential to the health or life of a person or persons. Whether an emergency, in fact, exists is solely up to the discretion of the **AGENCY**. For dispatch purposes only, "emergency" shall include, but not be limited to:
 - 1. The representation by the individual requesting ambulance service that an immediate need exists for the transportation of a person from any location within the agreed operating area of the **AGENCY** to a place where emergency medical treatment may be obtained; or
 - 2. The representation by the individual requesting ambulance service that an immediate need exists for the transportation of a person from any location within the agreed operating area of the **AGENCY** to the closest medical facility.
- B. "Rural area" means any area within the boundaries of the **COUNTY**, but outside the corporate limits of all incorporated cities, towns and villages within the **COUNTY**.
- C. "Urban area" means any area within the corporate limits of an incorporated city, town or village within the **COUNTY**.
- D. "Emergency ambulance call" means a response to a request for ambulance service by the personnel of the **AGENCY** in a situation involving an emergency, as defined above, by an ambulance vehicle. A single response to a call may involve the transportation of more than one person at a time, but shall be considered as only one call.

III.
SERVICES

The services to be rendered under this Agreement by the **AGENCY** are the ambulance services normally rendered by the **AGENCY** to citizens of City of Celina in circumstances of emergency, but which services will now be extended to all citizens of the **COUNTY** residing in

the unincorporated areas of the **COUNTY** within the operating territory or jurisdiction of the **AGENCY**, as agreed to by the **AGENCY** and the **COUNTY** in this Agreement and as set forth in "Exhibit A," attached hereto and incorporated herein by reference.

It is recognized that the officers and employees of the **AGENCY** have the duty and responsibility of rendering ambulance services to citizens of the **AGENCY** and the **COUNTY**. In the performance of these duties and responsibilities, it shall be within the sole responsibility and discretion of the officers and employees of the **AGENCY** to determine priorities in the dispatching and use of such equipment and personnel and the judgment of the officer or employee shall be final.

The **COUNTY** shall designate the County Judge to act on behalf of the **COUNTY** and to serve as "Liaison Officer" between the **COUNTY** and the **AGENCY**. The County Judge, or her designated substitute, shall devote sufficient time and attention to insure the performance of all duties and obligations of the **COUNTY** under this Agreement and shall provide for the immediate and direct supervision of employees, agents, contractors, sub-contractors and/or laborers of the **COUNTY** engaged in the performance of this Agreement.

IV. **PERFORMANCE OF SERVICES**

The **AGENCY** shall devote sufficient time and attention to insure the performance of all duties and obligations of the **AGENCY** under this Agreement and shall provide immediate and direct supervision of the **AGENCY's** employees, agents, contractors, sub-contractors and/or laborers engaged in the performance of this Agreement for the mutual benefit of the **AGENCY** and the **COUNTY**.

V. **COMPENSATION**

COUNTY agrees to pay to the **AGENCY** an estimated fee of \$2,853.00 (amount rounded to the nearest dollar) based on a funding formula as follows:

1. A fixed sum based on a population percentage .4813 per capita; said sum computes to \$669.08.
2. A fixed sum of \$255.5911 per ambulance transport. There were no transports made by **AGENCY** in fiscal year 2018.
3. A fixed sum based on 3.16 rural miles in the agreed operating territory; said sum computes to \$2,184.35.

The first and third sums are based upon population and mileage figures obtained from the North Central Texas Council of Governments. The second sum is based upon the definition of an “ambulance call” for purposes of this Agreement. Payment shall not be allowed for any instance in which a patient is not transported. Consistent with the reporting procedures described below, the **AGENCY** shall receive payment for transporting the patient regardless of the service delivery area in which the call originated.

Each emergency transport made shall be submitted on the standardized ambulance transportation reporting form approved and provided by the **COUNTY**. It shall be the responsibility of the **AGENCY** to fully complete the forms and to provide complete and accurate patient information. A list of emergency transports shall be submitted monthly by the **AGENCY**. Emergency transport forms not timely submitted shall not be considered for payment. Completed emergency transport forms may be submitted by personal delivery, U.S. Mail, facsimile or email to the office of the Denton County Fire Marshal. The date of submission shall be the date the fully documented request is received in said office.

VI. **FINANCIAL RECORDS**

The **AGENCY** agrees to make its financial records available for audit and/or review by the **COUNTY**, upon request by the **COUNTY**.

VII. **RESPONSIBILITY OF THE COUNTY**

The **COUNTY**, to the extent permitted by law, shall be responsible for the acts, omissions and negligence of all officers, employees and agents of the **COUNTY** who are engaged in the performance of this Agreement.

VIII. **RESPONSIBILITY OF THE AGENCY**

The **AGENCY**, to the extent permitted by law, shall be responsible for the acts, omissions and negligence of all officers, employees and agents of the **AGENCY** who are engaged in the performance of this Agreement.

IX. **APPLICABLE LAW**

The **COUNTY** and the **AGENCY** understand and agree that liability under this contract is governed by Texas Government Code, Chapter 791 and Texas Health and Safety Code, Section 774.003. This Agreement is made in contemplation of the applicability of these laws to

the Agreement. Insofar as legally possible the **COUNTY** and the **AGENCY** agree to be bound by the above mentioned statutes as they exist as of the date of this Agreement.

X.
DEFAULT

In the event of default of any of the covenants herein contained, this Agreement may be terminated at the discretion of the non-defaulting party if such default continues for a period of ten (10) days after notice to the other party in writing of such default and the intent to terminate this Agreement due to the default. Unless the default is cured, this Agreement shall terminate.

XI.
TERMINATION

This Agreement may be terminated at any time by either the **COUNTY** or the **AGENCY** by giving sixty (60) days advance written notice to the other party. In the event of termination by either party, the **AGENCY** shall be compensated pro rata for all services performed to termination date together with reimbursable expenses then due as authorized by this Agreement. In the event of such termination, should the **AGENCY** be overcompensated on a pro rata basis for all services performed to the termination date and/or be overcompensated for reimbursable expenses, the **COUNTY** shall be reimbursed pro rata for all such overcompensation. Acceptance of such reimbursement shall not constitute a waiver of any claim that may otherwise arise out of this Agreement.

XII.
GOVERNMENTAL IMMUNITY

The fact that the **COUNTY** and the **AGENCY** accept certain responsibilities relating to the rendering of ambulance services under this Agreement as a part of their responsibility for providing protection for the public health makes it imperative that the performance of these vital services be recognized as a governmental function and that the doctrine of governmental immunity shall be, and is hereby, invoked to the extent permitted under the law. Neither the **AGENCY**, nor the **COUNTY** waive, nor shall be deemed to have hereby waived any immunity or defense that would otherwise be available to it against claims arising from the exercise of governmental powers and functions.

XIII.
ENTIRE AGREEMENT

This Agreement represents the entire Agreement between the **COUNTY** and the **AGENCY** and supersedes all prior negotiations, representations and Agreements, either written or oral. This Agreement may be amended only by written instrument signed by both parties.

XIV.
LAW OF CONTRACT

This Agreement and any of its terms or provisions, as well as the rights and duties of the parties hereto, shall be governed by the laws of the State of Texas. The venue for any dispute, or matter, arising under this Agreement shall lie in Denton County, Texas.

XV.
SEVERABILITY

In the event that any portion of this Agreement shall be found to be contrary to law, it is the intent of the parties hereto that the remaining portions of this Agreement shall remain valid and in full force and effect to the fullest extent possible.

XVI.
AUTHORITY

The undersigned officer or agents of the parties are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the Parties.

XVII.
SERVICE AREA

Acceptance of this Agreement constitutes approval of the service area set out in attached Exhibit "A".

EXECUTED in triplicate originals on the dates set forth below.

COUNTY:

Denton County, Texas
110 West Hickory Street, 2nd Floor
Denton, Texas 76201

BY: _____
Mary Horn
Denton County Judge

Acting on behalf of and by
the authority of the Denton County
Commissioners Court of Denton, Texas

AGENCY:

City of Celina
142 N. Ohio Drive
Celina, Texas 75009

BY: _____
Name _____
Title _____

Acting on behalf of and by the
authority of the City of Celina

Attachment: 2018-2019 Celina Ambulance (Fire/EMS ICA with Denton County)

DATED: _____

DATED: _____

ATTEST:

APPROVED AS TO CONTENT:

BY: _____
Denton County ClerkBY: _____
Denton County Fire Marshal

APPROVED AS TO FORM:

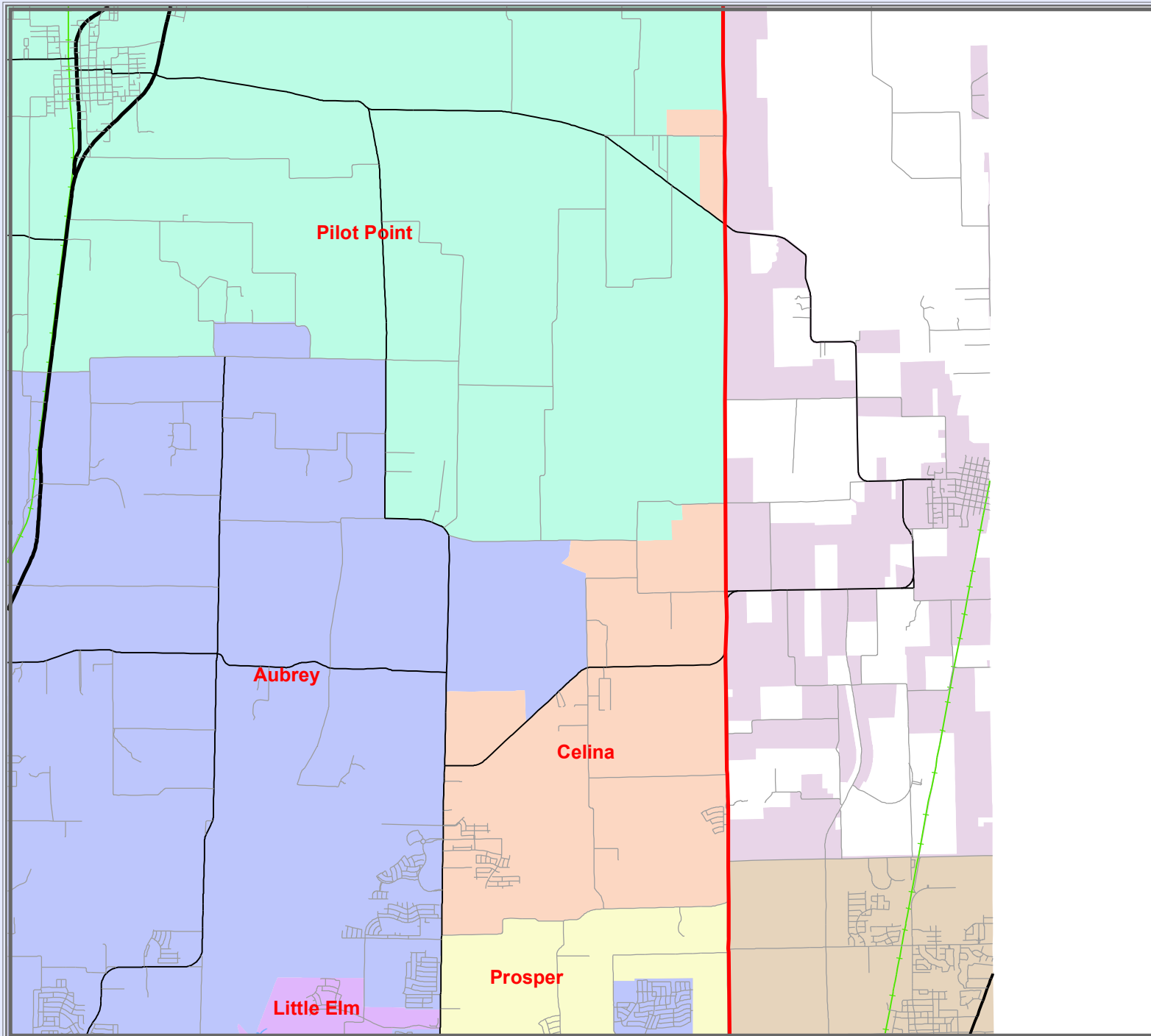
BY: _____
Assistant District Attorney**AUDITOR'S CERTIFICATE**

I hereby certify that funds are available in the amount of \$ _____ to
accomplish and pay the obligation of Denton County under this Agreement.

James Wells, Denton County Auditor

DENTON COUNTY

Celina Fire District

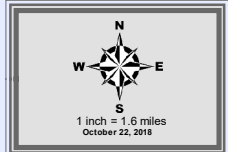


Legend

- INTERSTATE
- U.S. HIGHWAY
- STATE HIGHWAY
- FARM TO MARKET
- MAJOR THOROUGHFARES
- MINOR ROADS
- CEMETERY
- RAILROADS
- AIRPORTS
- STREAMS
- LAKES & PONDS

City Population

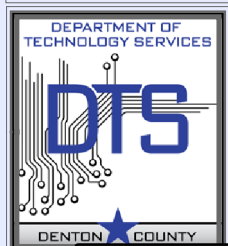
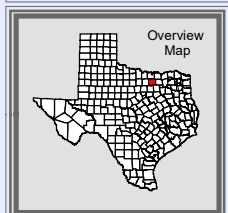
Denton > 100,000
Lewisville 40,000 - 100,000
Carroll 10,000 - 30,000
Nanger 2,000 - 9,999
Ponder 1 - 1,999



This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

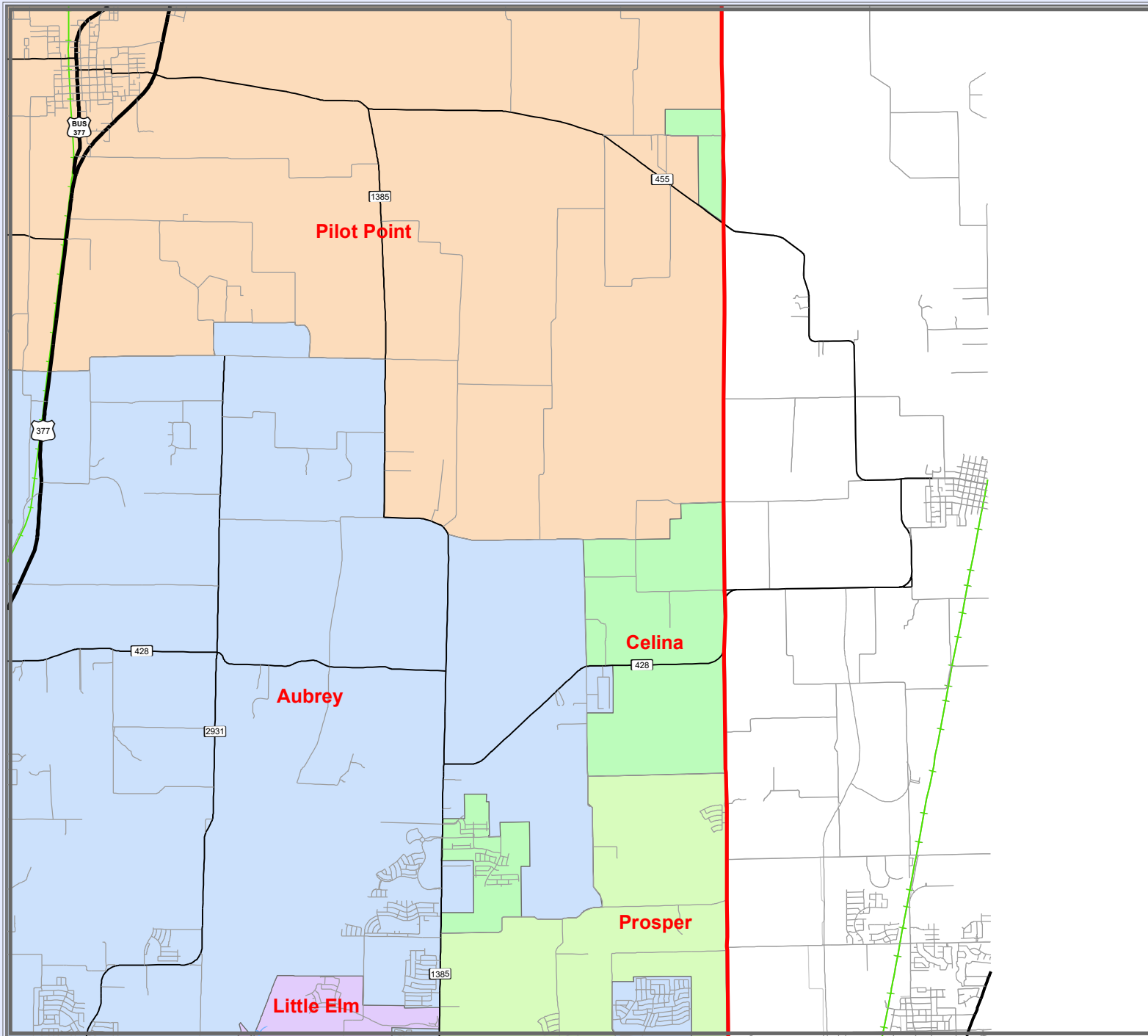
Denton County does not guarantee the correctness or accuracy of any features on this product and assumes no responsibility in connection therewith. This product may be revised at any time without notification to any user.

CONTACT INFORMATION
LANDMARKMAP GIS: gis@dentoncounty.com
E-MAIL: gis@dentoncounty.com



DENTON COUNTY

Celina EMS District

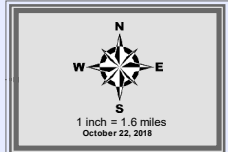


Legend

- INTERSTATE
- U.S. HIGHWAY
- STATE HIGHWAY
- FARM TO MARKET
- MAJOR THOROUGHFARES
- MINOR ROADS
- CEMETERY
- RAILROADS
- AIRPORTS
- STREAMS
- LAKES & PONDS

City Population

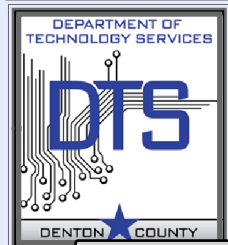
Denton > 100,000
 Lewisville 40,000- 100,000
 Carrollton 10,000- 30,999
 Nanger 2,000- 9,999
 Parker < 2,000



This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Denton County does not guarantee the correctness or accuracy of any features on this product and assumes no responsibility in connection therewith. This product may be revised at anytime without notification to any user.

CONTACT INFORMATION
 LANDMARKMAP GIS: gis.dentoncounty.com
 E-MAIL: gis@dentoncounty.com



Attachment: Exhibit A EMS_Celina (Fire/EMS ICA with Denton County)



Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Paul DeBuff, Assistant to the City Manager
CC: Jason Laumer, City Manager
Date: November 13, 2018
Re: Glen Crossing TIRZ ord approving final PFP

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance of the City Council of the City of Celina, Texas, approving an amended Final Project and Reinvestment Zone Financing Plan for Reinvestment Zone Number Six, City of Celina, Texas including a percent of participation, update to projects, and a change in boundaries of the Zone. (Glen Crossing) (DeBuff)

Background Information:

This item approves the expansion of the boundaries of TIRZ #6 to include an additional 77.3 acres, the increase in the estimated costs of projects to be undertaken in the TIRZ, and the amended Project and Financing Plan.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City Attorney has reviewed this ordinance.

Supporting Documents:

- Proposed ordinance

Staff Recommendation:

Staff recommends approval.

CITY OF CELINA, TEXAS

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, APPROVING A FINAL AMENDED AND RESTATED REINVESTMENT ZONE NUMBER SIX, CITY OF CELINA, PROJECT AND FINANCING PLAN FOR REINVESTMENT ZONE NUMBER SIX, CITY OF CELINA, TEXAS INCLUDING AN EXPANSION OF THE BOUNDARIES OF THE ZONE AND AN INCREASE IN THE ESTIMATED COSTS OF THE PUBLIC IMPROVEMENTS TO BE CONSTRUCTED FOR THE BENEFIT OF THE ZONE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina, Texas (the “*City*”), is authorized under Chapter 311 of the Texas Tax Code, as amended (the “*Act*”), to create a tax increment reinvestment zone within its city limits if the geographic area within the City satisfies the requirements of the Act; and

WHEREAS, on June 14, 2016, the City Council of the City (the “*City Council*”) approved Ordinance No. 2016-43 creating Reinvestment Zone Number Six, City of Celina (the “*Zone*”) consisting initially of approximately 41.499 acres of property located within the city limits of the City; and

WHEREAS, on July 12, 2016, the City Council approved Ordinance No. 2016-48 approving the “*Reinvestment Zone Number Six, City of Celina, Final Project and Financing Plan*” (the “*Project and Finance Plan*”) dated July 12, 2016 as the project and financing plan for the Zone; and

WHEREAS, on July 12, 2016, the City Council approved Ordinance No. 2016-49 approving the “*TIRZ Reimbursement Agreement – Glen Crossing*”, dated July 12, 2016, by and between the City, the Board of Directors of the Zone (the “*Board*”), and W/J CR55 LP (the “*Developer*”); and

WHEREAS, on October 9, 2018, the City Council reviewed a *Preliminary Amended and Restated Reinvestment Zone Number Six, City of Celina, Project and Financing Plan*; and

WHEREAS, after holding the required public hearing on November 13, 2018, the Board recommended approving amendments to the original Project and Finance Plan to increase (i) the geographic area of the Zone to include an additional 77.324 acres of which approximately 67.5 acres lies within the Glen Crossing Public Improvement District (the “*Additional Zone Property*”), and (ii) the total estimated costs of projects (the “*Public Improvements*”) to be undertaken in the Zone to carry out the purposes of that certain Amended Development

Agreement between the Developer and the City approved on June 14, 2016 (the "Development Agreement"); and

WHEREAS, the City Council has been presented with a final “*Amended and Restated Reinvestment Zone Number Six, City of Celina, Project and Financing Plan*” (the “***Final Amended Project and Finance Plan***”) amending the original Project and Finance Plan, a copy of which is attached hereto as ***Exhibit A***, and held a public hearing on November 13, 2018; and

WHEREAS, Section 311.011(e) of the Act authorizes the amendment of the original Project and Finance Plan that will become effective upon the approval by ordinance of such amendment by the City Council after a public hearing that satisfies Sections 311.003(c) and (d) of the Act at which (i) any interested persons may speak for or against the proposed final amendments affecting the Zone; and

WHEREAS, pursuant to Section 311.011(b) of the Act, a final project plan must include, (1) a description and map showing existing uses and conditions of real property in the Zone and proposed uses of that property, (2) any proposed changes of zoning ordinances, the master plan of the municipality, building codes, other municipal ordinances, and subdivision rules and regulations, if any, of the county, (3) a list of estimated non project costs, and (4) a statement of a method of relocating persons to be displaced, if any, as a result of implementing the plan; and

WHEREAS, pursuant to Section 311.011(c) of the Act, a final reinvestment zone financing plan must include (1) a detailed list describing the estimated project costs of the Zone, including administrative expenses, (2) a statement listing the proposed kind, number, and location of all public works or public improvements to be financed by the Zone, (3) a finding that the plan is economically feasible and an economic study, (4) the estimated amount of bond indebtedness to be incurred, (5) the estimated time when related costs or monetary obligations are to be incurred, (6) a description of the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from the property taxes of each taxing unit anticipated to contribute tax increment to the Zone that levies taxes on real property in the Zone, (7) the current total appraised value of taxable real property in the Zone, (8) the estimated captured appraised value of the Zone during each year of its existence, and (9) the duration of the Zone; and

WHEREAS, the City Council hereby finds and determines that the adoption of this Ordinance, approving the *Final Amended and Restated Reinvestment Zone Number Six, City of Celina, Project and Financing Plan*, a copy of which is attached hereto as ***Exhibit A***, is in the best interests of the citizens of the City of Celina, Texas.

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

SECTION 1. FINDINGS. Each and every one of the recitals, findings, and determinations contained in the preamble to this Ordinance is incorporated into the body of this Ordinance as if fully set forth herein and are hereby found and declared to be true and correct legislative findings and are adopted as part of this Ordinance for all purposes.

SECTION 2. SUFFICIENCY. The Final Amended Project and Finance Plan conforms with and satisfies all requirements set forth in Sections 311.011 of the Act. Specifically, the final project plan includes, but is not limited to, (1) a description and map showing existing uses and conditions of real property in the Zone and proposed uses of that property, (2) any proposed changes of zoning ordinances, the master plan of the municipality, building codes, other municipal ordinances, and subdivision rules and regulations, if any, of the county, (3) a list of estimated nonproject costs, and (4) a statement of a method of relocating persons to be displaced, if any, as a result of implementing the plan. The Final Amended Project and Finance Plan includes, but is not limited to, (1) a detailed list describing the estimated project costs of the Zone, including administrative expenses, (2) a statement listing the proposed kind, number, and location of all public works or public improvements to be financed by the Zone, (3) a finding that the plan is economically feasible and an economic study, (4) the estimated amount of bond indebtedness to be incurred, (5) the estimated time when related costs or monetary obligations are to be incurred, (6) a description of the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from the property taxes of each taxing unit anticipated to contribute tax increment to the Zone that levies taxes on real property in the Zone, (7) the current total appraised value of taxable real property in the Zone, (8) the estimated captured appraised valued of the Zone during each year of its existence, and (9) the duration of the Zone. Finally, the Final Amended Project and Finance Plan expands the boundaries of the Zone to include the Additional Zone Property and increases the total estimated costs of the Public Improvements to be financed for the benefit of the Zone.

SECTION 3. FEASIBILITY. The City Council, pursuant to Section 311,011 of the Act, finds that the Final Amended Project and Reinvestment Zone Finance Plan is feasible.

SECTION 4. APPROVING FINAL AMENDED PROJECT AND REINVESTMENT ZONE FINANCING PLAN. The Board of Directors for the Zone have prepared and recommended adoption of this Final Amended Project and Finance Plan, and have submitted it to this City Council for approval. The City Council hereby approves the Final Amended Project and Finance Plan, a copy of which is attached hereto as *Exhibit A* and is incorporated herein for all purposes.

SECTION 5. SEVERABILITY. If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or the application thereto to any persons or circumstances, is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of

Page 3 of 5

Glen Crossing Ordinance Approving TIRZ Final Project and Finance Plan

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the remaining portions of this Ordinance; and the City Council hereby declares it would have passed such remaining portions of this Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

SECTION 6. EFFECTIVE DATE. This Ordinance shall become effective from and after its date of passage in accordance with law.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF
CELINA, TEXAS, THIS THE 13TH DAY OF NOVEMBER, 2018.**

Sean Terry, Mayor

ATTEST:

Vicki Faulkner, City Secretary

APPROVED AS TO FORM:

Attorney for the City

EXHIBIT A
Final Amended Project and Finance Plan TIRZ #6

*AMENDED AND RESTATED
REINVESTMENT ZONE NUMBER SIX,
CITY OF CELINA
PROJECT AND FINANCING PLAN*
(the "Final Amended Plan")

November 13, 2018

1. INTRODUCTION.

1.1 Authority and Purpose. The City of Celina, a Texas home-rule municipality (the "City"), has the authority under Chapter 311, Texas Tax Code, as amended (the "Act") to designate a contiguous or noncontiguous geographic area within the corporate limits of the City as a tax increment reinvestment zone to promote development or redevelopment of the area if the governing body of the City (the "City Council") determines that development or redevelopment would not occur solely through private investment in the reasonably foreseeable future, that the zone is feasible, and that creation of the zone is in the best interest of the City and the property in the zone. The purpose of the zone is to facilitate such development or redevelopment by financing the costs of public works, public improvements, programs, and other projects benefiting the zone, plus other costs incidental to those expenditures, all of which costs are authorized by the Act.

1.2 Eligibility Requirements. An area is eligible under the Act to be designated as a tax increment reinvestment zone if it is predominantly open or undeveloped and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impairs or arrests the sound growth of the City. The City cannot, however, designate a zone if more than 30% of the property in the proposed zone, excluding property that is publicly owned, is "used for residential purposes" (defined by the Act as follows: "... property is used for residential purposes if it is occupied by a house having fewer than five living units ...") or if the total appraised value of taxable real property in the proposed zone and in existing reinvestment zones exceeds 50% of the total appraised value of taxable real property in the City and in industrial districts created by the City.

1.3 The Zone. By City Council action on June 14, 2016, the City created a tax increment reinvestment zone to be known as "Reinvestment Zone Number Six, City of Celina" (the "Zone") that includes approximately 41.499 acres of the 119.138 acres described in that certain Amended Development Agreement approved by the City on June 14, 2016 (the "Original Zone Property" and the "Development Agreement"). On October 9, 2018, the City Council accepted a "Preliminary Amended and Restated Reinvestment Zone No. Six, City of Celina, Project and Financing Plan," dated October 9, 2018 (the "Preliminary Amended Plan") that expanded the boundaries of the Zone to include an additional approximately 77.324 acres (the "Additional Zone Property") so that property within the Zone totals approximately 118.823 acres (as expanded, the "Property") of the 119.138 acres described in the Development Agreement. The Original Zone Property and the Additional Zone Property meet the eligibility requirements of the Act. At the time the Zone was created the Original Zone Property was, and the Additional Zone Property is, undeveloped and due to its size, location, and physical characteristics, development will not occur solely through private investment in the foreseeable future. At the time the Zone was created the Original Zone Property substantially impaired and arrested, and the Additional Zone Property substantially impairs and arrests, the sound growth of the City because it is predominately open and undeveloped due to factors such as the lack of public infrastructure and the need for economic incentives to attract development to the Zone for the purpose of providing long-term economic benefits including, but not limited to, increased real property tax base for all taxing units in the Zone, increased sales and use tax for the City and the State of Texas, and increased job opportunities for residents of the City, Collin County, and the region. If the public works, public improvements, programs, and other projects are financed

within the Additional Zone Property as contemplated by this Final Amended Plan (defined below), the City envisions that the Property will be developed to take full advantage of the opportunity to bring to the City, Collin County, and to all of north Texas a master-planned development.

1.4 Original Preliminary Plan; Hearing. Before the City adopted the ordinance designating the Zone, the City Council prepared a preliminary reinvestment zone financing plan in accordance with the Act and held a public hearing on the creation of the proposed zone and its benefits to the City and to the Property, at which public hearing interested persons spoke for and against the creation of the proposed zone, the boundaries of the proposed zone, or the concept of tax increment financing, and at which hearing the owner of the Property (the "Owner") was given a reasonable opportunity to protest the inclusion of the Property in the proposed zone. The requirement of the Act for a preliminary reinvestment zone financing plan was satisfied by the preliminary plan dated June 14, 2016 (the "Original Preliminary Plan"), the purpose of which is to describe, in general terms, the public works, public improvements, programs, and other projects that will be undertaken and financed by the Zone. A description of how such public works, improvements, programs, and projects will be undertaken within the Original Zone Property and financed are set forth in the Original Final Plan (defined below) and the TIRZ Agreement (defined below) as approved by the Board (hereinafter defined) and by the City Council.

1.5 Creation of the Zone. Upon the closing of the above-referenced public hearing, the City Council adopted an ordinance in accordance with the Act creating the Zone after the City Council found that development or redevelopment of the Property would not occur solely through private investment in the reasonably foreseeable future, that the Zone is feasible, and that creation of the Zone is in the best interest of the City and the Property. The ordinance creating the Zone appointed a Board of Directors for the Zone consisting of five members (the "Board").

1.6 Original Final Plan. After the creation of the Zone, the Board during its July 12, 2016, meeting, reviewed the Preliminary Plan and approved and recommended to the City Council a *Final Tax Increment Reinvestment Zone Project and Financing Plan for Reinvestment Zone Number Six, City of Celina* (the "Original Final Plan") and a TIRZ Agreement pursuant to which the City will contribute a portion of its ad valorem tax increment attributable to new development in the Zone (the "Tax Increment") into a tax increment fund created by the City and segregated from all other funds of the City (the "TIRZ Fund") to reduce PID Assessments (defined below) as further described in Section 13 and as may be set forth in a "TIRZ Agreement" between the City and the Owner or developer. The TIRZ Agreement is authorized by Section 311.010(h) of the Act. On July 12, 2016, the City Council, taking into consideration the recommendations of the Board, approved the Original Final Plan by Ordinance No. 2016-48 and the TIRZ Agreement by Ordinance 2016-49.

1.7 Preliminary Amended Plan; Hearing. On October 9, 2018, the City Council accepted a Preliminary Amended Plan that (a) expands the boundaries of the Zone to include the Additional Zone Property; and (b) increases the total estimated costs of the Public Improvements (defined below) to be financed for the benefit of the Zone. As required by Section 311.011(e) of the Act, the Board and the City Council called a public hearing for November 13, 2018 for the

purpose of hearing any interested person speak for or against the expansion of the boundaries of the Zone to include the Additional Zone Property and the increased total estimated costs of the Public Improvements to be undertaken within the Zone. At the public hearing held on November 13, 2018, the Board and the City Council heard testimony regarding the expansion of the boundaries of the Zone, the proposed estimated increase of the costs of the Public Improvements, and provided an opportunity for the owner of the Additional Zone Property to protest the inclusion of their property within the Zone.

1.8 Board Recommendations. After reviewing the Preliminary Amended Plan and hearing testimony at the November 13, 2018 public hearing on the expansion of the boundaries of the Zone and the increase of the total estimated costs as described above, the Board during its November 13, 2018, meeting, approved and recommended to the City Council this *Amended and Restated Reinvestment Zone Number Six, City of Celina, Project and Financing Plan*, dated November 13, 2018 (the "Final Amended Plan"). The description of how such public works, improvements, programs, and projects will be undertaken and financed are set forth in this Final Amended Plan.

1.9 Council Action. The City Council, taking into consideration the recommendations of the Board, approved this Amended Final Plan at its November 13, 2018 regular meeting.

2. DESCRIPTIONS AND MAPS.

2.1 Existing Uses and Conditions. The Property is currently located in Collin County and in the City's corporate limits. At the time of the Zone creation, the Property was undeveloped, and there was no public infrastructure to support development. Development of the Original Zone Property required, and development of the Additional Zone Property will require, extensive public infrastructure that will not be provided solely through private investment in the foreseeable future. A map of the Property is shown on Exhibit A and in the Development Agreement.

2.2 Phase 1 Final Plat and Phase II Proposed Uses. The proposed uses of the Property are consistent with the zoning regulations of Planned Development District No. 23 (the "PD"). The final plat, as amended, for the development of the Original Zone Property as Phase 1 of the Glen Crossing Development is attached Exhibit B-1. The construction plat, which may be subject to change, for the development of the Additional Zone Property as Phase 2 of the Glen Crossing Development is attached as Exhibit B-2.

2.3 Metes and Bounds Description. Metes and bounds descriptions of the Original Zone Property is provided on Exhibit C-1. Metes and bounds descriptions of the Additional Zone Property is provided on Exhibit C-2.

3. PROPOSED CHANGES TO ORDINANCES, PLANS, CODES, RULES, AND REGULATIONS. The only changes to the City's ordinances, plans, codes rules and regulations are those changes established by the Development Agreement and relate to financing Public Improvements (defined below) benefitting the Zone.

4. RELOCATION OF DISPLACED PERSONS. No persons will be displaced or relocated due to the creation of the Zone or implementation of the Final Amended Plan.

5. ESTIMATED NON-PROJECT COSTS. Non-project costs are private funds that will be spent to develop in the Zone but will not be financed by the Zone. The list of non-project costs include lot development costs and home construction costs. The total non-project costs are estimated to be approximately \$135,552,500.

6. PROPOSED PUBLIC IMPROVEMENTS.

6.1 Categories of Public Improvements. The categories of public works and public improvements (the "Public Improvements") that are proposed to be financed by the Zone are those costs allowed by the Act, including: water, sewer, road, drainage, parks and open space improvements. All Public Improvements shall be designed and constructed in accordance with all applicable City standards and shall otherwise be inspected, approved, and accepted by the City.

6.2 Locations of Public Improvements. The estimated locations of some of the proposed Public Improvements are described in the Development Agreement and shown on **Exhibit D**. These locations are provided for informational purposes only and may be revised from time to time without amending the Final Amended Plan.

7. ESTIMATED PROJECT COSTS. The total project costs for the Zone (the "Project Costs") include the Administrative Costs (defined below) and the costs associated with credits to offset the payments of public improvement district assessments on the Property ("PID Assessments") for Public Improvements, as further described in Section 13, and were originally estimated to be \$3,463,574, plus Administrative Costs, as set forth on **Exhibit E**. The total Project Costs, including the Administrative Costs (defined below) and the costs associated with credits to offset the PID Assessments for Public Improvements, as further described in Section 13, are revised to include an additional \$1,984,201, plus Administrative Costs, as set forth on **Exhibit E-1**. The Project Costs for administration of the Zone shall be all costs allowed by the Act, including, but not limited to, costs of curing or enforcing agreements involving the Property, and the actual, direct and imputed costs paid or incurred by or on behalf of the City to administer the Zone (the "Administrative Costs"). The Administrative Costs include the costs of professional services, including those for planning, engineering, and legal services paid by or on behalf of the City. The Administrative Costs also include organizational costs, the cost of publicizing the creation of the Zone, and the cost of implementing the project plan for the Zone paid by or on behalf of the City. The Administrative Costs shall be paid each year from the TIRZ Fund before any other Project Costs are paid.

8. ESTIMATED TIME WHEN COSTS ARE TO BE INCURRED. The Administrative Costs will be incurred annually. It is estimated that the remainder of the Project Costs will be incurred during the time intervals set forth on **Exhibit F**.

9. ECONOMIC FEASIBILITY. For purposes of the Original Final Plan, economic feasibility has been evaluated over the term of the Zone, in part based on the "Feasibility Study"

prepared by Hilltop Securities, Inc., a copy of which is attached as **Exhibit G-1**. This evaluation focuses only on "direct" financial benefits (i.e., tax revenues from new development of the Zone, including the Additional Zone Property) and does not take into consideration any "multiplier effect" that may result from new development that occurs outside the Zone. As illustrated in **Exhibit G-1**, during the term of the Zone, new development that occurs in the Zone (which would not have occurred but for the Zone) will generate approximately \$89,657,907 in total new real property tax revenue. The taxing unit that will participate in and benefit from new development within the Zone, the City, will retain approximately \$12,558,300 in net additional tax revenues in the City's general fund. The remaining additional tax revenues will be deposited in the TIRZ Fund to pay Project Costs.

An updated Feasibility Study prepared by Hilltop Securities, Inc. is attached as Exhibit G-2 taking into account the Additional Zone Property and shows that during the term of the Zone, new development that occurs in the Zone (which would not have occurred but for the Zone) will generate approximately \$21,915,471 in total new real property tax revenue as of the date of the Final Amended Plan. The taxing unit that will participate in and benefit from new development within the Zone, the City, will retain approximately \$12,167,470 in net additional tax revenues in the City's general fund. The remaining additional tax revenues will be deposited in the TIRZ Fund to pay Project Costs.

Based on the foregoing, the feasibility of the Zone has been demonstrated. A portion of the new tax revenue generated for all taxing units by new development within the Zone will be retained by those taxing units. The remainder of the new tax revenue generated by new development within the Zone will be available to pay actual Project Costs until the term of the Zone expires or until the Zone is otherwise terminated as allowed by law or as hereinafter provided. Upon expiration or termination of the Zone, 100% of all tax revenue generated within the Zone will be retained by the respective taxing units. During the term of the Zone, the City will deposit into the TIRZ Fund each year an amount calculated as a tax equivalent rate per \$100 of captured appraised value in the Zone that equals 44.48 percent of the City's tax rate levied and collected. After a public hearing, the City may increase or decrease the TIRZ Fund participation rate.

10. ESTIMATED BONDED INDEBTEDNESS. No bonded indebtedness issued by the City pursuant to the Act is contemplated.

11. TOTAL APPRAISED VALUE. The total appraised value of taxable real property for the Original Zone Property was \$6,929.00 as of January 1, 2016; and, the total appraised value of taxable real property for the Additional Zone Property was \$3,866,200. The appraised value of the Original Zone Property at the time of creation was based on an agricultural exemption. It is estimated that upon expiration of the term of the Zone, the total appraised value of taxable real property in the Zone will be \$135,552,500 in 2018 Dollars.

12. ESTIMATED CAPTURED APPRAISED VALUE TAXABLE BY THE CITY. The amount of the City's tax increment for a year is the amount of property taxes levied and collected by the City for that year on the captured appraised value of the Property less the tax increment base of the Property. The tax increment base of the Property is the total taxable value of the Property for the year in which the Zone was designated. The tax increment base of the Original Property is estimated to be \$44.69 which is the amount of tax the City collected on the Property

for calendar year 2016, the year of creation; and the tax increment base of the Additional Property is estimated to be \$98,472.38 which is the amount of tax the City collected on the Property for calendar year 2018, the year the boundaries of the Zone were expanded to include the Additional Property.

13. METHOD OF FINANCING. Each Owner has paid and will in the future pay, through PID Assessments or otherwise, certain Project Costs. The Final Amended Plan and the TIRZ Agreement obligate the City to reduce PID Assessments on a parcel by parcel basis. Funds deposited into the TIRZ Fund shall always first be applied to pay the Administrative Costs. After the Administrative Costs have been paid, funds in the TIRZ Fund shall next be used to offset PID Assessments. The TIRZ Agreement will provide for an offset or credit against PID assessments levied against the Property (on a parcel-by-parcel basis as described in the PID service and assessment plan) in an annual amount equal to the cash balance of the TIF Fund attributable to each parcel during each calendar year after Administrative Costs are paid (individually, an "Annual Credit Amount"). The City will prepare each year an updated PID assessment roll confirming the amount of the annual installment owed on PID assessments and the reduced assessment amount burdening the Property after the City applies against the annual installment the Annual Credit Amount. Such Annual Credit Amount shall not be reduced by the City without the City making a corresponding reduction in the PID assessments (i.e., each PID assessment shall be permanently reduced by the same amount the Annual Credit Amount is reduced). The TIRZ Agreement provides for TIRZ Fund revenue equal to the Annual Credit Amount to be paid to reduce Project Costs. All payments of Project Costs shall be made solely from the TIRZ Fund and from no other funds of the City unless otherwise approved by its governing body, and the TIRZ Fund shall only be used to pay Administrative Costs and offset PID Assessments, unless otherwise approved by the Owner. The City's approval of the Final Amended Plan obligates the City to deposit into the TIRZ Fund each year for the duration of the Zone an amount equal to 44.48 percent of the City's tax rate levied and collected based upon the final pricing of the PID bonds consistent with the methodology included in the Feasibility Study.

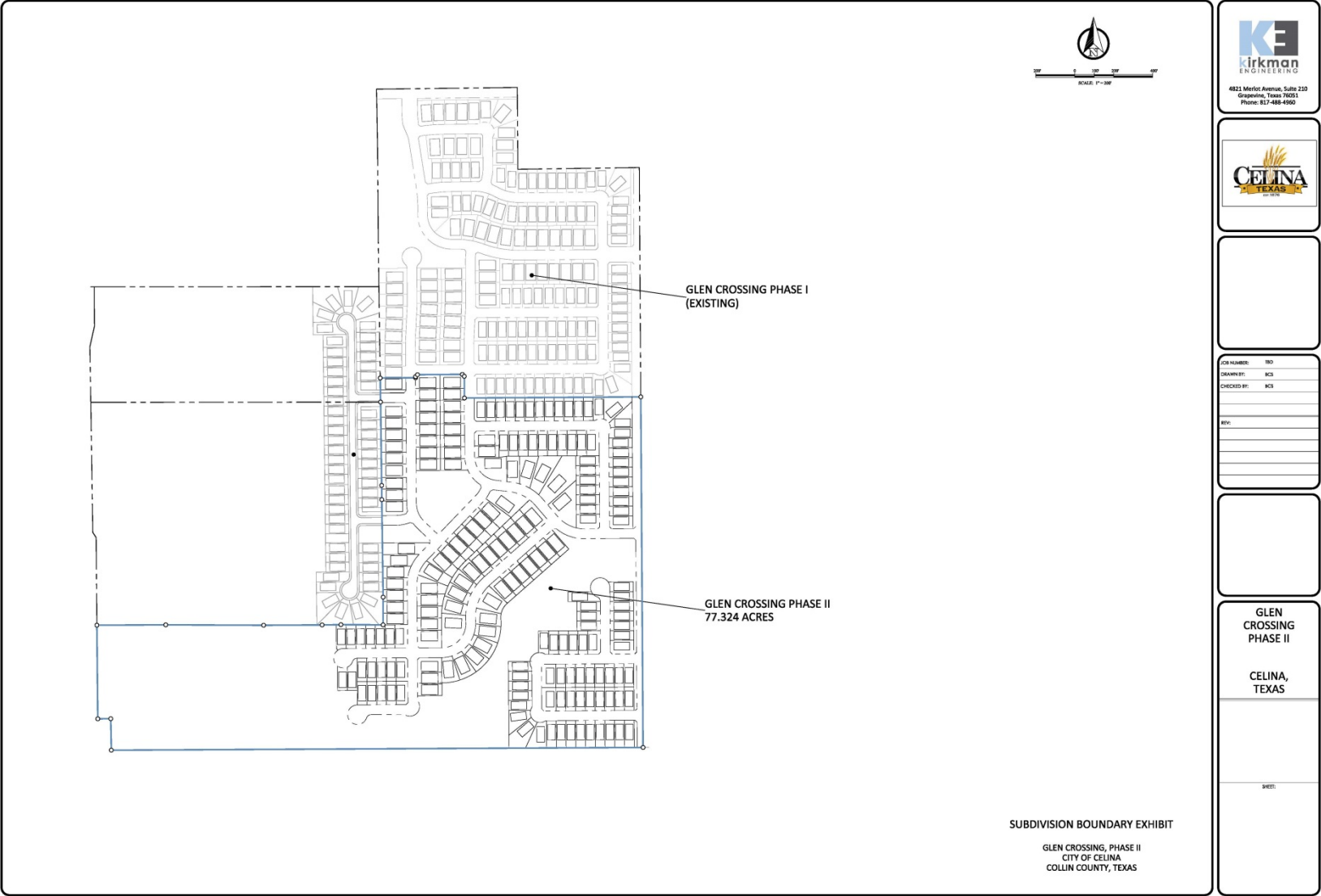
14. DURATION OF THE ZONE; TERMINATION. The stated term of the Zone shall commence on June 14, 2016, and shall continue until December 31, 2045, or until the City terminates the TIRZ in accordance with the Act unless otherwise terminated in accordance with this section. The City expects to collect the TIRZ Fund revenue for the last year of the Zone in calendar year 2046 and apply such collections to PID Assessments in calendar year 2047. The City shall have the right to terminate the Zone prior to the expiration of its stated term if an economic refunding of the PID bonds results in the Annual Credit Amount being reduced to zero. The provisions of this section shall be included in the ordinance that creates the Zone and in the TIRZ Agreement. Nothing in this section is intended to prevent the City from extending or shortening the term of the Zone in accordance with the Act.

15. LIST OF EXHIBITS. Unless otherwise stated, all references to "Exhibits" contained in this Final Amended Plan shall mean and refer to the following exhibits, all of which are attached to and made a part of this Final Amended Plan for all purposes.

- | | |
|-------------|---|
| Exhibit A | Map of the Property within the Zone |
| Exhibit B-1 | Final Plat of Original Zone Property |
| Exhibit B-2 | Construction Plat of Additional Zone Property |

Exhibit C-1	Metes and Bounds Description of Original Zone Property
Exhibit C-2	Metes and Bounds Description of Additional Zone Property
Exhibit D	Public Improvements
Exhibit E	Original Estimated Project Costs
Exhibit E-1	Amended Estimated Project Costs
Exhibit F	Estimated Time When Costs are to be Incurred
Exhibit G-1	Feasibility Study for Original Final Plan
Exhibit G-2	Updated Feasibility Study for Final Amended Plan

Exhibit A – Map of the Property within the Zone



*Exhibit A includes approximately 10 acres as a part of Phase 2 of the Glen Crossing development that will be used for a detention pond and that are excluded from the Glen Crossing Public Improvement District.

Exhibit A

Exhibit C-1
Metes and Bounds Description of Original Zone Property

41.499 Acre Tract Description

BEING a 41.499 acre tract of land situated in the Collin County School Land Survey, Abstract Number 167, Collin County, Texas, being a portion of that tract of land described by deed to G BAR 7 LTD. as recorded in Volume 5850, Page 990, of the Official Public Records of Collin County, Texas (O.P.R.C.C.T.), and being more particularly described as follows:

BEGINNING at a ½ inch iron rod found within a gravel road posted and under apparent public use as County Road 1117 for the most easterly northeast corner of the herein described tract, same being an inner ell corner of a tract of land described by deed to Old Celina, Ltd. as recorded in Volume 5398, Page 693, O.P.R.C.C.T.;

THENCE South 00 degrees 22 minutes 38 seconds East, with the most southerly west line of said Old Celina Ltd. tract and within said County Road 1117, a distance of 1178.05 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 887.24 feet to a point for corner;

THENCE North 00 degrees 00 minutes 00 seconds East, a distance of 140.02 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 300.05 feet to a point for corner;

THENCE South 00 degrees 33 minutes 39 seconds West, a distance of 15.66 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 150.02 feet to a point for corner, said point being in the east line of a tract of land described by deed to Chris Hollingsworth, Trustee of the Hollingsworth Irrevocable Trust, as recorded under Instrument Number 20130411000490940, O.P.R.C.C.T.;

THENCE North 00 degrees 51 minutes 28 seconds West, with the east line of said Hollingsworth tract, a distance of 442.61 feet to a point for the northeast corner thereof, same being the southeast corner of a tract of land described by deed to United Realtors, LLC, as recorded under Instrument Number 20120314000298850, O.P.R.C.C.T.;



P.O. Box 54 ~ Lewisville, Texas 75067
Office: (972) 221-9439 ~ Fax: (972) 221-4675

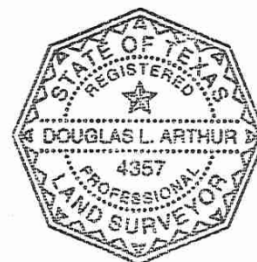


Exhibit C-2
Metes and Bounds Description of Additional Zone Property
(77.324 acres)

STATE OF TEXAS § COUNTY OF COLLIN §

WHEREAS W/J CR 55 LP is the owner of all that certain lot, tract or parcel of land situated in the Collin County School Land Survey, Abstract Number 167, City of Celina, Collin County, Texas, and being a part of that certain tract of land described by deed to W/J CR 55 LP, recorded under Document Number 20160620000775040 of the Official Public Records of Collin County, Texas, and being more particularly described by metes and bounds as follows (Bearings and distances are based on State Plane Coordinate System, Texas North Central Zone 4202 North American Datum of 1983 (NAD 83) (U.S. Foot) with a combined scale factor of 1.000152710):

BEGINNING at a 1/2 inch rebar with a cap stamped "Windrose" set for the Northeast corner of a tract land described to Drewry Investments, LLC by deed recorded in Document No. 20150511000543490 of the Official Public Records of Collin County, Texas (O.P.R.C.C.T.) and lying on the West right-of-way line of Old Log Trail (County Road 1117) (variable width right-of-way);

THENCE South 89 Degrees 42 Minutes 20 Seconds West, departing the West right-of-way line of said Old Log Trail, with the North line of said Drewry Investments, LLC tract, and with the North line of a tract of land described to Celina Tork, Ltd. by deed recorded in Document No. 20070214000213230 O.P.R.C.C.T., for a total distance of 2728.83 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for the Northwest corner of said Celina Tork, Ltd. tract, and lying on the southernmost East line of a tract of land described to Earthman Estates, LP by deed recorded in Document No. 20170623000820190, O.P.R.C.C.T.;

THENCE North 01 Degrees 04 Minutes 10 Seconds West, with the southernmost East line of said Earthman Estates, LP tract, a distance of 161.49 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for the easternmost Northeast corner of said Earthman Estates, LP tract;

THENCE South 89 Degrees 26 Minutes 47 Seconds West, with the easternmost North line of said Earthman Estates, LP tract, a distance of 66.50 feet to a 1/2 inch rebar with a cap stamped "Windrose" at an interior "ell" corner of said Earthman Estates, LP tract;

THENCE North 00 Degrees 33 Minutes 13 Seconds West, with the northernmost East line of said Earthman Estates, LP tract, a distance of 480.39 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for the Southwest corner of a tract of land described to Jack Semones and wife, Betty Semones by deed recorded in County Clerk's File No. 93-0052600, O.P.R.C.C.T.;

THENCE North 89 Degrees 42 Minutes 15 Seconds East, departing the northernmost East line of said Earthman Estates, LP tract, with the South line of said Semones tract, a distance of 353.43 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for corner;

THENCE South 89 Degrees 45 Minutes 16 Seconds East, continuing with a South line of said Semones tract, a distance of 502.33 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for corner;

THENCE North 89 Degrees 41 Minutes 55 Seconds East, continuing with a South line of said Semones tract, a distance of 300.00 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for corner;

THENCE North 89 Degrees 09 Minutes 55 Seconds East, continuing with a South line of said Semones tract, a distance of 96.60 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for corner;

THENCE South 89 Degrees 46 Minutes 05 Seconds East, continuing with the easternmost South line of said Semones tract, a distance of 216.40 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for the Southeast corner of said Semones tract;

THENCE North 00 Degrees 05 Minutes 55 Seconds East, with the southernmost East line of said Semones tract, a distance of 142.00 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for corner;

THENCE North 00 Degrees 47 Minutes 05 Seconds West, continuing with an East line of said Semones tract, a distance of 500.20 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for corner;

THENCE North 00 Degrees 30 Minutes 05 Seconds West, continuing with an East line of said Semones tract, a distance of 73.00 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for corner;

THENCE North 00 Degrees 45 Minutes 05 Seconds West, continuing with the East line of said Semones tract, a distance of 427.87 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for the Northeast corner of said

Exhibit C-2
Metes and Bounds Description of Additional Zone Property
(77.324 acres)

Semones tract, same being the Southeast corner of a tract of land described to The Hollingsworth Irrevocable Trust by deed recorded in Document No. 20130411000490940, O.P.R.C.C.T.;

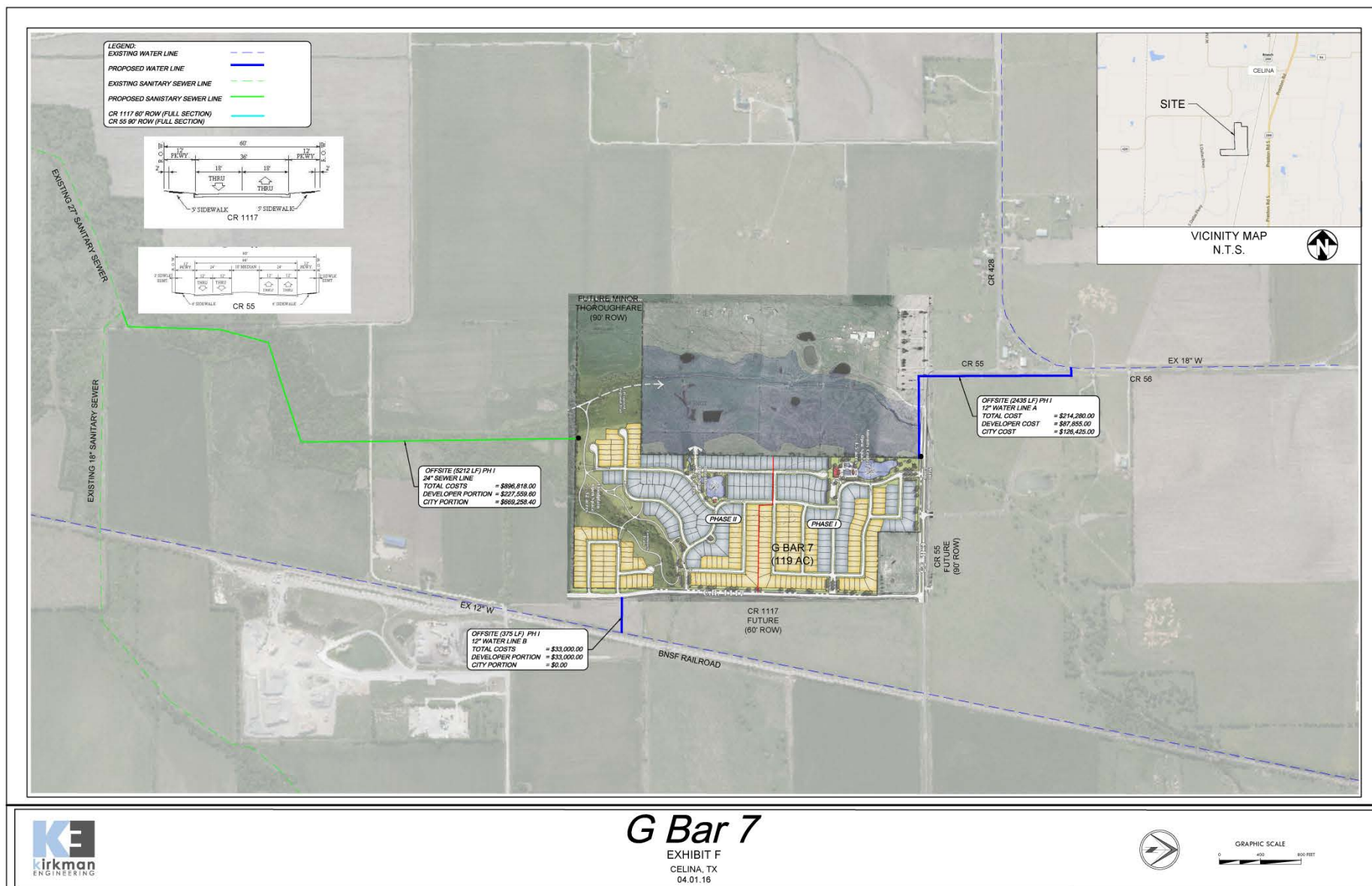
THENCE North 00 Degrees 51 Minutes 25 Seconds West, with the East line of said The Hollingsworth Irrevocable Trust, a distance of 121.80 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for the Southwest corner of Lot 9, Block H of Glen Crossing Phase 1, an addition to the City of Celina, Collin County, Texas, according to the Plat thereof recorded in Document No. 2017-855 of the Plat Records of Collin County, Texas (P.R.C.C.T.);

THENCE in an easterly direction, with the South lines of said Glen Crossing, Phase 1, the following courses and distances:

1. North 89 Degrees 37 Minutes 22 Seconds East, a distance of 181.38 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for corner;
2. North 00 Degrees 22 Minutes 38 Seconds West, a distance of 5.70 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for corner;
3. North 44 Degrees 36 Minutes 05 Seconds East, a distance of 14.15 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for corner;
4. North 89 Degrees 37 Minutes 22 Seconds East, a distance of 230.05 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for corner;
5. South 45 Degrees 22 Minutes 38 Seconds East, a distance of 14.14 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for corner;
6. South 00 Degrees 22 Minutes 38 Seconds East, a distance of 109.86 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for corner;
7. North 89 Degrees 38 Minutes 02 Seconds East, a distance of 904.97 feet to a 1/2 inch rebar with a cap stamped "Windrose" set for the Southeast corner of said Glen Crossing, Phase 1, and lying on the West right-of-way line of said Old Log Trail;

THENCE South 00 Degrees 22 Minutes 38 Seconds East, with the West right-of-way line of said Old Log Trail, a distance of 1798.22 feet to the **POINT OF BEGINNING** and containing 3,368,229 square feet or 77.324 acres of land, more or less.

Exhibit D – Water & Sewer Improvements



2261.010\74249.5



Exhibit E-1
Original Estimated Project Costs

City of Celina, Texas
Tax Increment Reinvestment Zone No. 6 (Glen Crossing Project)
EXHIBIT E - ESTIMATED PROJECT COSTS

Categories of Projects Costs	
Roadway Improvements	
Water Distribution System Improvements	
Sanitary Sewer Improvements	
Storm Drainage Improvements	
Parks and Open Space Improvements	
Other Soft and Miscellaneous Costs	
Total Project Costs	<u>\$ 3,463,574</u>
Administration Expenses (29 years at \$30,000)	<u>\$ 870,000</u>
TOTAL TIRZ #6 Costs	<u>\$ 4,333,574</u>

Estimated costs may increase or decrease. TIF Fund revenue will pay actual Project Costs either directly or through the reduction of PID Assessments.

Exhibit E-2
Amended Estimated Project Costs

CITY OF CELINA
Reinvestment Zone No. 6 (Glen Crossing Project)
Exhibit E-1 - Amended Estimated Project Costs

Original Estimated Project Costs for Original Zone Property

Roadway Improvements	
Water Distribution System Improvements	
Sanitary Sewer Improvements	
Storm Drainage Improvements	
Parks and Open Space Improvements	
Other Soft Costs & Contingency	
Total	\$ 3,463,574
Administration Expenses (29 years at \$30,000)	\$ 870,000
Total TIRZ No. 6 Costs for Original Zone Property	\$ 4,333,574

Additional Estimated Zone Project Costs for Additional Zone Property

Open Space / Trail Improvements	
Other Soft Costs & Contingency	
Total	\$ 1,984,201
Additional Administration Expenses (27 years at \$10,000)	\$ 270,000
Total TIRZ No. 6 Costs for Additional Zone Property	\$ 2,254,201

TOTAL Estimated Project Costs	\$ 6,587,775
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Exhibit F – Estimated Time When Costs Are to be Incurred

CITY OF CELINA

Reinvestment Zone No. 6 (Glen Crossing Project)

	<u>Calendar Year</u> <u>2016</u>	<u>Calendar Year</u> <u>2017</u>	<u>Calendar Year</u> <u>2018</u>	<u>Calendar Year</u> <u>2019</u>	<u>Calendar Years</u> <u>2020 - 2045</u>
Project Costs	\$ 1,482,648	\$ 1,980,926	\$ 330,700	\$ 1,653,501	\$ 0
Estimated Administrative Expenses *	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 40,000</u>	<u>\$ 1,010,000</u>
	\$ 1,512,648	\$ 2,010,926	\$ 360,700	\$ 1,693,501	\$ 1,010,000
 TOTAL COSTS					 \$ 6,587,775

*Administration Costs will be incurred annually and are anticipated to be approximately \$30,000 per year.

Exhibit G-1 – Feasibility Study for Original Final Plan

City of Celina, Texas

Tax Increment Reinvestment Zone No. 6 (Glen Crossing Project)

EXHIBIT G - FEASIBILITY STUDY

A	B	C	D	E	F	G	H	I	J
Tax Year	Fiscal Year	Estimated Taxable Value ⁽¹⁾	Projected Collin County Real Property Tax Revenue ⁽²⁾	Projected Collin County Community College District Real Property Tax Revenue ⁽³⁾	Projected Celina ISD Real Property Tax Revenue ⁽⁴⁾	Projected City of Celina Real Property Tax Revenue ⁽⁵⁾	Total Projected Real Property Tax Revenue	City of Celina Participation in TIRZ #6 as percentage of Property Tax Rate ⁽⁶⁾	Projected Property Tax Revenue to be Retained by the City
2016	2017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	2018	-	-	-	-	-	-	-	-
2018	2019	15,114,906	34,009	12,388	247,884	97,491	391,772	43,363	54,128
2019	2020	58,162,362	130,865	47,670	953,863	375,147	1,507,545	166,861	208,286
2020	2021	88,224,403	198,505	72,309	1,446,880	569,047	2,286,741	253,106	315,941
2021	2022	103,390,595	232,629	84,739	1,695,606	666,869	2,679,843	296,616	370,253
2022	2023	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2023	2024	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2024	2025	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2025	2026	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2026	2027	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2027	2028	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2028	2029	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2029	2030	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2030	2031	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2031	2032	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2032	2033	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2033	2034	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2034	2035	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2035	2036	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2036	2037	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2037	2038	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2038	2039	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2039	2040	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2040	2041	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2041	2042	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2042	2043	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2043	2044	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2044	2045	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
2045	2046	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	381,823	476,614
			\$ 7,782,925	\$ 2,835,060	\$ 56,728,872	\$ 22,311,050	\$89,657,907	\$ 9,923,706	\$ 12,387,345

(1) Derived from build out and pricing information as provided by the developer.

(2) Calculated at the 2015 Tax Rate of \$0.2250 per \$100.

(3) Calculated at the 2015 Tax Rate of \$0.0820 per \$100.

(4) Calculated at the 2015 Tax Rate of \$1.6400 per \$100.

(5) Calculated at the 2015 Tax Rate of \$0.6450 per \$100.

(6) Calculated at 44.48% of the City's 2015 Tax Rate of \$0.6450.

Exhibit G-2 – Updated Feasibility Study for Final Amended Plan*

Glen Crossing Public Improvement District
City of Celina, Texas
TAX INCREMENT REINVESTMENT ZONE CASH FLOW

Preliminary subject to change

A	B	C	D	E	F	G	H	I	J	K
Tax Year	Fiscal Year	PHASE 1 Estimated Taxable Value ⁽¹⁾	City TIRZ Tax Rate Participation	Projected PHASE 1 TIRZ Cash Flow ⁽²⁾	PHASE 2 Estimated Taxable Value ⁽¹⁾	City TIRZ Tax Rate Participation	Projected PHASE 2 TIRZ Cash Flow ⁽²⁾	TOTAL Projected City Taxes Produced at TR of 0.645	TOTAL Projected TIRZ Cash Flow Contribution	TOTAL Projected Tax Revenue Retained by City
2016	2017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
2017	2018	-	-	-	-	-	-		-	-
2018	2019	15,114,906	0.2869	43,364	-	-	-	97,491	43,364	54,127
2019	2020	43,154,151	0.2869	123,808	-	0.2869	-	278,344	123,808	154,537
2020	2021	58,050,000	0.2869	166,543	15,500,500	0.2869	44,470	474,401	211,013	263,387
2021	2022	58,050,000	0.2869	166,543	29,978,124	0.2869	86,006	567,781	252,549	315,232
2022	2023	58,050,000	0.2869	166,543	60,192,297	0.2869	172,689	762,663	339,232	423,430
2023	2024	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2024	2025	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2025	2026	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2026	2027	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2027	2028	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2028	2029	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2029	2030	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2030	2031	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2031	2032	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2032	2033	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2033	2034	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2034	2035	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2035	2036	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2036	2037	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2037	2038	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2038	2039	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2039	2040	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2040	2041	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2041	2042	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2042	2043	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2043	2044	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2044	2045	58,050,000	0.2869	166,543	77,502,500	0.2869	222,352	874,314	388,895	485,419
2045	2046	-	-	-	77,502,500	0.2869	222,352	499,891	222,352	277,540
2046	2047	-	-	-	-	-	-	-	-	-
				\$ 4,330,750			\$ 5,417,252	\$ 21,915,471	\$ 9,748,002	\$ 12,167,470

(1) Excluding Paper Lots Value.

(2) Preliminary, subject to change.

Preliminary Financial Plan is subject to change based on variances to initial development plan and financial markets conditions.

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Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Paul DeBuff, Assistant to the City Manager
 CC: Jason Laumer, City Manager
 Date: November 13, 2018
 Re: Glen Crossing Phase 2 PID Levy & Assessment Hearing and Ordinance

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance of the City Council of the City of Celina, Texas accepting and approving a Service and Assessment Plan and Phase #2 assessment roll for the Glen Crossing Public Improvement District; making a finding of special benefit to the property in Phase #2 of the District; levying special assessments against property within the District and establishing a lien on such property; providing for the method of assessment and the payment of the Phase #2 assessments in accordance with Chapter 372, Texas Local Government Code, as amended, providing penalties and interest on delinquent assessments, providing for severability, and providing an effective date. (DeBuff)

Background Information:

This ordinance accepts the Service and Assessment Plan (SAP) and Phase #2 assessment roll for the Glen Crossing Public Improvement District (PID), and levys special assessments against property within the PID.

The related bond ordinance on this agenda approves the sale of \$7.3 million in bonds for Glen Crossing PID.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City Attorney has reviewed this ordinance.

Supporting Documents:

- Proposed ordinance

Staff Recommendation:

Staff recommends approval.

ORDINANCE NO. 2018-__

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS ACCEPTING AND APPROVING A SERVICE AND ASSESSMENT PLAN AND PHASE #2 ASSESSMENT ROLL FOR THE GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT; MAKING A FINDING OF SPECIAL BENEFIT TO THE PROPERTY IN PHASE #2 OF THE DISTRICT; LEVYING SPECIAL ASSESSMENTS AGAINST PROPERTY WITHIN THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE PHASE #2 ASSESSMENTS IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED, PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS, PROVIDING FOR SEVERABILITY, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, a petition was submitted and filed with the City Secretary (the "City Secretary") of the City of Celina, Texas (the "City") pursuant to the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "PID Act"), requesting the creation of a public improvement district within the City; and

WHEREAS, the petition contained the signatures of the owners of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the District, as determined by the then current ad valorem tax rolls of Collin Central Appraisal District and the signatures of the property owners who own taxable real property that constitutes more than fifty percent of the area of all taxable property within the District that is liable for assessment; and

WHEREAS, on April 12, 2016, after due notice, the City Council of the City (the "City Council") held a public hearing in the manner required by law on the advisability of the public improvements and services described in the petition as required by Section 372.009 of the PID Act and made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 2016-24R (the "Authorization Resolution") adopted by a majority of the members of the City Council, authorized and created the G Bar 7 Public Improvement District (the "District") in accordance with its finding as to the advisability of the Authorized Improvements; and

WHEREAS, the City published the Authorization Resolution as required by law; and

WHEREAS, no written protests regarding the creation of the District from any owners of record of property within the District were filed with the City Secretary; and

WHEREAS, on June 14, 2016, the City Council adopted Resolution No. 2016-31R changing the name of the District to "Glen Crossing Public Improvement District"; and

WHEREAS, on October 9, 2018, the Council adopted a resolution approving the preliminary service and assessment plan, including proposed assessment rolls; calling for a public hearing to consider an ordinance levying assessments on property within Phase #2 of the District (the "Phase #2 Assessments"); authorizing and directing the City Secretary of the City to

file the proposed assessment roll and make such roll available for public inspection; authorizing and directing the publication of notice of a public hearing to consider the levying of the Phase #2 Assessments against the property within Phase #2 of the District (the "Levy and Assessment Hearing"); authorizing and directing the mailing of notice of the Levy and Assessment Hearing to owners of property liable for assessment; and directing related action; and

WHEREAS, on October [15], 2018, the City Secretary filed the Phase #2 Assessment Roll (defined below) and made the same available for public inspection; and

WHEREAS, the City Secretary, pursuant to Section 372.016(b) of the PID Act, published notice of the Levy and Assessment Hearing on October 19, 2018 in the *Celina Record*, a newspaper of general circulation in the City; and

WHEREAS, the City Secretary, pursuant to Section 372.016(c) of the PID Act, mailed the notice of the Levy and Assessment Hearing to the last known address of the owners of the property liable for the Phase #2 Assessments; and

WHEREAS, the City Council convened the Levy and Assessment Hearing on [November 13, 2018], at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Phase #2 Assessment Roll (as defined herein), and the proposed Phase #2 Assessments, and to offer testimony pertinent to any issue presented on the amount of the Phase #2 Assessments, the allocation of the Actual Costs of the Authorized Improvements to be undertaken for the benefit of Phase #2 (the "Phase #2 Improvements"), the purposes of the Phase #2 Assessments, the special benefits of the Phase #2 Improvements, and the penalties and interest on annual installments and on delinquent annual installments of the Phase #2 Assessments; and

WHEREAS, the City Council finds and determines that the Phase #2 Assessment Roll and the Glen Crossing Public Improvement District Service and Assessment Plan, dated July 12, 2016, as updated on October 9, 2018 in a form substantially similar to the attached **Exhibit A**, which final form shall be approved by the City Manager and the City's land use attorney (the "Service and Assessment Plan"), and which is incorporated herein for all purposes, should be approved and that the Phase #2 Assessments should be levied as provided in this Ordinance and the Service and Assessment Plan and the Phase #2 Assessment Roll attached thereto as Appendix F (the "Phase #2 Assessment Roll"); and

WHEREAS, the City Council further finds that there were no objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of the Actual Costs of the Phase #2 Improvements as described in the Service and Assessment Plan, the Phase #2 Assessment Roll, and the levy of the Phase #2 Assessments; and

WHEREAS, prior to the issuance of bonds secured by the Phase #2 Assessments, the owners (the "Landowners" or the "Assessed Parties"), or their representatives, of the majority of the privately-owned and taxable property located within the District, and who are the persons to be assessed pursuant to this Ordinance, have indicated their approval and acceptance of the Service and Assessment Plan, approve the Phase #2 Assessment Roll, approve this Ordinance

and approve the levy of the Phase #2 Assessments against their property located within Phase #2 of the District, agree to pay the Phase #2 Assessments when due and payable and requested that the City file the Service and Assessment Plan and/or the assessment roll with the real property records of Collin County; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, determined to proceed with the adoption of this Ordinance in conformity with the requirements of the PID Act.

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

Section 1. Terms.

Terms not otherwise defined herein are defined in the Service and Assessment Plan.

Section 2. Findings.

The findings and determinations set forth in the preambles hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section. The City Council hereby finds, determines, and ordains, as follows:

(a) The apportionment of the Actual Costs of the Phase #2 Improvements (as reflected in the Service and Assessment Plan, and the Annual Collection Costs pursuant to the Service and Assessment Plan) is fair and reasonable, reflects an accurate presentation of the special benefit each parcel of Phase #2 Assessed Property will receive from the construction of the Phase #2 Improvements identified in the Service and Assessment Plan, and is hereby approved;

(b) The Service and Assessment Plan covers a period of at least five years and defines the annual indebtedness and projected costs for the Phase #2 Improvements;

(c) The Service and Assessment Plan apportions the Actual Cost(s) of a Phase #2 Improvements to be assessed against the property in Phase #2 of the District and such apportionment is made on the basis of special benefits accruing to the property because of the Phase #2 Improvements;

(d) All of the real property in the District which is being assessed in the amounts shown in the Phase #2 Assessment Roll will be benefited by the Phase #2 Improvements proposed to be constructed as described in the Service and Assessment Plan, and each parcel of Phase #2 Assessed Property will receive special benefits in each year equal to or greater than each annual Phase #2 Assessments and will receive special benefits during the term of the Phase #2 Assessments equal to or greater than the total amount assessed;

(e) The method of apportionment of the Actual Costs of the Phase #2 Improvements and Annual Collection Costs set forth in the Service and Assessment Plan results in imposing equal shares of the Actual Costs of the Phase #2 Improvements and Annual Collection Costs on property similarly benefited, and results in a reasonable classification and formula for the apportionment of the Actual Costs;

(f) The Service and Assessment Plan should be approved as the service plan and assessment plan for the District as described in Sections 372.013 and 372.014 of the PID Act;

(g) The Phase #2 Assessment Roll should be approved as the Phase #2 Assessment Roll for the District;

(h) The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Phase #2 Assessments, interest on Annual Installments, interest and penalties on delinquent Phase #2 Assessments and delinquent Annual Installments, and procedures in connection with the imposition and collection of Phase #2 Assessments should be approved and will expedite collection of the Phase #2 Assessments in a timely manner in order to provide the services and improvements needed and required for the area within the District; and

(i) A written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered, and formally acted upon.

Section 3. Service and Assessment Plan.

The Service and Assessment Plan is hereby accepted and approved pursuant to Sections 372.013 and 372.014 of the PID Act as the service plan and the assessment plan for the District.

Section 4. Phase #2 Assessment Roll.

The Phase #2 Assessment Roll is hereby accepted and approved pursuant to Section 372.016 of the PID Act as the Phase #2 Assessment Roll of the District.

Section 5. Levy and Payment of Phase #2 Assessments for Actual Costs of the Phase #2 Improvements.

(a) The City Council hereby levies an assessment on each parcel of Phase #2 Assessed Property (excluding Non-Benefitted Property) located within Phase #2 of the District, as shown and described in the Service and Assessment Plan and the Phase #2 Assessment Roll, in the respective amounts shown on the Phase #2 Assessment Roll as a special assessment on the properties set forth in the Phase #2 Assessment Roll.

(b) The levy of the Phase #2 Assessments shall be effective on the date of execution of this Ordinance levying Phase #2 Assessments and strictly in accordance with the terms of the Service and Assessment Plan and the PID Act.

(c) The collection of the Phase #2 Assessments shall be as described in the Service and Assessment Plan and the PID Act.

(d) Each Phase #2 Assessment may be paid in a lump sum at any time or may be paid in Annual Installments pursuant to the terms of the Service and Assessment Plan.

(e) Each Phase #2 Assessment shall bear interest at the rate or rates specified in the Service and Assessment Plan.

(f) Each Annual Installment shall be collected each year in the manner set forth in the Service and Assessment Plan.

(g) The Annual Collection Costs for Phase #2 Assessed Property shall be calculated pursuant to the terms of the Service and Assessment Plan.

Section 6. Method of Assessment.

The method of apportioning the Actual Costs of the Phase #2 Improvements and Annual Collection Costs are set forth in the Service and Assessment Plan.

Section 7. Penalties and Interest on Delinquent Phase #2 Assessments.

Delinquent Phase #2 Assessments shall be subject to the penalties, interest, procedures, and foreclosure sales set forth in the Service and Assessment Plan and as allowed by law.

Section 8. Prepayments of Phase #2 Assessments.

As provided in Section VI of the Service and Assessment Plan, the owner of any Phase #2 Assessed Property may prepay the Phase #2 Assessments levied by this Ordinance.

Section 9. Lien Priority.

The City Council and the Landowners intend for the obligations, covenants and burdens on the Landowner of each parcel of Phase #2 Assessed Property, including without limitation such Landowner's obligations related to payment of the Phase #2 Assessments and the Annual Installments thereof, to constitute covenants that shall run with the land. The Phase #2 Assessments and the Annual Installments thereof which are levied hereby shall be binding upon the Assessed Parties, as the owners of each parcel of Phase #2 Assessed Property, and their respective transferees, legal representatives, heirs, devisees, successors and assigns in the same manner and for the same period as such parties would be personally liable for the payment of ad valorem taxes under applicable law. Phase #2 Assessments shall have lien priority as specified in the Service and Assessment Plan and the PID Act.

Section 10. Appointment of Administrator and Collector of Assessments.

(a) **Appointment of Administrator.**

MuniCap, Inc., is hereby appointed and designated as the initial Administrator of the Service and Assessment Plan and of Phase #2 Assessments levied by this Ordinance. The Administrator shall perform the duties of the Administrator described in the Service and Assessment Plan and in this Ordinance. The Administrator's fees, charges and expenses for providing such service shall constitute an Annual Collection Cost.

(b) **Appointment of Temporary Collector.**

The City's Director of Finance is hereby appointed and designated as the temporary collector of the Phase #2 Assessments (the "Collector"). The Collector shall serve in such capacity until such time as the City shall arrange for the Collector's duties to be performed by the Collin County Tax Assessor and Collector, or another qualified collection agent selected by the City.

Section 11. Applicability of Tax Code.

To the extent not inconsistent with this Ordinance, and not inconsistent with the PID Act or the other laws governing public improvement districts, the provisions of the Texas Tax Code shall be applicable to the imposition and collection of Phase #2 Assessments by the City.

Section 12. Filing in Land Records. The City Secretary is directed to cause a copy of this Ordinance, including the Service and Assessment Plan and/or the Phase #2 Assessment Roll, to be recorded in the real property records of Collin County. The City Secretary is further directed to similarly file each Annual Service Plan Update approved by the City Council.

Section 13. Severability.

If any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void, or invalid, the validity of the remaining portions of this Ordinance or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council that no portion hereof, or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity or any other portion hereof, and all provisions of this ordinance are declared to be severable for that purpose.

Section 14. Effective Date.

This Ordinance shall take effect, and the levy of the Phase #2 Assessments, and the provisions and terms of the Service and Assessment Plan shall be and become effective upon passage and execution hereof.

PASSED AND ADOPTED, this November 13, 2018.

CITY OF CELINA, TEXAS

Mayor

ATTEST:

City Secretary

(City Seal)

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of November, 2018 by Sean Terry and Vicki Faulkner, Mayor and Secretary, respectively, of the City of Celina, Texas on behalf of said City.

(SEAL)

Notary Public, State of Texas

EXHIBIT A
Service and Assessment Plan

DRAFT

GLEN CROSSING
PUBLIC IMPROVEMENT DISTRICT
PRELIMINARY SERVICE AND ASSESSMENT PLAN

JULY 12, 2016
UPDATED FOR PHASE #2 ON
NOVEMBER __, 2018

GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT
PRELIMINARY SERVICE AND ASSESSMENT PLAN

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Section I PLAN DESCRIPTION AND DEFINED TERMS

A. Introduction

On April 12, 2016 (the “Creation Date”) the City Council (the “City Council”) of the City of Celina, Texas (the “City”) passed and approved Resolution No. 2016-24R approving and authorizing the creation of the “G Bar 7 Public Improvement District” to finance the costs of certain public improvements for the benefit of property in such public improvement district (the “Authorized Improvements”), all of which is located within the City of Celina. On June 14, 2016 the City passed and approved Resolution No. 2016- 31R changing the name of the “G Bar 7 Public Improvement District” to the “Glen Crossing Public Improvement District” (the “PID”).

The property in the PID is proposed to be developed in approximately two phases, and the PID will finance public improvements for each phase as each phase is developed. Assessments will be imposed on the property in each phase for the public improvements to be provided for that phase.

Chapter 372 of the Texas Local Government Code, the “Public Improvement District Assessment Act” (as amended, the “PID Act”), governs the creation and operation of public improvement districts within the State of Texas. This Glen Crossing Public Improvement District Preliminary Service and Assessment Plan (the “Service and Assessment Plan”) has been prepared in accordance with the PID Act and specifically Sections 372.013, 372.014, 372.015 and 372.016, which address the requirements of a service and assessment plan and the assessment roll. According to Section 372.013 of the PID Act, a service plan “must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements.” The service plan is described in Section IV of this Service and Assessment Plan.

Section 372.014 of the PID Act requires that “an assessment plan must be included in the annual service plan.” The assessment plan is described in Section V of this Service and Assessment Plan.

Section 372.015 of the PID Act requires that “the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district.” The method of assessing the Authorized Improvement Costs and apportionment of such costs to the property in the PID is included in Section V of this Service and Assessment Plan.

Section 372.016 of the PID Act requires that “after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter.” The Assessment Roll for the PID is included in this Service and Assessment Plan. The Assessments as shown on the Assessment Roll are based on the method of assessment and apportionment of costs described in Section V of this Service and Assessment Plan.

B. Definitions

Capitalized terms used herein shall have the meanings ascribed to them as follows:

“Actual Cost(s)” means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement. Actual Cost may include (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, including general contractor construction management fees, if any, (b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services and property taxes (e) the costs of all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and material men in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, County permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses.

Actual Costs may include general contractor’s fees in an amount up to a percentage equal to the percentage of work completed and accepted by the City or construction management fees in an amount up to five percent of the eligible Actual Costs described in a Certification for Payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated.

“Administrative Expenses” or “Annual Collection Costs” mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the PID, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the Bonds, (v) issuing, paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and codes with respect to the Bonds, (viii) the Trustee’s reasonable fees and expenses relating to the Bonds, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the Bonds. Administrative Expenses collected and not expended for actual Administrative Expenses shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of amounts to pay Administrative Expenses.

“Administrator” means the employee or designee of the City, identified in any indenture of trust

relating to a series of Bonds or identified in any other agreement approved by the City Council, who shall have the responsibilities provided for herein.

“Annual Installment” means, with respect to each Parcel, each annual payment of: (i) the Assessments, as shown on the Assessment Rolls attached hereto as Appendix E and Appendix F, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) the Administrative Expenses, (iii) the prepayment reserve described in Section V(F) of this Service and Assessment Plan, and (iv) the delinquency reserve described in Section V(G) of this Service and Assessment Plan.

“Annual Service Plan Update” has the meaning set forth in the second paragraph of Section IV of this Service and Assessment Plan.

“Assessed Property” means any property that benefits from the Authorized Improvements within the PID on which Assessments have been imposed as shown in the Assessment Roll, as the Assessment Roll is updated each year by the Annual Service Plan Update. Assessed Property includes Parcels within the PID other than Non-Benefited Property.

“Assessment” means an assessment levied against a Parcel imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on any Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act. An Assessment for a Parcel consists of the Annual Installments to be collected in all years and amounts collected to pay Administrative Expenses and interest on all Assessments.

“Assessment Ordinance” means an Assessment Ordinance adopted by the City Council approving the Service and Assessment Plan (including amendments or supplements to the Service and Assessment Plan) and levying the Assessments.

“Assessment Revenues” mean the revenues actually received by or on behalf of the City from the collection of Assessments.

“Assessment Roll” or **“Assessment Rolls”** means collectively or separately, as applicable, the Phase #1 Assessment Roll included in this SAP as Appendix E, the Phase #2 Assessment Roll included in this SAP as Appendix F, or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update, as each may be updated, modified, or amended from time to time in accordance with the procedures set forth in this SAP and in the PID Act.

“Authorized Improvements” mean those public improvements described in Appendix B of this Service and Assessment Plan and Section 372.003 of the PID Act, acquired, constructed and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

“Authorized Improvement Costs” mean the actual or budgeted costs, as applicable, of all or any portion of the Authorized Improvements, as shown in Appendix B.

“Bonds” mean any bonds issued by the City, including the Phase #1 Bonds and the Phase #2 Bonds, in one or more series and secured in whole or in part by the Assessment Revenues.

“Budgeted Cost(s)” means the amounts budgeted to construct the Authorized Improvements as used in the preparation of this Service and Assessment Plan.

“Certification for Payment” means the certificate to be provided by the Developer, or his designee, to substantiate the Actual Cost of one or more Authorized Improvements, which may be in segments or sections.

“City” means the City of Celina, Texas.

“City Council” means the duly elected governing body of the City.

“City Improvements” means the additional public improvements to be constructed as part of the agreement between the City and the Developer under the Development Agreement as discussed in Section III(B).

“County” means Collin County, Texas.

“Delinquency Reserve” has the meaning set forth in Section V(G) of this Service and Assessment Plan.

“Delinquent Collection Costs” mean interest, penalties and expenses incurred or imposed with respect to any delinquent installment of an Assessment in accordance with the PID Act and the costs related to pursuing collection of a delinquent Assessment and foreclosing the lien against the Assessed Property, including attorney’s fees.

“Developer” means Wynne Jackson, Inc., a Texas corporation or other entity affiliated with Wynne Jackson, Inc. responsible for the development of all or a portion of the property within the PID.

“Development Agreement” means that certain "Amended and Restated Development Agreement" relating to the PID executed by and between the Developer and the City effective June 14, 2016, as the same may be amended from time to time.

“Equivalent Units” mean, as to any Parcel the number of dwelling units by lot type expected to be built on the Parcel multiplied by the factors calculated and shown in Appendix D attached hereto.

“Homeowner Association” means a homeowners’ association or property owners’ association established for the benefit of property owners within the PID.

“Homeowners’ Association Special Assessment Allocation” means 1% of the total Assessment that will be reallocated to cover the benefit received by the Homeowner’s Association from the Authorized Improvements benefitting the Homeowner Association Property once the Homeowner Association is created within the PID.

“Homeowner Association Property” or **“(HOA Property)”** means property within the PID owned by or irrevocably offered for dedication to, whether in fee simple or through an easement, a

homeowners' association established for the benefit of a group of homeowners or property owners.

“Lot” means a tract of land described as a “lot” in a subdivision plat recorded in the official public records of Collin County, Texas.

“Lot Type” means a classification of final building lots with similar characteristics (e.g. commercial, light industrial, multifamily residential, single family residential, etc.), as determined by the Administrator and confirmed by the City Council. In the case of single family residential lots, the Lot Type shall be further defined by classifying the residential lots by the estimated final average home value for each lot as of the date of the recorded subdivision plat, considering factors such as density, lot size, proximity to amenities, view premiums, location, and any other factors that may impact the average home value on the lot, as determined by the Administrator and confirmed by the City Council.

“Lot type 1” means lots identified as such on the Assessment Roll, being lots typically with a lot width of 60 feet, which may be referred to as such in the Planned Development District.

“Lot type 2” means lots identified as such on the Assessment Roll, being lots typically with a lot width of 50 feet, which may be referred to as such in the Planned Development District.

“Non-Benefited Property” means Parcels that accrue no special benefit from the Authorized Improvements, which may include Homeowner Association Property, Public Property and easements that create an exclusive use for a public utility provider to the extent they accrue no special benefit from the Authorized Improvements. Property identified as Non-Benefited Property at the time the Assessments (i) are imposed or (ii) are reallocated pursuant to a subdivision of a Parcel, is not assessed. Assessed Property converted to Non-Benefited Property, if the Assessments may not be reallocated pursuant to the provisions herein, remains subject to the Assessments and requires the Assessments to be prepaid as provided for in Section VI(D).

“Parcel” or “Parcels” means a parcel or parcels within the PID identified by either a tax map identification number assigned by the Collin Central Appraisal District for real property tax purposes or by lot and block number in a final subdivision plat recorded in the official public records for real property in Collin County.

“Phase” means one or more Parcels within the PID that will be developed in the same general time period. The Parcels within a Phase will be assessed in connection with the issuance of Phased PID Bonds for Authorized Improvements (or the portion thereof) designated in an update to this Service and Assessment Plan that specially benefit the Parcels within the Phase.

“Phase #1” means the initial Phase to be developed within the PID, identified as “Phase #1” and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix E.

“Phase #1 Assessed Property” means all Parcels within Phase #1 other than Non-Benefited Property and shown on the Phase #1 Assessment Roll against which an Assessment relating to the Phase #1 Improvements is levied.

“Phase #1 Assessment Revenues” mean the actual revenues received by or on behalf of the City

from the collection of Assessments levied against Phase #1 Assessed Property, or the Annual Installments thereof, for the Phase #1 Improvements.

"Phase #1 Assessment Roll" means the document included in this Service and Assessment Plan as Appendix E, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

"Phase #1 Bonds" mean collectively the Phase #1A Bonds and the Phase #1B Bonds.

"Phase #1A Bonds" mean the \$3,550,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2016 (Glen Crossing Public Improvement District Phase #1 Project) issued by the City to finance a portion of the Phase #1 Improvements.

"Phase #1B Bonds" mean the \$_____ City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #1 Project) issued by the City to finance a portion of the Phase #1 Improvements.

"Phase #1 Improvements" mean the Authorized Improvements which only benefit Phase #1 Assessed Property and are described in Section III.B.

"Phase #2" means the second and final Phase to be developed within the PID, identified as "Phase #2" and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix F.

"Phase #2 Assessed Property" means all Parcels within Phase #2 other than Non-Benefited Property and shown on the Phase #2 Assessment Roll against which an Assessment relating to the Phase #2 Improvements is levied.

"Phase #2 Assessment Revenues" mean the actual revenues received by or on behalf of the City from the collection of Assessments levied against Phase #2 Assessed Property, or the Annual Installments thereof, for the Phase #2 Improvements.

"Phase #2 Assessment Roll" means the document included in this Service and Assessment Plan as Appendix F, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

"Phase #2 Bonds" mean the \$_____ City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Glen Crossing Public Improvement District Phase #2 Project) issued by the City to finance a portion of the Phase #2 Improvements.

"Phase #2 Improvements" mean the Authorized Improvements which only benefit Phase #2 Assessed Property and are described in Section III.B.

"Phased PID Bonds" mean bonds issued to fund Authorized Improvements (or a portion thereof) in a Phase. In connection with the Phased PID Bonds, Assessments will be levied only on Parcels, other than Non-Benefited Property, located within the respective Phase.

“PID” has the meaning set forth in Section I(A) of this Service and Assessment Plan.

“PID Act” means Texas Local Government Code Chapter 372, Public Improvement District Assessment Act, Subchapter A, Public Improvement Districts, as amended.

“PID Reimbursement Agreement” means that certain PID Reimbursement Agreement, dated July 12, 2016, by and between the City and the Developer in which the Developer agrees to fund certain Actual Costs of Authorized Improvements and the City agrees to reimburse the Developer for a portion of such Actual Costs funded by the Developer with interest as permitted by the PID Act including any addendum attached thereto.

“Planned Development District” means the zoning classification established as PD – Planned Development District #23 pursuant to Ordinance No 2015-13 adopted by the City Council designating the zoning and development standards.

“Prepayment Costs” mean interest and expenses to the date of prepayment, plus any additional expenses related to the prepayment allowed by applicable law, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment.

“Prepayment Reserve” has the meaning set forth in Section V(F) of this Service and Assessment Plan.

“Public Property” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to the federal government, the State of Texas, Collin County, the City, a school district or any other public agency, whether in fee simple or through an exclusive use easement.

“Service and Assessment Plan” means this Service and Assessment Plan prepared for the PID pursuant to the PID Act, as the same may be amended from time to time.

“TIRZ No. 6” means the Tax Increment Reinvestment Zone No. 6, City of Celina, Texas.

“TIRZ Annual Credit Amount” means, for each Parcel, such Parcel’s prorated amount of TIRZ Revenues calculated pursuant to Section VI (A) of this Service and Assessment Plan.

“TIRZ Ordinance” means an ordinance adopted by the City Council authorizing the use of TIRZ Revenues for project costs under the Tax Increment Financing Act, Texas Tax Code, Chapter 311, as amended, relating to certain public improvements as provided for in the Tax Increment Reinvestment Zone No. Project Plan and Financing Plan (including amendments or supplements thereto).

“TIRZ Revenues” mean, for each year, the amounts paid by the City from the TIRZ No. 6 tax increment fund pursuant to the TIRZ Ordinance to reduce an Annual Installment, as calculated each year by the Administrator in collaboration with the City, in accordance with Section VI(A) of this Service and Assessment Plan.

“Trust Indenture” means an indenture of trust, ordinance or similar document setting forth the

terms and other provisions relating to the Bonds, as modified, amended, and/or supplemented from time to time.

“Trustee” means the fiscal agent or trustee as specified in a Trust Indenture, including a substitute fiscal agent or trustee.

Section II PROPERTY INCLUDED IN THE PID

A. Property Included in the PID

The PID is presently located within the City and contains approximately 109 acres of land. Phase #1 consists of approximately 41.5 acres and is projected to consist of 159 single family residential units as further described in Section III. Phase #2 consists of approximately 67.5 acres and is projected to consist of approximately 197 residential units. A map of the property within the PID and depicting the boundaries of Phase #1 and Phase #2 is shown on Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 356 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The estimated number of lots (356) and the classification of each lot are based upon the proposed development plan.

The property within the PID is proposed to be developed as follows:

Table II-A
Updated Proposed Development

Proposed Development Type	Quantity	Measurement
Single Family Residential – 60 Feet	149	units
Single Family Residential – 50 Feet	207	units
Total	356	units

The estimated number of units at the build-out of the PID is based on the land use approvals for the property, the anticipated subdivision of property in the PID, and the Developer's estimate of the highest and best use of the property within the PID.

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Section III DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. Authorized Improvement Overview

Section 372.003 of the PID Act defines the improvements that may be undertaken by a municipality or county through the establishment of a public improvement district, as follows:

372.003. Authorized Improvements

(a) If the governing body of a municipality or county finds that it promotes the interests of the municipality or county, the governing body may undertake an improvement project that confers a special benefit on a definable part of the municipality or county or the municipality's extraterritorial jurisdiction. A project may be undertaken in the municipality or county or the municipality's extraterritorial jurisdiction.

(b) A public improvement may include:

- (i) landscaping;
- (ii) erection of fountains, distinctive lighting, and signs;
- (iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;
- (iv) construction or improvement of pedestrian malls;
- (v) acquisition and installation of pieces of art;
- (vi) acquisition, construction, or improvement of libraries;
- (vii) acquisition, construction, or improvement of off-street parking facilities;
- (viii) acquisition, construction, improvement, or rerouting of mass transportation facilities;
- (ix) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;
- (x) the establishment or improvement of parks;
- (xi) projects similar to those listed in Subdivisions (i)-(x);
- (xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
- (xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement; and
- (xiv) payment of expenses incurred in the establishment, administration and operation of the district.

B. Description of the Authorized Improvements

Phase #1 Improvements:

The Phase #1 Improvements are the Authorized Improvements that will benefit the Phase #1 Assessed Property. The descriptions of the Phase #1 Improvements are presented below and the Budgeted Costs of the Phase #1 Improvements are shown in Table III-A. The Budgeted Costs shown in Table III-A may be revised in an Annual Service Plan Update as needed.

- ***Road Improvements:***

- The road improvements within Phase #1 include construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices. The road improvements will provide street access to each lot within Phase #1 as well as access to community roadways and state highways. All roadway projects were designed and constructed in accordance with City standards and specifications and are owned and operated by the City.

- ***Water Distribution System Improvements:***

- The water distribution system improvements within Phase #1 consist of construction and installation of on-site and off-site water lines, mains, pipes, valves and appurtenances, necessary for the water distribution system, as well as related testing, trench safety and erosion protection, necessary to service the Phase #1 Assessed Property. The water distribution system improvements will extend water service to the boundaries of Phase #1 and to all lots within Phase #1. The water distribution system improvements were designed and constructed in accordance with City standards and specifications and are owned and operated by the City.

- ***Sanitary Sewer Improvements:***

- The sanitary sewer improvements within Phase #1 consist of construction and installation of on-site and off-site pipes, service lines, manholes, encasements and appurtenances necessary to provide sanitary sewer service to the Phase #1 Assessed Property. The sanitary sewer improvements will extend wastewater service to the boundaries of Phase #1 and to all lots within Phase #1. The sanitary sewer improvements were designed and constructed in accordance with City standards and specifications and are owned and operated by the City.

- ***Storm Drainage Improvements:***

- The storm drainage improvements within Phase #1 consist of construction and installation of pipes, inlets, manholes, detention ponds and appurtenances necessary to provide storm drainage to the Phase #1 Assessed Property. The storm drainage improvements were designed and constructed in accordance with City standards and specifications and are owned and operated by the City.

- ***Park and Open Space Improvements:***

- The park and open space improvements within Phase #1 consist of construction and installation of landscaping, walls, and entries. The park and open space

improvements are designed and constructed in accordance with City standards and specifications and will be owned by the City either by fee or through a public use easement and maintained by the Homeowners' Association.

Additional details of the Phase #1 Improvements are shown in Appendix B attached to this Service and Assessment Plan. The method of cost allocation is explained in Section V (C).

The Budgeted Costs shown in Tables III-A may be revised in Annual Service Plan Updates. The detailed costs of the Phase #1 Improvements are shown in Appendix B to this Service and Assessment Plan. Savings from one line item may be applied to a cost increase in another line item provided such adjustment does not result in an increased Assessment. These savings may be applied only to increases in costs of the Authorized Improvements (i.e., the improvements for the benefit of property within the PID).

Table III-A
Phase #1 Improvement Costs

Roadway improvements	\$ 1,501,138
Water distribution system improvements	\$572,950
Sanitary sewer improvements	\$691,366
Storm drainage improvements	\$1,377,040
Park and open space improvements	\$512,950
Other soft, contingency and miscellaneous costs	\$1,303,524
Total	\$ 5,958,968

Phase #2 Improvements:

The Phase #2 Improvements are the Authorized Improvements that will benefit the Phase #2 Assessed Property. The descriptions of the Phase #2 Improvements are presented below and the Budgeted Costs of the Phase #2 Improvements are shown in Table III-B. The Budgeted Costs shown in Table III-B may be revised in an Annual Service Plan Update as needed.

- ***Road Improvements:***

- The road improvements within Phase #2 include construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices. The road improvements will provide street access to each lot within Phase #2 as well as access to community roadways and state highways. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

- ***Water Distribution System Improvements:***

- The water distribution system improvements within Phase #2 consist of construction and installation of on-site, mains, pipes, valves and appurtenances, necessary for the water distribution system, as well as related testing, trench safety and erosion protection, necessary to service the Phase #2 Assessed Property. The water distribution system improvements will extend water service to the boundaries of Phase #2 and to all lots within Phase #2. The water distribution system

improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

- ***Sanitary Sewer Improvements:***

- The sanitary sewer improvements within Phase #2 consist of construction and installation of on-site and off-site pipes, service lines, manholes, encasements and appurtenances necessary to provide sanitary sewer service to the Phase #2 Assessed Property. The sanitary sewer improvements will extend wastewater service to the boundaries of Phase #2 and to all lots within Phase #2. The sanitary sewer improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

- ***Storm Drainage Improvements:***

- The storm drainage improvements within Phase #2 consist of construction and installation of pipes, inlets, manholes, detention ponds and appurtenances necessary to provide storm drainage to the Phase #2 Assessed Property. The storm drainage improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

- ***Park and Open Space Improvements:***

- The park and open space improvements within Phase #2 consist of construction and installation of trails, landscaping, walls, and entries. The park and open space improvements will be designed and constructed in accordance with City standards and specifications and will be owned by the City either by fee or through a public use easement and maintained by the Homeowners' Association.

Additional details of the Phase #2 Improvements are shown in Appendix B attached to this Service and Assessment Plan. The method of cost allocation is explained in Section V (C).

The Budgeted Costs shown in Tables III-B may be revised in Annual Service Plan Updates. The detailed costs of the Phase #2 Improvements are shown in Appendix B to this Service and Assessment Plan. Savings from one line item may be applied to a cost increase in another line item provided such adjustment does not result in an increased Assessment. These savings may be applied only to increases in costs of the Authorized Improvements (i.e., the improvements for the benefit of property within the PID).

Table III-B
Phase #2 Improvement Costs

Roadway improvements	\$2,408,192
Water distribution system improvements	\$425,441
Sanitary sewer improvements	\$367,092
Storm drainage improvements	\$1,602,124
Park, trails and open space improvements	\$936,851
Other soft, contingency and miscellaneous costs	\$1,607,116
Total	\$7,346,816

Other Improvements:

Additional public improvements are contemplated to be constructed as part of the agreement between the Developer and the City under the Development Agreement. Such public improvements (“City Improvements”) will be designed by the City. The City Improvements include roadway improvements, water distribution system improvements, sanitary sewer collection system improvements and trail system improvements. The estimated costs of the City Improvements are excluded from the Authorized Improvements shown in Table III-A and will not be paid for by Assessment Revenues. The estimated costs of the City Improvements are included herein solely to establish the basis for the TIRZ Annual Credit Amount described in Section VI (A) of this Service and Assessment Plan.

Roadway improvements: The road improvements part of the City Improvements includes construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices. The road improvements will provide street access to the PID as well as access to community roadways and state highways. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water distribution system improvements: The water distribution system improvements part of the City Improvements consists of construction and installation of off-site water lines, mains, pipes, valves and appurtenances, necessary for the water distribution system, as well as related testing, trench safety and erosion protection. These water distribution system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Sanitary sewer collection system improvements: The sanitary sewer improvements part of the City Improvements consists of construction and installation of off-site pipes, service lines, manholes, encasements and appurtenances. The sanitary sewer improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Trail system improvements: The trail system improvements part of the City Improvements consists of construction and installation of trails. The sanitary sewer improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Table III-C below shows the estimated costs of the City Improvements anticipated to be constructed in accordance with the Development Agreement.

Table III-C
City Improvement Costs

Description	City Improvements to be constructed as part of		
	Phase #1	Phase #2	Total
Roadway improvements including ROW acquisition	\$160,000	\$983,420	\$1,143,420
Water distribution system improvements	\$280,060	\$0	\$280,060
Sanitary sewer improvements	\$753,258	\$252,544	\$1,005,802
Trail system improvements	\$0	\$314,193	\$314,193
Other soft, contingency and miscellaneous costs	\$289,330	\$434,044	\$723,334
Total	\$1,482,648	\$ 1,984,201	\$3,466,849

Additionally, concurrently with the construction of the Phase #1 Improvements, the Developer began constructing certain improvements within the PID including grading, water and sewer services, franchise utility services, landscaping and other miscellaneous items related to the Private Improvements; a pool and related facilities, fencing and landscaping (collectively, the “Private Improvements”) to serve the entire PID. The Private Improvements constructed concurrently with Phase #1 were completed by the end of June 2018. The costs of such Private Improvements have been or will be paid entirely by the Developer without any reimbursement through the PID. Concurrently with the construction of the Phase #2 Improvements, the Developer will construct additional Private Improvements within Phase #2 consisting of grading, water and sewer services, franchise utility services, landscaping, fencing and other miscellaneous items related to the such improvements.

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Section IV SERVICE PLAN

A. Sources and Uses of Funds

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during the five year period.

The Budgeted Costs for the Phase #1 Improvements plus costs related to the issuance of the Phase #1 Bonds, in one or more series, and payment of expenses incurred in the establishment, administration and operation of the PID are \$6,845,468 as shown in Table IV-A. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Annual Collection Costs, updating the Actual Costs of the Authorized Improvements, and updating the Assessment Rolls. Any update to this Service and Assessment Plan is herein referred to as an "Annual Service Plan Update."

Table IV-A summarizes the sources and uses of funds required to construct the Phase #1 Improvements to be financed with the proceeds from the Phase #1A Bonds and PID Reimbursement Agreement, including Budgeted Costs related to establishing the PID and issuing the Phase #1 Bonds. The sources and uses of funds shown in Table IV-A shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and changes in Actual Costs.

The Phase #1A Bonds were issued to finance a portion of the Phase #1 Improvements, including costs to issue the Phase #1A Bonds, as shown in Table IV-A below. A portion of the remaining costs of Phase #1 Improvements will be financed through the PID Reimbursement Agreement. A second series of Phase #1 Bonds ("Phase #1B Bonds") may, subject to the approval of the City Council and compliance with the applicable provisions in the Trust Indenture, be issued in 2018; and, to the extent provided by law, the proceeds from the Phase #1B Bonds will be used to reimburse certain Actual Costs paid by the Developer under the terms of the PID Reimbursement Agreement and to pay any unpaid Actual Costs of Phase #1 Improvements required to be paid under the PID Reimbursement Agreement.

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Table IV-A
Sources and Uses – Phase #1

Sources of Funds	Authorized Improvements (PID)	Other Improvements (Non-PID)	Total Amounts
Phase #1A Bonds par amount	\$3,550,000	\$0	\$3,550,000
Phase #1B Bonds par amount	\$2,175,000	\$0	\$2,175,000
<i>Subtotal</i>	<i>\$5,725,000</i>	<i>\$0</i>	<i>\$5,725,000</i>
Other funding sources - Phase #1 Improvements	\$1,120,468	\$0	\$1,120,468
Total Sources for Phase #1 Improvements	\$6,845,468	\$0	\$6,845,468
Other funding sources - City Improvements	\$0	\$1,482,648	\$1,482,648
Other funding sources – Private Improvements and Ag reserve	\$0	\$1,271,213	\$1,271,213
Total Sources	\$6,845,468	\$2,753,861	\$9,599,329
Uses of Funds			
Authorized Improvements - Phase #1 Improvements			
Road improvements	\$1,501,138	\$0	\$1,501,138
Water distribution system improvements	\$572,950	\$0	\$572,950
Sanitary sewer improvements	\$691,366	\$0	\$691,366
Storm drainage improvements	\$1,377,040	\$0	\$1,377,040
Parks and open space improvements	\$512,950	\$0	\$512,950
Other soft and miscellaneous costs	\$1,303,524	\$0	\$1,303,524
<i>Subtotal</i>	<i>\$5,958,968</i>	<i>\$0</i>	<i>\$5,958,968</i>
City Improvements			
Road improvements	\$0	\$160,000	\$160,000
Water distribution system improvements	\$0	\$280,060	\$280,060
Sanitary sewer improvements	\$0	\$753,258	\$753,258
Other soft and miscellaneous costs	\$0	\$289,330	\$289,330
<i>Subtotal</i>	<i>\$0</i>	<i>\$1,482,648</i>	<i>\$1,482,648</i>
Private Improvements			
City debt issuance fee	\$0	\$226,850	\$226,850
NonBQ fee	\$0	\$40,310	\$40,310
Other private improvements	\$0	\$999,053	\$999,053
<i>Subtotal</i>	<i>\$0</i>	<i>\$1,266,213</i>	<i>\$1,266,213</i>
Costs of issuance			
Capitalized interest	\$181,785	\$0	\$181,785
Reserve fund	\$237,195	\$0	\$237,195
Ag exemption foreclosure reserve	\$0	\$5,000	\$5,000
PID establishment/ operation and other costs of issuance	\$361,020	\$0	\$361,020
Underwriter's discount	\$106,500	\$0	\$106,500
<i>Subtotal</i>	<i>\$886,500</i>	<i>\$5,000</i>	<i>\$891,500</i>
Total Uses	\$6,845,468	\$2,753,861	\$9,599,329

The Budgeted Costs for the Phase #2 Improvements plus costs related to the issuance of the Phase #2 Bonds and payment of expenses incurred in the establishment, administration and operation of the PID are \$ _____ as shown in Table IV-A-1. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the Actual Costs of the Authorized Improvements, and updating the Assessment Rolls. Any update to this Service and Assessment Plan is herein referred to as an “Annual Service Plan Update.”

Table IV-A-1 summarizes the sources and uses of funds required to construct the Phase #2 Improvements to be financed with the proceeds from the Phase #2 Bonds, including Budgeted Costs related to establishing the PID and issuing the Phase #2 Bonds. The sources and uses of funds shown in Table IV-A-1 shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and changes in Actual Costs.

The Phase #2 Bonds are being issued to finance a portion of the Phase #2 Improvements, including costs to issue the Phase #2 Bonds, as shown in Table IV-A-1 below.

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Table IV-A-1
Sources and Uses – Phase #2

Sources of Funds	Authorized Improvements (PID)	Other Improvements (Non-PID)	Total Amounts
Bond par amount	\$7,325,000	\$0	\$7,325,000
<i>Subtotal</i>	<i>\$7,325,000</i>	<i>\$0</i>	<i>\$7,325,000</i>
Other funding sources - Phase #2 Improvements	\$1,607,619	\$0	\$1,607,619
Total Sources for Phase #2 Improvements	\$8,932,619	\$0	\$8,932,619
Other funding sources - City Improvements	\$0	\$1,984,201	\$1,984,201
Other funding sources – Private Improvements	\$0	\$5,000	\$0
Total Sources	\$8,932,619	\$1,989,201	\$10,921,820
Uses of Funds			
Authorized Improvements - Phase #2 Improvements			
Road improvements	\$2,408,192	\$0	\$2,408,192
Water distribution system improvements	\$425,441	\$0	\$425,441
Sanitary sewer improvements	\$367,092	\$0	\$267,092
Storm drainage improvements	\$1,602,124	\$0	\$1,602,124
Parks and open space improvements	\$936,851	\$0	\$936,851
Other soft and miscellaneous costs	\$1,607,116	\$0	\$1,607,116
<i>Subtotal</i>	<i>\$7,346,816</i>	<i>\$0</i>	<i>\$7,346,816</i>
City Improvements			
Road improvements	\$0	\$983,420	\$983,420
Water distribution system improvements	\$0	\$0	\$0
Sanitary sewer improvements	\$0	\$252,544	\$250,831
Trail system improvements	\$0	\$314,193	\$314,193
Other soft and miscellaneous costs	\$0	\$434,044	\$433,564
<i>Subtotal</i>	<i>\$0</i>	<i>\$1,984,201</i>	<i>\$1,982,008</i>
Private Improvements			
City debt issuance fee	\$0	\$0	\$0
NonBQ fee	\$0	\$0	\$0
Other private improvements	\$0	\$0	\$0
<i>Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
Costs of issuance			
Capitalized interest	\$285,022	\$0	\$285,022
Reserve fund	\$237,195	\$0	\$237,195
Ag exemption foreclosure reserve	\$0	\$5,000	\$5,000
PID establishment/ operation and other costs of issuance	\$583,253	\$0	\$583,253
Underwriter's discount	\$211,103	\$0	\$211,103
<i>Subtotal</i>	<i>\$1,585,803</i>	<i>\$0</i>	<i>\$1,590,803</i>
Total Uses	\$8,932,619	\$1,989,201	\$10,921,820

As described in Sections V(I) and VI(A) the City has agreed to use TIRZ Revenues generated from

each Parcel to offset a portion of such Parcel's PID assessments. The total Phase #1A Bond par amount to be repaid with the TIRZ Annual Credit Amounts (the "TIRZ Credit Funded Portion") is projected to be \$2,182,855 as calculated based on the projected TIRZ Annual Credit Amounts anticipated to be used for offsetting the Annual Installments to be collected from the Phase #1A Assessed Property. The balance of the Phase #1A Bonds to be repaid with the net Annual Installments (the "Net Assessment Funded Portion") is calculated to be \$1,367,145 (i.e. \$3,550,000 - \$2,182,855 = \$1,367,145). Accordingly, the Phase #1A Bonds are allocated between the TIRZ Credit Funded Portion and the Net Assessment Funded Portion as shown in Table IV-B below. The detailed breakdown of the estimated Phase #1A Bond debt service amounts is in the schedule included in Appendix E.

Table IV-B
Estimated Sources and Uses
Phase #1 Bonds – TIRZ Credit Funded Portion

Sources of Funds	Phase #1A Bonds		
	TIRZ Credit Funded Portion	Net Assessment Funded Portion	Total
Bond par amounts	\$2,182,855	\$1,367,145	\$3,550,000
Total Sources	\$2,182,855	\$1,367,145	\$3,550,000
Uses of Funds			
<u>Improvements</u>			
Road improvements	\$412,571	\$258,398	\$670,969
Water distribution system improvements	\$157,469	\$98,624	\$256,093
Sanitary sewer improvements	\$190,014	\$119,008	\$309,022
Storm drainage improvements	\$378,464	\$237,036	\$615,500
Parks and open space improvements	\$140,979	\$88,296	\$229,275
Other soft and miscellaneous costs	\$358,259	\$224,381	\$582,640
Subtotal	\$1,637,756	\$1,025,744	\$2,663,500
Estimated Bond issue costs			
Capitalized interest	\$111,777	\$70,007	\$181,785
Reserve fund	\$145,849	\$91,346	\$237,195
PID establishment/ operation and other costs of issuance	\$221,987	\$139,033	\$361,020
Underwriter's discount	\$65,486	\$41,014	\$106,500
Subtotal	\$545,099	\$341,401	\$886,500
Total Uses	\$2,182,855	\$1,367,145	\$3,550,000

The City reserves the right to issue the Phase #1B Bonds secured by the Phase #1 Assessment Revenues to finance (or refinance) a portion of Phase #1 Improvements not paid with proceeds of

the Phase #1A Bonds. The issuance of the Phase #1B Bonds will be subject to the conditions and provisions set forth in the Trust Indenture relating to the Phase #1 Bonds. The Phase #1 Bonds may also, subject to the approval of the City Council, be refunded pursuant to the refunding provisions of the Trust Indenture relating to the Phase #1 Bonds. If the debt service on the Phase #1A Bonds is reduced as the result of an economic refunding of those PID bonds, then there would be a corresponding reduction in both TIRZ Annual Credit Amounts and the Annual Installments (i.e., Annual Installments shall be permanently reduced by the same amount the TIRZ Annual Credit Amounts are reduced) which will result in a permanent reduction in the Assessments.

The annual projected costs and annual projected indebtedness is shown by Table IV-C. The annual projected costs and indebtedness is subject to revision and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

Table IV-C
Annual Projected Costs and Annual Projected Indebtedness – All Phases

Year	Annual Projected Cost	Annual Projected Indebtedness (Phase #1A Bonds and Phase #1B Bonds, Phase #2 Bonds)	Sources other than Phase #1A Bonds, Phase #1B Bonds and Phase #2 Bonds
2016	\$6,845,468	\$5,725,000	\$1,120,468
2017	\$0	\$0	\$0
2018	\$1,488,770 ¹	\$7,325,000	\$0
2019	\$7,443,849 ¹	\$0	\$1,607,619
2020	\$0	\$0	\$0
Total	\$15,778,087	\$13,050,000	\$2,728,087

1 – The 2018 and 2019 estimated amounts shown represent approximately 1/6 and 5/6, respectively, of the estimated \$8,932,619 in total costs of the Phase #2 Improvements, as estimated by the Developer.

The annual projected costs shown in Table IV-C are the annual expenditures relating to the Phase #1 Improvements shown in Table III-A, the costs associated with creating the PID and costs of issuing the Phase #1A Bonds and the Phase #1B Bonds, including reserves shown in Table IV-A, and the annual expenditures relating to the Phase #2 Improvements shown in Table III-B. The difference between the annual projected cost and the annual projected indebtedness, and between the annual projected indebtedness and the principal amount of the bonds each represent an amount funded by the Developer, which may be reimbursed with future bond proceeds to the extent available.

Section V ASSESSMENT PLAN

A. Introduction

The PID Act requires the City Council to apportion the costs of the Authorized Improvements on the basis of special benefits conferred upon the property because of the Authorized Improvements. The PID Act provides that the costs of the Authorized Improvements may be assessed: (i) equally per front foot or square foot; (ii) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or (iii) in any other manner that results in imposing equal shares of the cost on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

The proposed bond issuance program anticipates a series of bond financings that are intended to finance the public infrastructure required for the development. This financing will necessarily be undertaken in phases to coincide with the private investment and development of the Authorized Improvements. Following the initial Phase #1A Bonds, subsequent financings may be issued over the upcoming years as the subsequent phase(s) of the development are gradually constructed.

The purpose of this anticipated gradual issuance of bonds in phases is to mirror the actual private development of the Authorized Improvements. The Phased PID Bonds to be issued are most prudently and efficiently utilized when directly coinciding with construction of public infrastructure needed for private development that is to occur once the infrastructure is completed; it is most effective to issue the Phased PID Bonds when the infrastructure is needed, not before. Furthermore, there is no economic advantage, and several disadvantages, to issuing debt and encumbering property within the PID prior to the need for the Authorized Improvements.

Additionally, phased issuance of debt will maintain a prudent value to lien ("VtL") within the financing program. In order to maintain a prudent VtL, the initial issuance of Bonds for a specific set of Authorized Improvements may not fund the entire desired level of public infrastructure because the property value is not high enough to support the entire debt burden at the VtL chosen for the development. In that case, the Developer will need to fund the additional infrastructure costs with cash at closing. This cash investment by the Developer for certain Authorized Improvements may be reimbursed by a subsequent parity lien bond financing and /or a reimbursement agreement, such as the PID Reimbursement Agreement. For example, the Phase #1A Bonds previously issued to finance a portion of the Phase #1 Improvements will, subject to the initial bond issuance requirements in the Development Agreement and approval by the City Council, be followed by a second parity lien issuance of Phased PID Bonds (the Phase #1B Bonds) to finance Actual Costs of Phase #1 Improvements not financed by the Phase #1A Bonds.

For purposes of this Service and Assessment Plan, the City Council has determined that the costs of the Phase #1 Improvements and the Phase #2 Improvements shall be allocated as described below:

1. The Authorized Improvement Costs shall be allocated on the basis of the relative value of Parcels once such property is developed, and that such method of allocation will result in the

imposition of equal shares of the costs of the Authorized Improvements to Parcels similarly benefited.

2. The City Council has concluded that larger more expensive homes are likely to be built on the larger lots, and that larger more expensive homes are likely to make greater use of and receive greater benefit from the Authorized Improvements. In determining the relative values of Parcels, the City Council has taken into consideration (i) the type of development (i.e., residential, commercial, etc.), (ii) single-family lot sizes and the size of homes likely to be built on lots of different sizes, (iii) current and projected home process provided by the Developer, (iv) the Authorized Improvements to be provided and the estimated costs, and (v) the ability of different property types to utilize and benefit from the Authorized Improvements.
3. The Assessed Property is classified into different Lot Types as described in Appendix D based on the type and size of proposed development on each Parcel.
4. Equivalent Units are calculated for each Lot Type based on the relative value of each Lot Type.
5. The Phase #1 Improvement costs less the Homeowner Association Special Assessment Allocation are allocated to each Parcel within the Phase #1 Assessed Property based on the total Equivalent Units estimated for each Parcel.
6. The Phase #2 Improvement costs less the Homeowner Association Special Assessment Allocation are allocated to each Parcel within the Phase #2 Assessed Property based on the total Equivalent Units estimated for each Parcel.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by (a) each Parcel within the Phase #1 Assessed Property as a result of the Phase #1 Improvements and (b) each Parcel within the Phase #2 Assessed Property as a result of the Phase #2 Improvements,, (ii) provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments to be levied on the Phase #1 Assessed Property and the Phase #2 Assessed Property, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit within Phase #1 of the Phase #1 Improvements to Phase #1 Assessed Property and Phase #2 of the Phase #2 Improvements to Phase #2 Assessed Property in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Phase #1 Assessed Property similarly benefited and the Phase #2 Assessed Property similarly benefited. The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

B. Special Benefit

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described in line-item format in Appendix B to this Service and Assessment Plan) and the costs of issuance and payment of costs incurred in the establishment of the PID shown in Table IV-A are authorized by the PID Act. These Authorized Improvements are provided specifically for the benefit of the Assessed Property.

Each owner of the Assessed Property has acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and has consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. Each of the owners is acting in its interest in consenting to this apportionment and levying of the Assessments because the special benefit conferred upon the Assessed Property by the Authorized Improvements exceeds the amount of the Assessments.

The Authorized Improvements provide a special benefit to the Assessed Property as a result of these improvements being constructed on the Assessed Property or in close proximity to the Assessed Property and the specific purpose of these Authorized Improvements of providing infrastructure for the Assessed Property. In other words, the Assessed Property could not be used in the manner proposed without the construction of the Authorized Improvements. The Authorized Improvements are being provided specifically to meet the needs of the Assessed Property as required for the proposed use of the property.

The Assessments are being levied to provide the Authorized Improvements that are required for the highest and best use of the Assessed Property (i.e., the use of the property that is most valuable, including any costs associated with that use). Highest and best use is defined as “the reasonably probable and legal use of property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.” (*Dictionary of Real Estate Appraisal, Third Edition.*) The Authorized Improvements are required for the proposed use of the Assessed Property to be physically possible, appropriately supported, financially feasible, and maximally productive.

The Developer has evaluated the potential use of the property and has determined that the highest and best use of the property is the use intended and the legal use for the property as described in Section II of this Service and Assessment Plan. The use of the Assessed Property as described herein will require the construction of the Authorized Improvements.

Each owner of the Assessed Property will ratify, confirm, accept, agree to and approve; (i) the determinations and finding by the City Council as to the special benefits described in this Service and Assessment Plan and the Assessment Ordinance; and (ii) the levying of Assessments on the Assessed Property. Use of the Assessed Property as described in this Service and Assessment Plan and as authorized by the PID Act requires that Authorized Improvements be acquired, constructed, installed, and/or improved. Funding the Actual Costs of the Authorized Improvements through the PID has been determined by the City Council to be beneficial to the City and the PID. As a result, the Authorized Improvements result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the City Council.

In summary, the Authorized Improvements result in a special benefit to the Assessed Property for the following reasons:

1. The Authorized Improvements are being provided specifically for the use of the Assessed Property, are necessary for the proposed best use of the property and provide a special benefit to the Assessed Property as a result;
2. The Developer has consented to the imposition of the Assessments for the purpose of

providing the Authorized Improvements and the Developer is acting in its interest by consenting to this imposition;

3. The Authorized Improvements are required for the highest and best use of the property;
4. The highest and best use of the Assessed Property is the use of the Assessed Property that is most valuable (including any costs associated with the use of the Assessed Property);
5. Financing of the costs of the Authorized Improvement through the PID is determined to be beneficial; and,
6. As a result, the special benefits to the Assessed Property from the Authorized Improvements will be equal to or greater than the Assessments.

C. Assessment Methodology

The Actual Costs may be assessed by the City Council against the Assessed Property so long as the special benefit conferred upon the Assessed Property by the Authorized Improvements equals or exceeds the Assessments. The Actual Costs may be assessed using any methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited.

1. Assessment Methodology for Phase #1

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Improvements shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units as calculated and shown in Appendix D using the types and number of lots anticipated to be developed on each Parcel within Phase #1. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

Based on the Actual Costs of the Phase #1 Improvements provided by the Developer working with the City's engineers, as set forth in Table III-A, the City Council has determined that the benefit to Phase #1 Assessed Property resulting from the Phase #1 Improvements is at least equal to the Assessments levied on the Phase #1 property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. The result of this approach is that each final residential Lot within a recorded subdivision plat with similar values will have the same Assessment, with larger, more valuable Lots having a proportionately larger share of the Assessments than smaller, less valuable Lots. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has

taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

Allocation of Assessments to Lot Types in Phase #1

As shown in Section IV of this Service and Assessment Plan, the total amount of the Phase #1 Bonds, which represents the total Assessment to be allocated on all Parcels within Phase #1, is \$5,725,000. As shown in Appendix D, there are a total of 143.33 estimated Equivalent Units for the residential development in Phase #1, resulting in an Assessment per Equivalent Unit of \$39,941.86.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$39,941.86 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (60 Ft Lot) dwelling unit is \$39,941.86 (i.e. $\$39,941.86 \times 1.00$). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$33,284.88 (i.e. $\$39,941.86 \times 0.83$). Table E-2 sets forth the Assessment per dwelling unit for each of the two Lot Types in Phase #1.

Table V-1
Assessment per Unit - Phase #1

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor ¹	Assessment per Unit	Total Assessments
Lot Type 1	65	\$39,941.86	1.00	\$39,941.86 per dwelling unit	\$2,596,221
Lot Type 2	94	\$39,941.86	0.83	\$33,284.88 per dwelling unit	\$3,128,779
Total	159				\$5,725,000

1 – See Appendix D for the calculation of the Equivalent Unit Factors

The projected leverage calculated based on the estimated land values, finished lot values and home values for each Lot Type is shown in Table V-2 below.

Table V-2
Projected Leverage – Phase #1

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit ¹	Leverage (Land Value)	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1	65	\$30,000	\$81,000	\$405,000	\$39,942	0.75	2.03	10.14
Lot Type 2	94	\$25,000	\$67,500	\$337,500	\$33,285	0.75	2.03	10.14
Total	159							

1 – Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated land values, finished lot values and home values for each Lot Type is shown in Table V-3 below.

Table V-3
Estimated Tax Rate Equivalent per unit – Phase #1

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Maximum Annual Installment per unit	Tax Rate Equivalent (per \$100 Land Value)	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)¹
Lot Type 1	65	\$30,000	\$81,000	\$405,000	\$3,108	\$10.06	\$3.72	\$0.767
Lot Type 2	94	\$25,000	\$67,500	\$337,500	\$2,590	\$10.06	\$3.72	\$0.767
Total	159							

¹ – The estimated Tax Rate Equivalent shown herein as \$0.767 is a preliminary calculation based on preliminary estimated Phase #1B principal and interest amounts. The final principal and interest amounts for the Phase #1B Bonds, and the principal amount of Phase #1 Assessments will be adjusted at final pricing to result in a final Tax Rate Equivalent of \$0.745.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #1 is shown on the Phase #1 Assessment Roll, attached as Appendix E, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

Appendix D shows the detailed calculation of the Assessment per Equivalent Unit and the Assessment for each Lot type.

2. Assessment Methodology for Phase #2

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #2 Improvements shall be allocated to the Phase #2 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units as calculated and shown in Appendix D using the types and number of lots anticipated to be developed on each Parcel within Phase #2. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

Based on the Actual Costs of the Phase #2 Improvements provided by the Developer working with the City's engineers, as set forth in Table III-B, the City Council has determined that the benefit to Phase #2 Assessed Property resulting from the Phase #2 Improvements is at least equal to the Assessments levied on the Phase #2 Assessed Property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. The result of this approach is that each final residential Lot within a recorded subdivision plat with similar values will have the same Assessment, with larger, more valuable Lots having a proportionately larger share of the

Assessments than smaller, less valuable Lots. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

Allocation of Assessments to Lot Types in Phase #2

As shown in Section IV of this Service and Assessment Plan, the total amount of the Phase #2 Bonds, which represents the total Assessment to be allocated on all Parcels within Phase #2, is \$41,113.19. As shown in Appendix D, there are a total of 178.17 estimated Equivalent Units for the residential development in Phase #2, resulting in an Assessment per Equivalent Unit of \$41,113.19.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$41,113.19 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (60 Ft Lot) dwelling unit is \$41,113.19 (i.e. \$41,113.19 $\times$ 1.00). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$34,260.99 (i.e. \$41,113.19 $\times$ 0.83). Table V-4 sets forth the Assessment per dwelling unit for each of the two Lot Types in Phase #2.

Table V-4
Assessment per Unit - Phase #2

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor ¹	Assessment per Unit	Total Assessments
Lot Type 1	84	\$41,113.19	1.00	\$41,113.19 per dwelling unit	\$3,453,508
Lot Type 2	113	\$41,113.19	0.83	\$34,260.99 per dwelling unit	\$3,871,492
Total	197				\$7,325,000

1 – See Appendix D for the calculation of the Equivalent Unit Factors

The projected leverage calculated based on the estimated land values, finished lot values and home values for each Lot Type is shown in Table V-5 below.

Table V-5
Projected Leverage – Phase #2

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit ¹	Leverage (Land Value)	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1	84	\$30,880	\$87,000	\$435,000	\$41,113	0.75	2.12	10.58
Lot Type 2	113	\$25,733	\$72,500	\$362,500	\$34,261	0.75	2.12	10.58
Total	197							

1 – Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated land values, finished

lot values and home values for each Lot Type is shown in Table V-6 below.

Table V-6
Estimated Tax Rate Equivalent per unit – Phase #2

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Maximum Annual Installment per unit	Tax Rate Equivalent (per \$100 Land Value)	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)¹
Lot Type 1	84	\$30,880	\$87,000	\$435,000	\$3,367	\$10.90	\$3.87	\$0.774
Lot Type 2	113	\$25,733	\$72,500	\$362,500	\$2,806	\$10.90	\$3.87	\$0.774
Total	197							

¹ – The estimated Tax Rate Equivalent shown herein as \$0.770 is a preliminary calculation based on preliminary estimated Phase #2 principal and interest amounts. The final principal and interest amounts for the Phase #2 Bonds will be adjusted at final pricing to result in a final Tax Rate Equivalent of \$0.745.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #2 is shown on the Phase #2 Assessment Roll, attached as Appendix F, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

Appendix D shows the detailed calculation of the Assessment per Equivalent Unit and the Assessment for each Lot type.

D. Assessments

The Assessments for Phase #1 will be levied on each Parcel according to the Phase #1 Assessment Roll, attached hereto as Appendix E. The Annual Installments for the Phase #1 Bonds will be collected at the time and in the amounts shown on the Phase #1 Assessment Roll, respectively, subject to any revisions made during an Annual Service Plan Update.

The Assessments for Phase #2 will be levied on each Parcel according to the Phase #2 Assessment Roll, attached hereto as Appendix F. The Annual Installments for the Phase #2 Bonds will be collected at the time and in the amounts shown on the Phase #2 Assessment Roll, respectively, subject to any revisions made during an Annual Service Plan Update.

E. Administrative Expenses or Annual Collection Costs

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of Assessment levied against the Parcel. The Administrative Expenses shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

F. Prepayment Reserve

Pursuant to the PID Act, the interest rate for Assessments may exceed the actual interest rate per annum paid on the related Bonds by no more than one half of one percent (0.50%). The interest rate used to determine the Assessments is one half of one percent (0.50%) per annum higher than

the actual rate paid on the Bonds, with up to 0.20% of the interest rate component of the Annual Installments allocated to fund the associated interest charged between the date of prepayment of an Assessment and the date on which Bonds are prepaid and up to 0.30% of the interest rate component of the Annual Installments allocated to fund a delinquency reserve account as described below. The prepayment reserve shall be funded until it reaches 1.50% of the outstanding Bonds as stipulated in the Bond documents. Once the prepayment reserve is funded in full, any additional interest collected shall be allocated to fund delinquent payments as described in Section V(H) below.

G. AG Exemption Foreclosure Reserve

Concurrently with the issuance of the Phase #1A Bonds, the Developer deposited \$5,000 into a reserve account the ("Ag Exemption Foreclosure Reserve") held under the Trust Indenture relating to the Phase #1A Bonds. Such amount is estimated to be two years of ad valorem taxes levied by all taxing units on the portion of the Property subject to agricultural valuation. Such amount may be used for the payment of costs of foreclosure proceedings, if any, related to the changes in the agricultural exemption status of the Assessed Property.

H. Delinquency Reserve

The City has allocated up to 0.30% of the additional interest rate component of the Annual Installments to offset any possible delinquent payments. This additional reserve shall be funded up to 4% of the outstanding Bonds, but in no event will the annual collection, together with the prepayment reserve, total more than 0.50% of the outstanding Bonds. Once the delinquency reserve is funded in full, the City may allocate up to 0.50% of the additional interest rate component of the Annual Installments to pay for Administrative Expenses, improvement costs, any other use that benefits the Assessed Property or reduce the Assessments, as determined by the City Council.

I. TIRZ Annual Credit Amount

Pursuant to the TIRZ Ordinance, the City has agreed to use TIRZ Revenues generated from each Parcel to offset a portion of such Parcel's PID assessments (the "TIRZ Annual Credit Amount"). The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Annual Credit Amount applicable to the Parcel then on deposit in the TIRZ No. 6 tax increment fund. The TIRZ Annual Credit Amount applicable to each Parcel shall be calculated as described under Section VI (A) and VI (B) of this Service and Assessment Plan.

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Section VI TERMS OF THE ASSESSMENTS

A. Amount of Assessments and Annual Installments for Parcels Located Within Phase #1

The Assessments, and Annual Installments thereof, for each Parcel of Phase #1 Assessed Property is shown on the Phase #1 Assessment Roll, attached as Appendix E, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay (i) principal and interest on the Phase #1A Bonds, (ii) principal and interest required by the PID Reimbursement Agreement, (iii) to fund the prepayment reserve described in Section V, (iv) delinquency reserve described in Section V, and (v) to cover Administrative Expenses of Phase #1. The Annual Installment for each Parcel shall be calculated by taking into consideration any available capitalized interest and TIRZ Annual Credit Amount applicable to the Parcel. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis.

As described in Section V-I, the TIRZ Revenues attributable to each Parcel of Assessed Property collected in any given year shall be used to calculate each Parcel's TIRZ Annual Credit Amount for such Parcel in the following year (i.e., TIRZ Revenues collected in 2016 shall be used to calculate the TIRZ Annual Credit Amount applicable to Annual Installments to be collected in 2017). TIRZ Annual Credit Amounts shall be calculated for those Parcels that are subject to Assessments in the PID. The Equivalent Units to be used for the calculation of the TIRZ Annual Credit Amount, if applicable, shall be determined by the Administrator based on the information available to the Administrator at the time of such calculations.

B. Amount of Assessments and Annual Installments for Parcels Located Within Phase #2

The Assessments, and Annual Installments thereof, for each Parcel of Phase #2 Assessed Property is shown on the Phase #2 Assessment Roll, attached as Appendix F, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay (i) principal and interest on the Phase #2 Bonds, (ii) principal and interest required by the PID Reimbursement Agreement, (iii) to fund the prepayment reserve described in Section V, (iv) delinquency reserve described in Section V, and (v) to cover Administrative Expenses of Phase #2. The Annual Installment for each Parcel shall be calculated by taking into consideration any available capitalized interest and TIRZ Annual Credit Amount applicable to the Parcel. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis.

As described in Section V-I, the TIRZ Revenues attributable to each Parcel of Assessed Property collected in any given year shall be used to calculate each Parcel's TIRZ Annual Credit Amount for such Parcel in the following year (i.e., TIRZ Revenues collected in 2018 shall be used to calculate the TIRZ Annual Credit Amount applicable to Annual Installments to be collected in 2019). TIRZ Annual Credit Amounts shall be calculated for those Parcels that are subject to

Assessments in the PID. The Equivalent Units to be used for the calculation of the TIRZ Annual Credit Amount, if applicable, shall be determined by the Administrator based on the information available to the Administrator at the time of such calculations.

C. Reallocation of Assessments

1. Subdivision

Upon the subdivision of any Parcel, the Assessment for the Parcel prior to the subdivision shall be reallocated among the new subdivided Parcels according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

- A = the Assessment for each new subdivided Parcel
- B = the Assessment for the Parcel prior to subdivision
- C = the estimated Equivalent Units to be built on each new subdivided Parcel
- D = the sum of the estimated Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated number of units to be built on a Parcel shall be performed by the Administrator and confirmed by the City Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcel prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the subdivision of the Parcels.

The total Assessment initially allocated to the Phase #1 Assessed Property and the Phase #2 Assessed Property does not include any allocation of Assessments to the HOA Property. Once a Homeowner Association is created in the PID and Parcel(s) that are owned by the Homeowner's Association appear on the Collin Central Appraisal District ("Collin CAD") records, 1% of the initial total Assessment allocated to the Phase #1 Assessed Property and the Phase #2 Assessed Property shall be reallocated to such HOA Property.

Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

2. Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

D. Mandatory Prepayment of Assessments

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the City the full amount of the principal portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.
2. The payments required above shall be treated the same as any Assessment that is due and owing under the PID Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the Act.

E. Reduction of Assessments

1. If after all Authorized Improvements to be funded with a series of Bonds have been completed and Actual Costs for such Authorized Improvements are less than the Authorized Improvement Costs used to calculate the Assessments securing such series of Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, then the Assessment securing such series of Bonds for each Parcel of Assessed Property shall be reduced by the City Council pro rata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the actual reduced Actual Costs and such excess Bond proceeds shall applied to redeem Bonds of such series. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds. If all of the Authorized Improvements are not completed, the City may reduce the Assessments in another method if it determines such method would better reflect the benefit received by the Parcels from the Authorized Improvements completed.
2. If after all Authorized Improvements to be funded with a series of Bonds have been completed and a portion of the Bonds have been redeemed using the TIRZ Annual Credit Amounts or other funds available to the City, then the Assessment securing such series of Bonds for each Parcel of Assessed Property shall be reduced by the City Council pro rata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the remaining outstanding amount(s) of the Bonds after such redemptions. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds.
3. If all the Authorized Improvements are not undertaken, resulting in excess Bond proceeds being available to redeem Bonds, then the Assessments and Annual Installments for each Parcel shall be appropriately reduced by the City Council to reflect only the amounts required to repay the Bonds, including interest on the Bonds and Collection Costs, and such excess Bond proceeds shall be applied to redeem Bonds. The City Council may reduce the Assessments and the Annual Installments for each Parcel (i) in an amount that represents the Authorized Improvements provided for each Parcel or (ii) by an equal percentage calculated based on Equivalent Units, if determined by the City Council to be the most fair and practical means of reducing the Assessments for each Parcel, such that the sum of the resulting reduced Assessments equals the amount required to repay the Bonds, including interest on the Bonds and Collection Costs. The Principal Portion of the Assessment for each Parcel shall be reduced pro rata to the reduction in the Assessments for each Parcel such that the sum of the resulting reduced Principal Portion of the Bonds is equal to the outstanding principal amount of the Bonds.

F. Payment of Assessments

1. Payment in Full

- (a) The Assessment for any Parcel may be paid in full at any time. Such payment shall include all Prepayment Costs. If prepayment in full will result in redemption of Bonds, the payment amount shall be reduced by the amount, if any, of interest through the date of redemption of Bonds and reserve funds applied to the redemption under the Trust Indenture, net of any other costs applicable to the redemption of such Bonds.
- (b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.
- (c) Upon payment in full of the Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the Trust Indenture; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.
- (d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part in an amount sufficient to allow for a convenient redemption of Bonds as determined by the Administrator. Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

2. Payment in Annual Installments

The PID Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the PID Act authorizes the Assessment to be paid in installments and additionally allows the City to collect interest, administrative expenses and other authorized charges in installments. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown on the Assessment Roll, as updated as provided for herein, which include interest, Administrative Expenses, and payments required for the Prepayment Reserve and Delinquency Reserve. Payment of the Annual Installments shall commence with tax bills mailed after the levy of the Assessments.

Each Assessment shall be paid with interest of no more than the lesser of (i) the actual interest rate paid on the Bonds and (ii) 8.18 percent per annum. The Phase #1 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on interest rates of 3.4%, 4.2%, 4.8% and 5.25% for the Phase #1 Bonds maturing in 2020, 2027, 2037 and 2046, respectively, (and an additional interest at the rate of 0.5% for Administrative Expenses, Prepayment Reserve and Delinquency Reserve) and an interest rate of 3.75% for the PID Reimbursement Agreement. The Phase #2 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on an estimated interest rate of 5.5% for the Phase #2 Bonds maturing in, 2048, (and an additional interest at the rate of 0.5% for Administrative Expenses, Prepayment Reserve and Delinquency Reserve). Furthermore, the Annual Installments may not exceed the amounts shown on the Assessment Rolls. The Assessment Rolls, shown as Appendix E and Appendix F, have been updated with the actual interest rates on the Phase #1 Bonds and the Phase #2 Bonds, respectively.

The Annual Installments shall be reduced to equal the actual costs of repaying the obligations and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

The City reserves and shall have the right and option to refund the Bonds in accordance with Section 372.027 of the PID Act and Chapter 1207 of the Texas Government Code. In the event of such refunding, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of the Annual Installments so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the refunding bonds when due and payable as required by and established in the ordinance and/or the indenture authorizing and securing the refunding bonds, and such refunding bonds shall constitute Bonds for purposes of this Service and Assessment Plan.

G. Collection of Annual Installments

No less frequently than annually, the Administrator shall prepare, and the City Council shall approve, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment shall be reduced by any credits applied under the applicable Trust Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, including any existing deposits to a prepayment reserve. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City. The City Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the Act.

Any sale of Assessed Property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such Assessed Property and such Assessed Property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent Annual Installments against such Assessed Property as they become due and payable.

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Section VII THE ASSESSMENT ROLL

A. Phase #1 Assessment Roll

Phase #1 Assessed Property will be assessed for the special benefits conferred upon such property as a result of the Phase #1 Improvements. Table IV-A summarizes the \$6,845,468 in special benefit received by Phase #1 Assessed Property from the Phase #1 Improvements, costs associated with the PID formation, and costs related to the issuance of the Phase #1A Bonds. The total amount of Phase #1 Bonds is \$5,725,000 which is less than the benefit received by Phase #1 Assessed Property, and as such the total Assessment for all Assessed Property within Phase #1 is \$5,725,000 plus annual Administrative Expenses, and other authorized charges. The Assessment for each Parcel of Assessed Property within Phase #1 is calculated based on the allocation methodologies described in Section V.C of this Service and Assessment Plan. The Phase #1 Assessment Roll is attached hereto as Appendix E.

B. Phase #2 Assessment Roll

Phase #2 Assessed Property will be assessed for the special benefits conferred upon such property as a result of the Phase #2 Improvements. Table IV-A-1 summarizes the \$8,932,619 in special benefit received by Phase #2 Assessed Property from the Phase #2 Improvements, costs associated with the PID formation, and costs related to the issuance of the Phase #2 Bonds. The total amount of Phase #2 Bonds is \$7,325,000 which is equal to or less than the benefit received by Phase #2 Assessed Property, and as such the total Assessment for all Assessed Property within Phase #2 is \$7,325,000 plus annual Administrative Expenses, and other authorized charges. The Assessment for each Parcel of Assessed Property within Phase #2 is calculated based on the allocation methodologies described in Section V.C of this Service and Assessment Plan. The Phase #2 Assessment Roll is attached hereto as Appendix F.

C. Annual Assessment Roll Updates

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Phase #1 Assessment Roll and the Phase #2 Assessment Roll in conjunction with the Annual Service Plan Update to reflect the following matters, together with any other changes helpful to the Administrator or the City and permitted by the PID Act: (i) the identification of each Parcel (ii) the Assessment for each Parcel of Phase #1 Assessed Property and Phase #2 Assessed Property, including any adjustments authorized by this Service and Assessment Plan and in the PID Act; (iii) the Annual Installment for the Phase #1 Assessed Property and the Phase #2 Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Phase #1 Assessment and the Phase #2 Assessment, if any, as provided by Section VI(F) of this Service and Assessment Plan.

The Assessment Rolls shall be updated, which update may be done in the next Annual Service Plan Update, to reflect the issuance of additional Phase #1 Bonds and/or Phase #2 Bonds, if any, and any obligations owed pursuant to a reimbursement agreement.

Section VIII MISCELLANEOUS PROVISIONS

A. Administrative Review

The City may elect to designate a third party to serve as Administrator. The City shall notify Developer in writing at least thirty (30) days in advance before appointing a third party Administrator.

To the extent consistent with the PID Act, an owner of an Assessed Parcel claiming that a calculation error has been made in the Assessment Rolls, including the calculation of the Annual Installment, shall send a written notice describing the error to the City not later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Parcel owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Parcel owner, such change or modification shall be presented to the City Council for approval to the extent permitted by the PID Act. A cash refund may not be made for any amount previously paid by the Assessed Parcel owner (except for the final year during which the Annual Installment shall be collected or if it is determined there are sufficient funds to meet the expenses of the PID for the current year), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the City Council. Any amendments made to the Assessment Rolls pursuant to calculation errors shall be made pursuant to the PID Act.

The decision of the Administrator, or if such decision is appealed to the City Council, the decision of the City Council shall be conclusive as long as there is a reasonable basis for such determination. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any other appeal or legal action by such owner.

B. Termination of Assessments

Each Assessment shall be extinguished on the date the Assessment is paid in full, including unpaid Annual Installments and Delinquent Collection Costs, if any. After the extinguishment of an Assessment and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the owner of the affected Parcel a recordable "Notice of the PID Assessment Termination".

C. Amendments

Amendments to the Service and Assessment Plan can be made as permitted or required by the PID Act and under Texas law.

To the extent permitted by the PID Act, the City Council reserves the right to amend this Service and Assessment Plan without notice under the PID Act and without notice to property owners of Parcels:

(i) to correct mistakes and clerical errors; (ii) to clarify ambiguities; (iii) to provide procedures for the collection and enforcement of Assessments, Prepayment Costs, Collection Costs, and other charges imposed by the Service and Assessment Plan, and (iv) as may be required by the Attorney General of Texas in connection with the issuance of any series of Bonds.

D. Administration and Interpretation of Provisions

The City Council shall administer the PID, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the PID Act, and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein or in the Trust Indenture; such interpretations and determinations shall be conclusive.

E. Severability

If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an Assessed Parcel or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service and Assessment Plan or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Service and Assessment Plan that no part hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other part hereof, and all provisions of this Service and Assessment Plan are declared to be severable for that purpose.

If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the City.

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Appendix A
THE PID MAP

Appendix B
AUTHORIZED IMPROVEMENT COSTS

Appendix C

DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

Appendix D

LOT TYPES AND EQUIVALENT UNITS

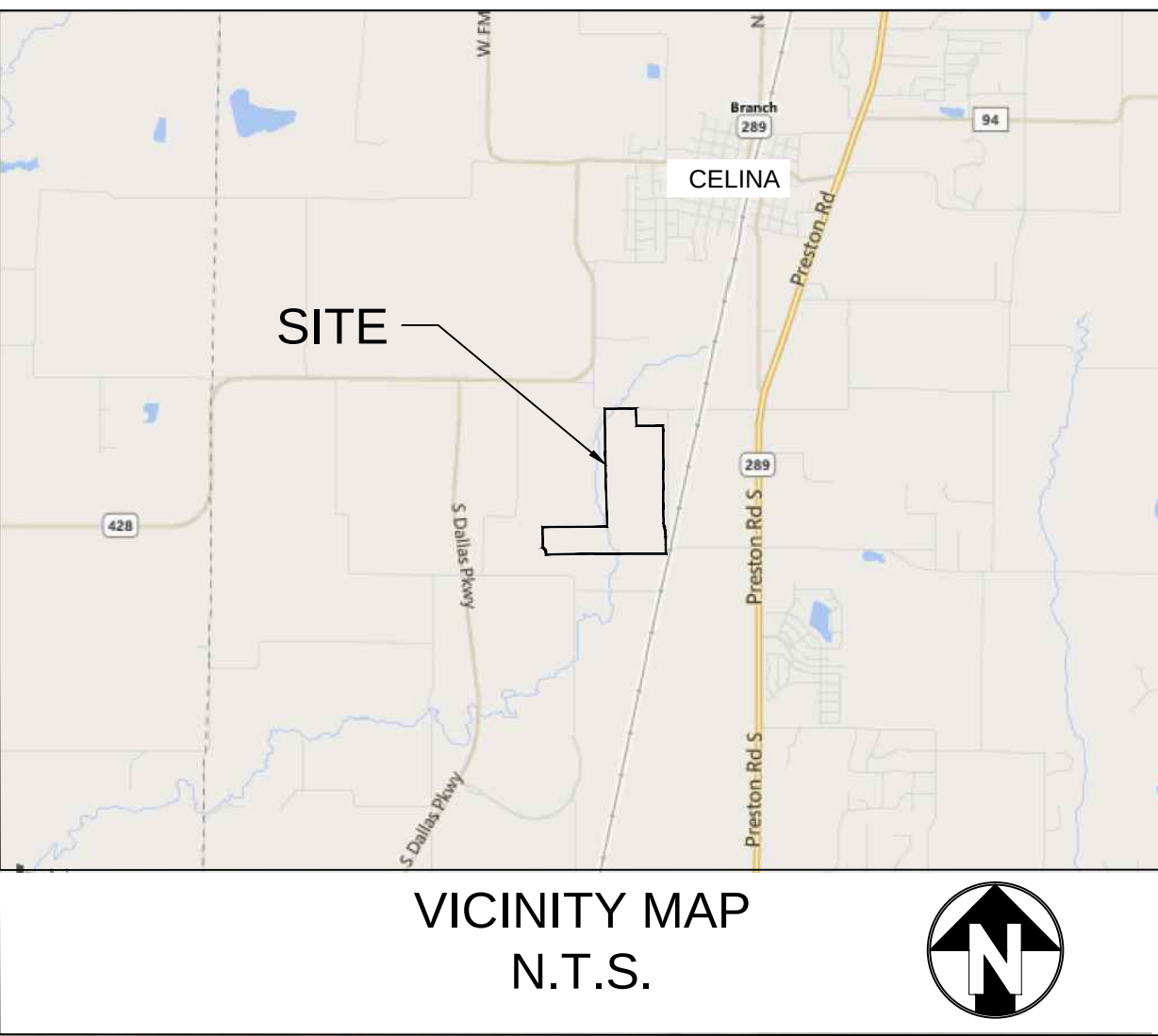
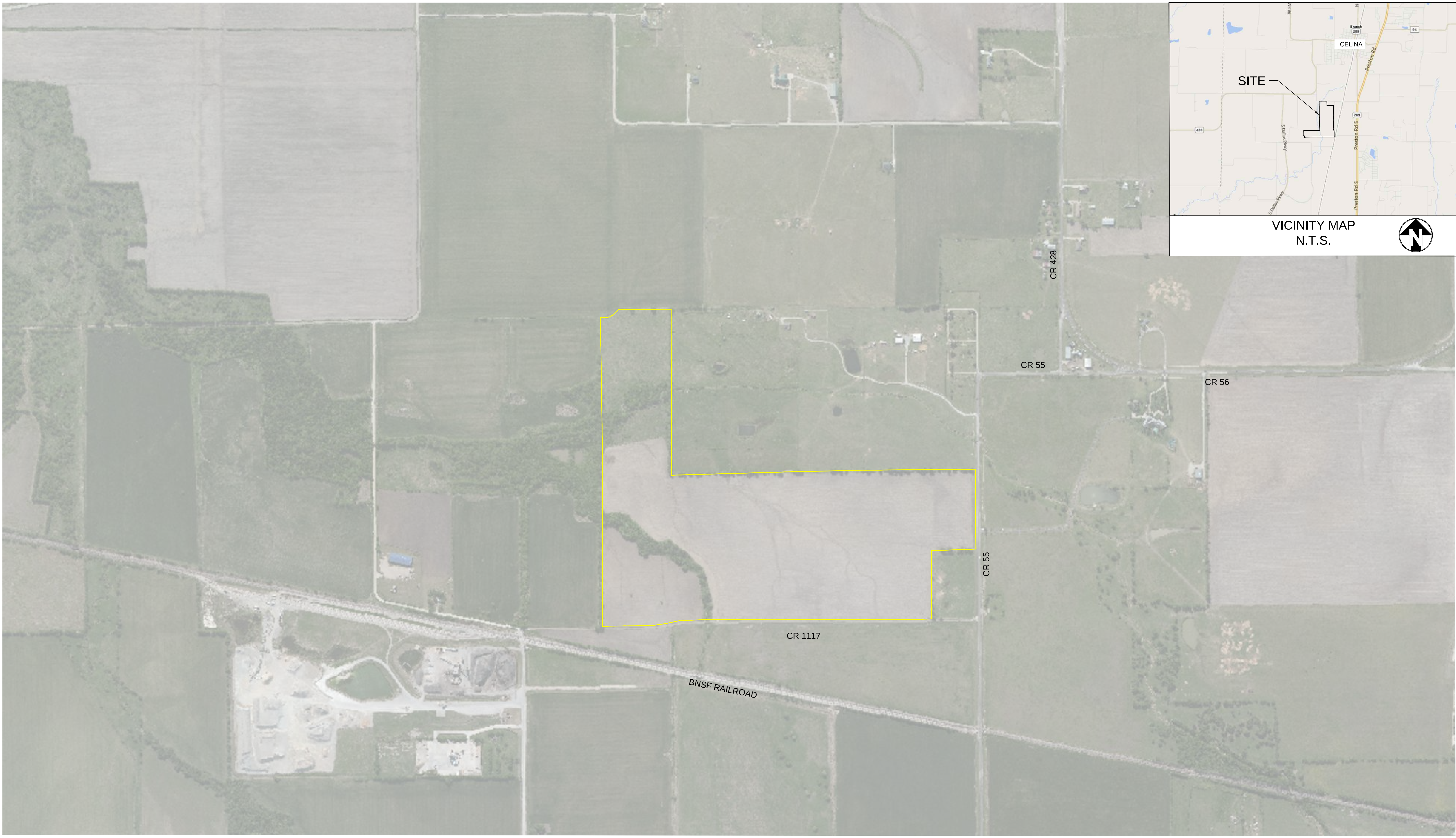
Appendix E

ASSESSMENT ROLL – Phase #1 Assessed Property

Appendix F

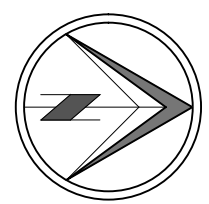
ASSESSMENT ROLL – Phase #2 Assessed Property

Appendix A
THE PID MAP



G Bar 7

EXHIBIT B - PROPERTY DEPICTION
CELINA, TX
06.29.15



GRAPHIC SCALE
0 400 800 FEET



Appendix B
AUTHORIZED IMPROVEMENT COSTS

GLEN CROSSING IMPROVEMENT COST ESTIMATES

PHASE 1	PID COSTS			NON-PID COSTS			TOTAL COST
	On-site	Off-site	Total	Onsite & Fees	TIRZ	Total	
Lot Grading	\$ -	\$ -	\$ -	\$ 292,560	\$ -	\$ 292,560	\$ 292,560
Franchise Utilities	\$ -	\$ -	\$ -	\$ 238,500	\$ -	\$ 238,500	\$ 238,500
Roadway improvements	\$ 1,225,231	\$ 275,907	\$ 1,501,138	\$ -	\$ -	\$ -	\$ 1,501,138
Water distribution system improvements	\$ 377,810	\$ 195,140	\$ 572,950	\$ 128,700	\$ 280,060	\$ 408,760	\$ 981,710
Sanitary sewer improvements	\$ 396,468	\$ 294,898	\$ 691,366	\$ 120,750	\$ 753,258	\$ 874,008	\$ 1,565,374
Storm drainage improvements	\$ 1,377,040	\$ -	\$ 1,377,040	\$ -	\$ -	\$ -	\$ 1,377,040
Park and open space improvements	\$ 512,950	\$ -	\$ 512,950	\$ -	\$ -	\$ -	\$ 512,950
SUBTOTAL	\$ 3,889,499	\$ 765,945	\$ 4,655,444	\$ 780,510	\$ 1,033,318	\$ 1,813,828	\$ 6,469,272
Other soft costs and contingency	\$ 1,089,059	\$ 214,464	\$ 1,303,524	\$ 218,543	\$ 289,330	\$ 507,873	\$ 1,811,396
Offsite Easement / ROW acquisition	\$ -	\$ -	\$ -	\$ -	\$ 160,000	\$ 160,000	\$ 160,000
Celina Parks Fee	\$ -	\$ -	\$ -	\$ 226,850	\$ -	\$ 226,850	\$ 226,850
NonBQ Fee	\$ -	\$ -	\$ -	\$ 42,998	\$ -	\$ 42,998	\$ 42,998
TOTAL	\$ 4,978,558	\$ 980,409	\$ 5,958,968	\$ 1,268,901	\$ 1,482,648	\$ 2,751,549	\$ 8,710,516
Capitalized Interest			\$ 181,785				\$ (181,785)
Debt Service Reserve Fund - Ph 1A			\$ 237,195				\$ (237,195)
Debt Service Reserve Fund - Ph 1B			\$ 64,531				
Costs of Issuance - PH 1A			\$ 361,020				\$ (361,020)
Costs of Issuance - PH 1B			\$ 195,750				
Underwriter's Discount - PH 1A			\$ 106,500				\$ (106,500)
Underwriter's Discount - PH 1B			\$ 62,250				
Total Bond Costs			\$ 1,209,031				
Par Amount of Bonds - PH 1A			\$ 3,550,000				\$ 3,550,000
Par Amount of Bonds - PH 1B			\$ 2,175,000				
Excess Eligible PID Costs over Par Amount of Bonds			\$ 1,442,999	ESCROW FROM PID BOND PROCEEDS		\$ 2,663,500	
				DEVELOPER CASH		\$ 6,047,016	

GLEN CROSSING PHASE 2	PID COSTS			NON-PID COSTS			Total Cost
	On-Site	OffSite or Master	Total	On-Site & Fees	TIRZ	Total	
Lot Grading	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Street Lights	\$ 76,000	\$ -	\$ 76,000	\$ -	\$ -	\$ -	\$ 76,000
Roadway Improvmnts - Offsite = CR 1117 Adjacent	\$ 1,641,725	\$ 690,467	\$ 2,332,192	\$ -	\$ 690,467	\$ 690,467	\$ 3,022,659
Roadway Improvmnts - Offsite = CR 1117 ext to 55	\$ -	\$ -	\$ -	\$ -	\$ 168,254	\$ 168,254	\$ 168,254
Roadway Improvmnts - Offsite = CR 1117 est to 53	\$ -	\$ -	\$ -	\$ -	\$ 124,699	\$ 124,699	\$ 124,699
Water Distribution System Improvements	\$ 425,441	\$ -	\$ 425,441	\$ -	\$ -	\$ -	\$ 425,441
Sanitary Sewer Improvements	\$ 271,622	\$ -	\$ 271,622	\$ -	\$ -	\$ -	\$ 271,622
Sanitary Sewer Improvements - 18" Line A-2	\$ -	\$ 80,674	\$ 80,674	\$ -	\$ 86,746	\$ 86,746	\$ 167,420
Sanitary Sewer Improvements - CR 1117	\$ -	\$ -	\$ -	\$ -	\$ 125,605	\$ 125,605	\$ 125,605
Sanitary Sewer Improvements-CR 1117 ext to CR 55	\$ -	\$ -	\$ -	\$ -	\$ 38,480	\$ 38,480	\$ 38,480
Sanitary Sewer Improvements - CR 1117 to RR	\$ -	\$ -	\$ -	\$ -	\$ 1,713	\$ 1,713	\$ 1,713
Sanitary Sewer Improvements - 12" Line B	\$ -	\$ 14,796	\$ 14,796	\$ -	\$ -	\$ -	\$ 14,796
Storm Drainage Improvements	\$ 1,602,124	\$ -	\$ 1,602,124	\$ -	\$ -	\$ -	\$ 1,602,124
Master Trail System	\$ -	\$ 22,050	\$ 22,050	\$ -	\$ 314,193	\$ 314,193	\$ 336,243
Parks & Open Space Improvements	\$ 914,801	\$ -	\$ 914,801	\$ -	\$ -	\$ -	\$ 914,801
SUBTOTAL	\$ 4,931,713	\$ 807,987	\$ 5,739,700	\$ -	\$ 1,550,157	\$ 1,550,157	\$ 7,289,857
Other Soft Costs & Contingency	\$ 1,380,880	\$ 226,236	\$ 1,607,116	\$ -	\$ 434,044	\$ 434,044	\$ 2,041,160
Offsite Easement/ROW Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Celina Parks Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NonBQ Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SUBTOTAL	\$ 1,380,880	\$ 226,236	\$ 1,607,116	\$ -	\$ 434,044	\$ 434,044	\$ 2,041,160
Total	\$ 6,312,593	\$ 1,034,223	\$ 7,346,816	\$ -	\$ 1,984,201	\$ 1,984,201	\$ 9,331,017
Capitalized Interest			\$ 285,022				\$ (285,022)
Debt Service Reserve Fund - Ph 2			\$ 506,425				\$ (506,425)
Debt Service Reserve Fund - Ph 1B			\$ -				
Costs of Issuance - Ph 2			\$ 422,400				\$ (422,400)
Costs of Issuance - Ph 1B			\$ -				
Underwriter's Discount - Ph 2			\$ 211,200				\$ (211,200)
Underwriter's Discount - Ph 1B			\$ -				
TOTAL BOND COSTS			\$ 1,425,047				
Total PID Eligible Costs			\$ 8,771,863				\$ 7,040,000
Par Amount of Bonds - Ph 2			\$ 7,040,000				
			\$ -				
Total Amount of Bonds			\$ 7,040,000				
				Escrow from PID Bond Proceeds			\$ 5,614,950
				Developer Cash			\$ -

Attachment: Celina - Glen Crossing Phase #2 2018 - Assessment Ordinance (with attachments) (2018 - 62)

DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS



4821 Merlot Avenue, Suite 210
Grapevine, Texas 76051
Phone: 817-488-4960

DEVELOPER/OWNER

WYNNE JACKSON

600 North Pearl Street, Suite 650
Dallas, TX 75201
Phone: 214-880-8600



JOB NUMBER: WYN14001_GBar7

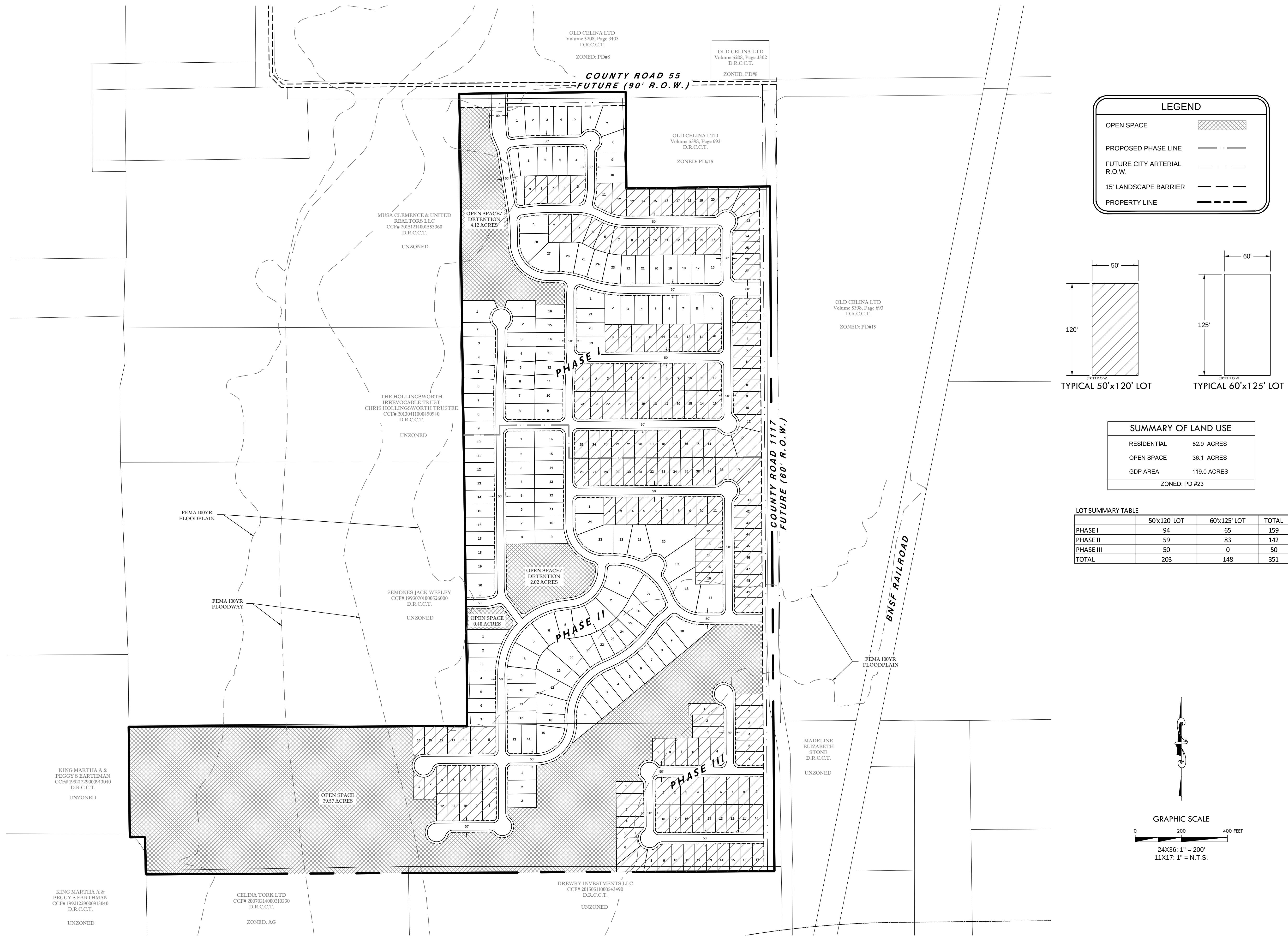
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DRAWN BY: CEN

CHECKED BY: PCF

ISSUE DATE: 05-17-16

REV:



LEGEND

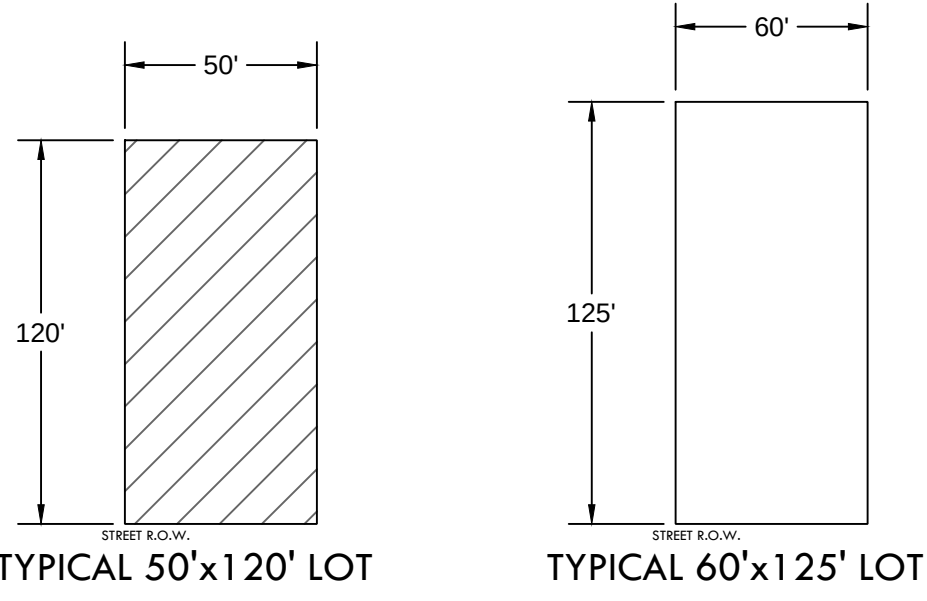
OPEN SPACE

PROPOSED PHASE LINE

FUTURE CITY ARTERIAL R.O.W.

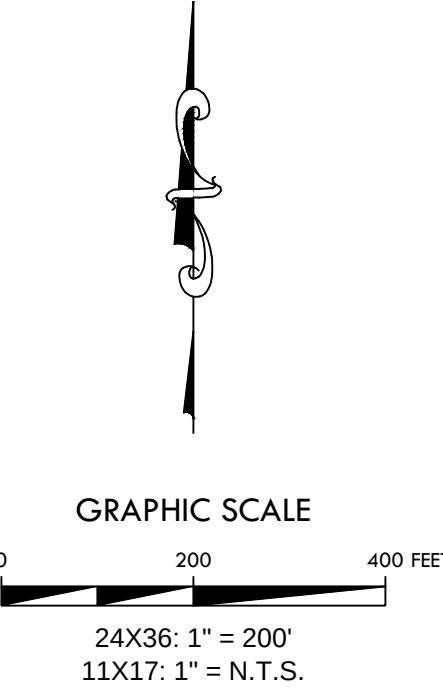
15' LANDSCAPE BARRIER

PROPERTY LINE



SUMMARY OF LAND USE	
RESIDENTIAL	82.9 ACRES
OPEN SPACE	36.1 ACRES
GDP AREA	119.0 ACRES
ZONED: PD #23	

LOT SUMMARY TABLE	50'x120' LOT	60'x125' LOT	TOTAL
PHASE I	94	65	159
PHASE II	59	83	142
PHASE III	50	0	50
TOTAL	203	148	351



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DEVELOPER/OWNER

W Y N N E  J A C K S O N

JOB NUMBER: WYN14001_GBar7

DESIGNED BY: CEN

DRAWN BY: CEN

CHECKED BY: PCF

ISSUE DATE: 05-17-16

REV:

Kirkman Engineering
Texas Firm No: 15874

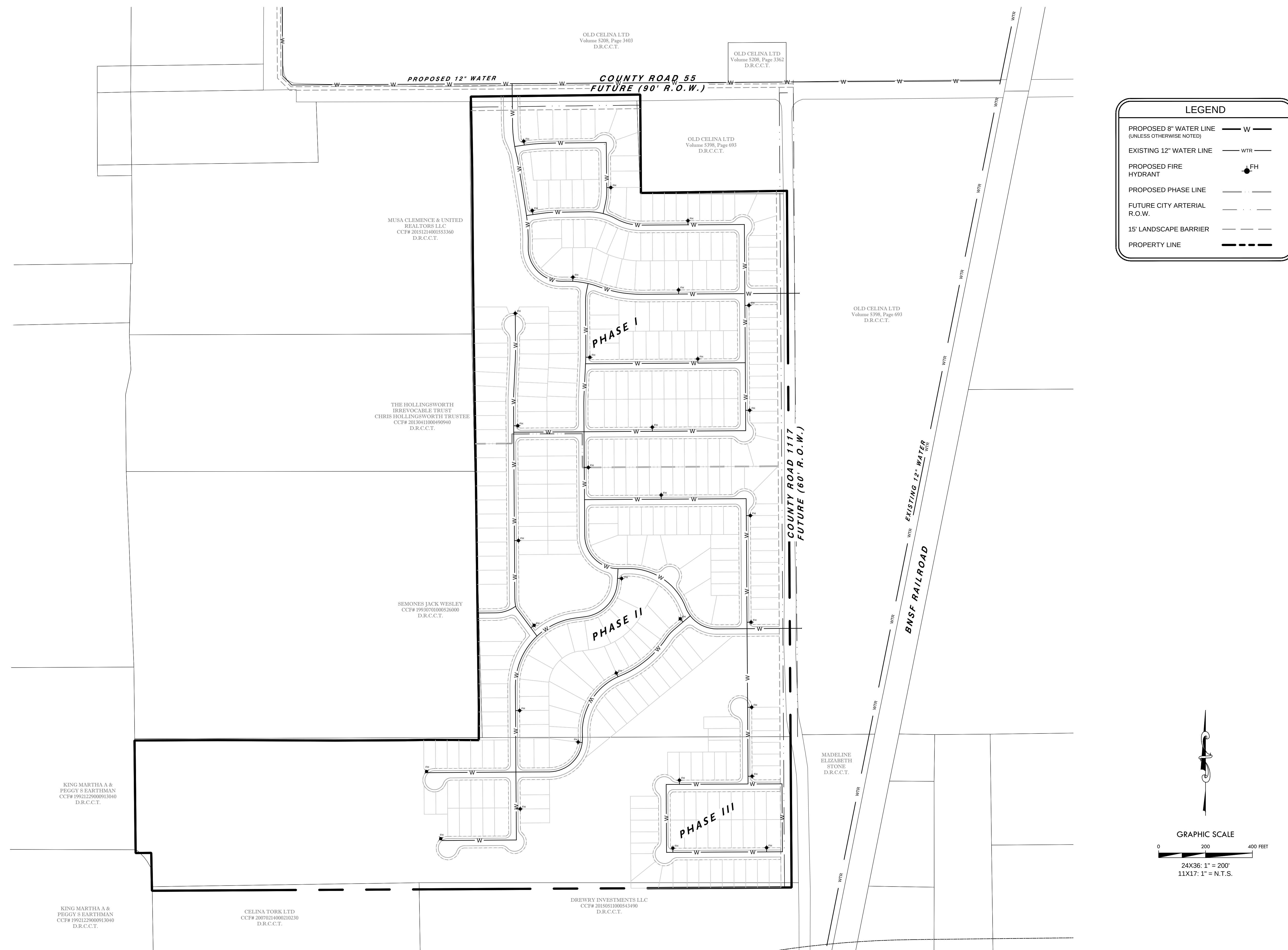
GLEN
CROSSING

CELINA
TEXAS

WATER PLAN

SHEET:

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PLOTTED WITH: DWG To PDF.pc3



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DEVELOPER/OWNER

WYNNE JACKSON

600 North Pearl Street, Suite 650
Dallas, TX 75201
Phone: 214-880-8600



JOB NUMBER:	WYN14001_GBar7
DESIGNED BY:	CEN
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CHECKED BY:	PCF
ISSUE DATE:	05-17-16
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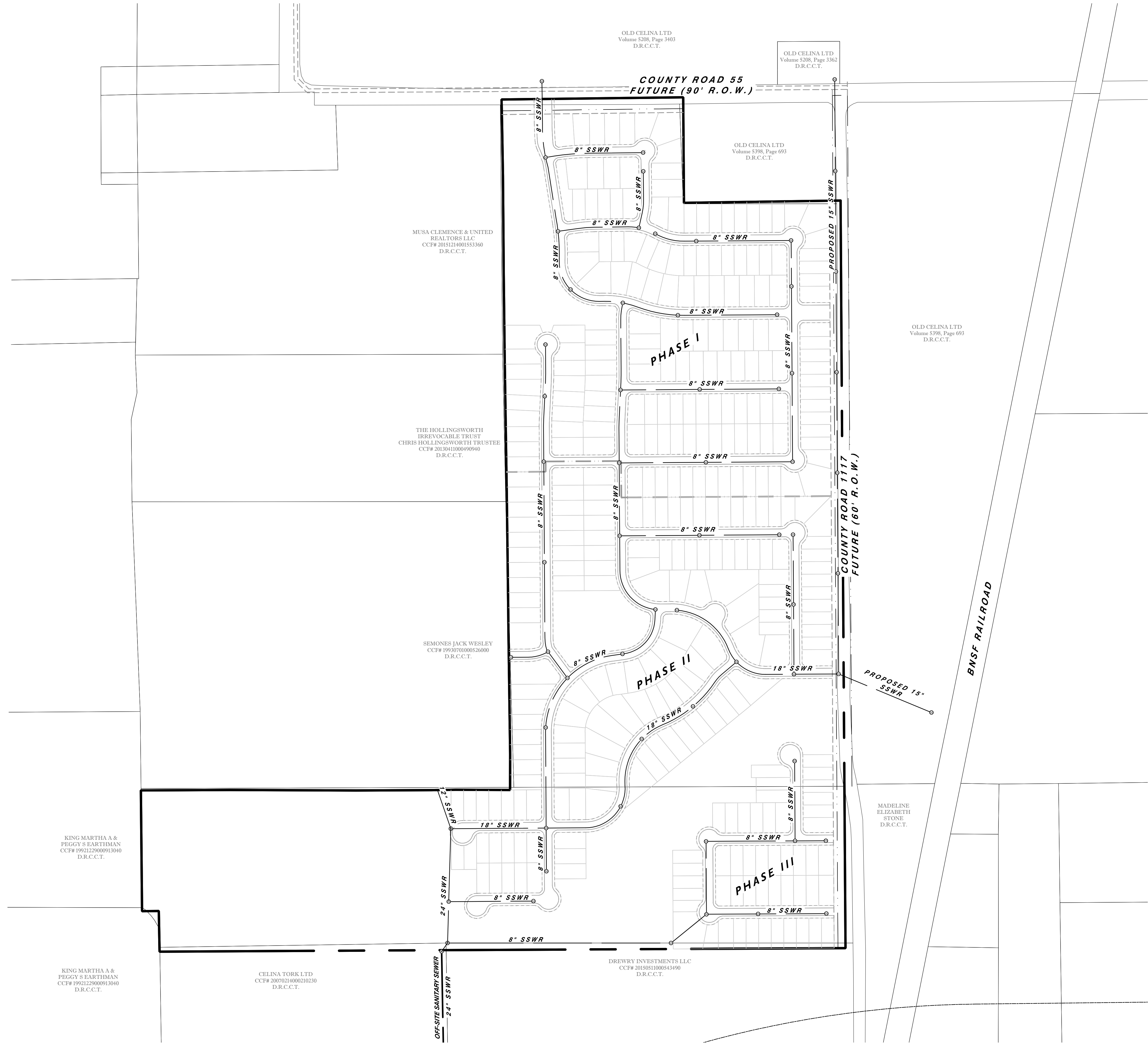
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GLEN
CROSSING

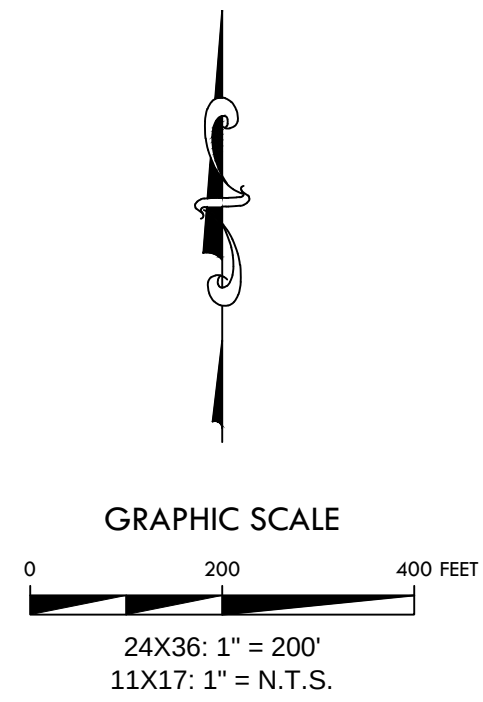
CELINA
TEXAS

SEWER
PLAN

SHEET:
6.0



LEGEND	
PROPOSED SANITARY SEWER	---
PROPOSED SANITARY MANHOLE	SS
PROPOSED PHASE LINE	- - -
FUTURE CITY ARTERIAL R.O.W.	---
15' LANDSCAPE BARRIER	---
PROPERTY LINE	---





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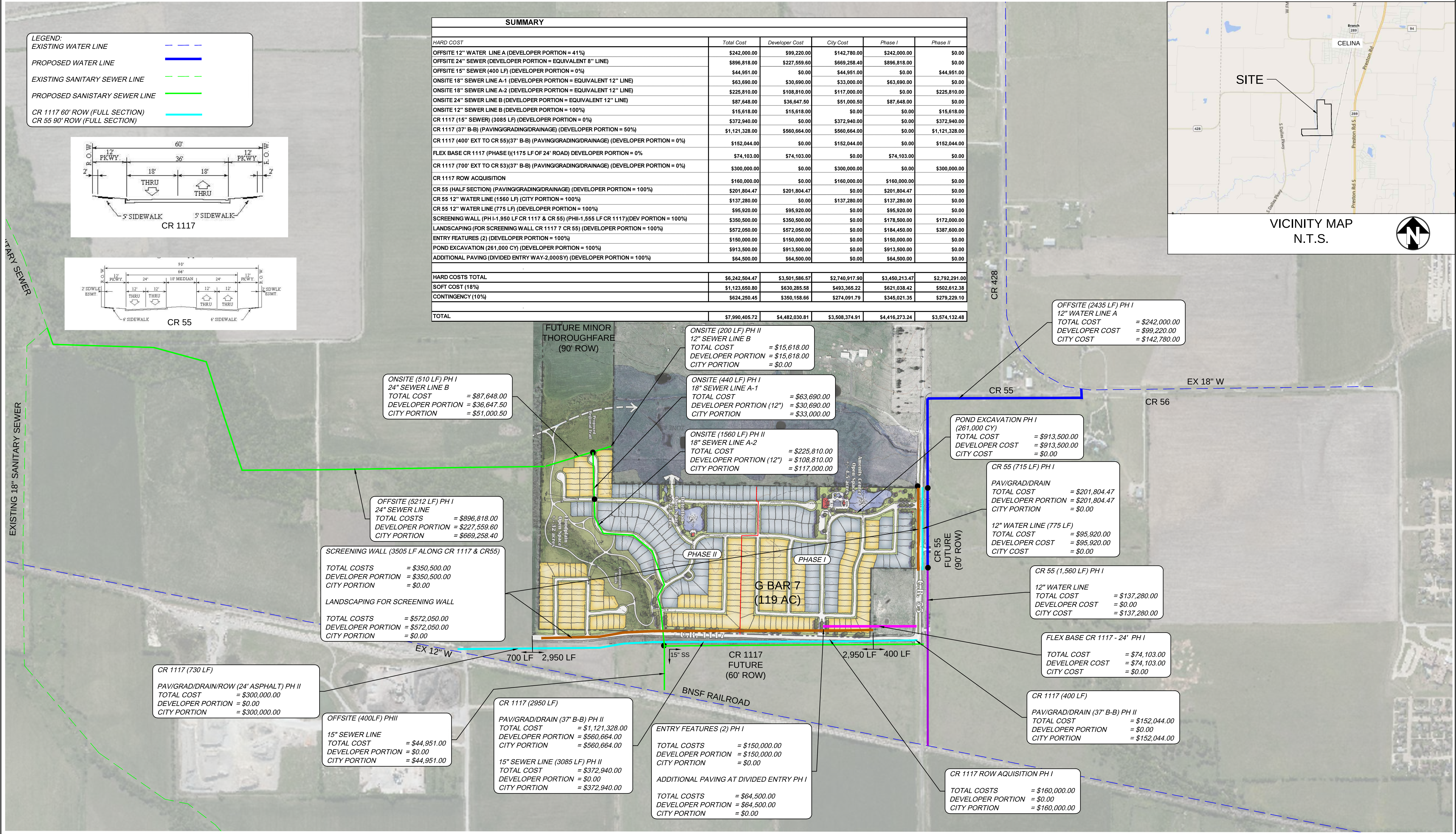
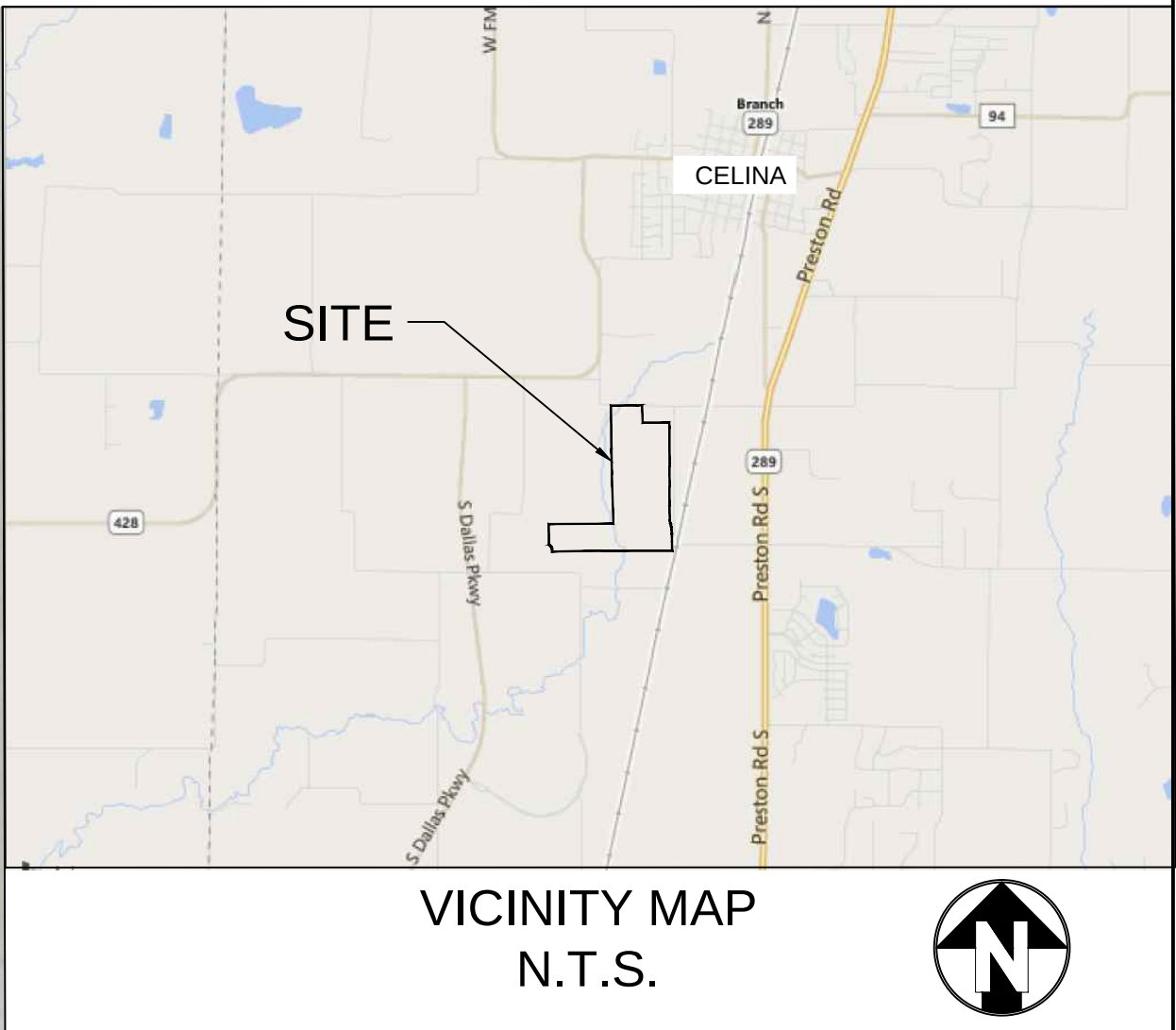
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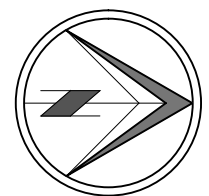
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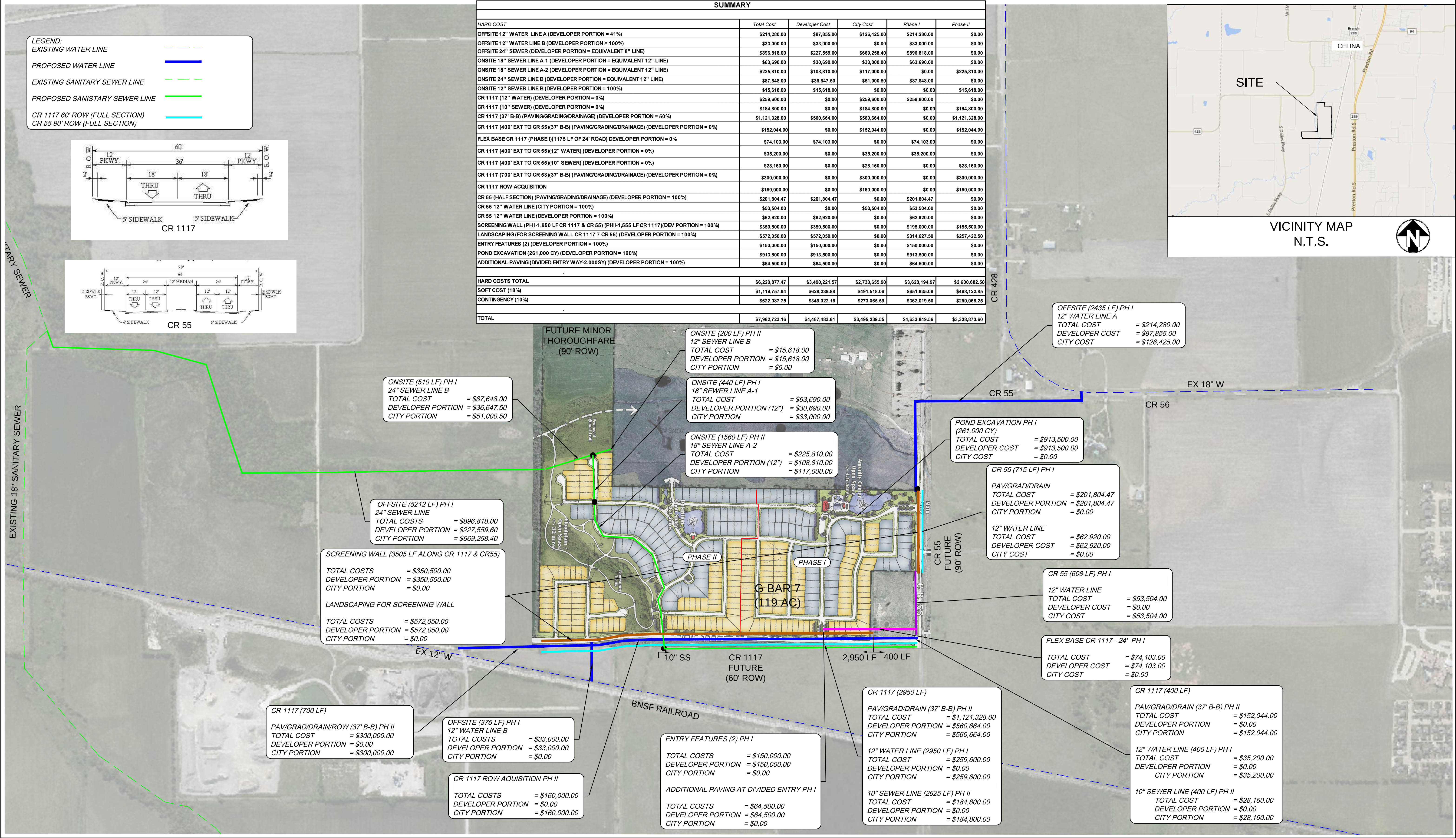
SUMMARY					
	Total Cost	Developer Cost	City Cost	Phase I	Phase II
HARD COST					
OFFSITE 12" WATER LINE A (DEVELOPER PORTION = 41%)	\$242,000.00	\$99,220.00	\$142,780.00	\$242,000.00	\$0.00
OFFSITE 24" SEWER (DEVELOPER PORTION = EQUIVALENT 8" LINE)	\$896,818.00	\$227,559.60	\$669,258.40	\$896,818.00	\$0.00
OFFSITE 15" SEWER (400 LF) (DEVELOPER PORTION = 0%)	\$44,951.00	\$0.00	\$44,951.00	\$0.00	\$44,951.00
ONSITE 18" SEWER LINE A-1 (DEVELOPER PORTION = EQUIVALENT 12" LINE)	\$63,690.00	\$30,690.00	\$33,000.00	\$63,690.00	\$0.00
ONSITE 18" SEWER LINE A-2 (DEVELOPER PORTION = EQUIVALENT 12" LINE)	\$225,810.00	\$108,810.00	\$117,000.00	\$0.00	\$225,810.00
ONSITE 24" SEWER LINE B (DEVELOPER PORTION = EQUIVALENT 12" LINE)	\$87,648.00	\$36,647.50	\$51,000.50	\$87,648.00	\$0.00
ONSITE 12" SEWER LINE B (DEVELOPER PORTION = 100%)	\$15,618.00	\$15,618.00	\$0.00	\$0.00	\$15,618.00
CR 1117 (15" SEWER) (3085 LF) (DEVELOPER PORTION = 0%)	\$372,940.00	\$0.00	\$372,940.00	\$0.00	\$372,940.00
CR 1117 (37" B-B) (PAVING/GRADING/DRAINAGE) (DEVELOPER PORTION = 50%)	\$1,121,328.00	\$560,664.00	\$560,664.00	\$0.00	\$1,121,328.00
CR 1117 (400' EXT TO CR 55)(37" B-B) (PAVING/GRADING/DRAINAGE) (DEVELOPER PORTION = 0%)	\$152,044.00	\$0.00	\$152,044.00	\$0.00	\$152,044.00
FLEX BASE CR 1117 (PHASE I)(1175 LF OF 24' ROAD) DEVELOPER PORTION = 0%	\$74,103.00	\$74,103.00	\$0.00	\$74,103.00	\$0.00
CR 1117 (700' EXT TO CR 53)(37" B-B) (PAVING/GRADING/DRAINAGE) (DEVELOPER PORTION = 0%)	\$300,000.00	\$0.00	\$300,000.00	\$0.00	\$300,000.00
CR 1117 ROW ACQUISITION	\$160,000.00	\$0.00	\$160,000.00	\$160,000.00	\$0.00
CR 55 (HALF SECTION) (PAVING/GRADING/DRAINAGE) (DEVELOPER PORTION = 100%)	\$201,804.47	\$201,804.47	\$0.00	\$201,804.47	\$0.00
CR 55 12" WATER LINE (1560 LF) (CITY PORTION = 100%)	\$137,280.00	\$0.00	\$137,280.00	\$137,280.00	\$0.00
CR 55 12" WATER LINE (775 LF) (DEVELOPER PORTION = 100%)	\$95,920.00	\$95,920.00	\$0.00	\$95,920.00	\$0.00
SCREENING WALL (PH I-1,950 LF CR 1117 & CR 55) (PH I-1,555 LF CR 1117)(DEV PORTION = 100%)	\$350,500.00	\$350,500.00	\$0.00	\$178,500.00	\$172,000.00
LANDSCAPING (FOR SCREENING WALL CR 1117 7 CR 55) (DEVELOPER PORTION = 100%)	\$572,050.00	\$572,050.00	\$0.00	\$184,450.00	\$387,600.00
ENTRY FEATURES (2) (DEVELOPER PORTION = 100%)	\$150,000.00	\$150,000.00	\$0.00	\$150,000.00	\$0.00
POND EXCAVATION (261,000 CY) (DEVELOPER PORTION = 100%)	\$913,500.00	\$913,500.00	\$0.00	\$913,500.00	\$0.00
ADDITIONAL PAVING (DIVIDED ENTRY WAY-2,000SY) (DEVELOPER PORTION = 100%)	\$64,500.00	\$64,500.00	\$0.00	\$64,500.00	\$0.00
HARD COSTS TOTAL					
	\$6,242,504.47	\$3,501,586.57	\$2,740,917.90	\$3,450,213.47	\$2,792,291.00
SOFT COST (16%)					
	\$1,123,650.80	\$630,285.58	\$493,365.22	\$621,038.42	\$502,612.38
CONTINGENCY (10%)					
	\$624,250.45	\$350,158.66	\$274,091.79	\$345,021.35	\$279,229.10
TOTAL					
	\$7,990,405.72	\$4,482,030.81	\$3,508,374.91	\$4,416,273.24	\$3,574,132.48



G Bar 7

MAJOR IMPROVEMENTS
CELINA, TX
05.19.16





Appendix D

LOT TYPES AND EQUIVALENT UNITS

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Appendix D Lot Types and Equivalent Units

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of two Lot Types. The following table shows the updated proposed residential Lot Types within the PID.

**Table D-1
Updated Proposed Development within the PID**

Lot Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	60 Ft Lots	149 units
Lot Type 2	50 Ft Lots	207 units
Total		356 units

Table D-2 below shows the residential Lot Types being developed within Phase #1.

**Table D-2
Phase #1 Development**

Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	60 Ft Lots	65 units
Lot Type 2	50 Ft Lots	94 units
Total		159 units

As explained under Section V-C, for purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Improvements to be financed with the Phase #1 Bonds and the PID Reimbursement Agreement shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units.

For purposes of this Service and Assessment Plan, the City Council has determined that the Assessments shall be allocated to the Phases #1 Assessed Property on the basis of the average home value of each Lot Type, and that such method of allocation will result in the imposition of equal shares of the Assessments on Parcels similarly benefited. In determining the average home value of each Lot Type, the City Council has taken into consideration (i) the type of lots (i.e., 60 Ft, 50 Ft, etc.); (ii) current and projected home prices; (iii) the costs of the Authorized Improvements, and (iv) the ability of different property types to utilize and benefit from the Authorized Improvements.

Having taken into consideration the matters described above, the City Council has determined that allocating the Assessments among Parcels based on average home value is best

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accomplished by creating classifications of benefited Parcels based on the “Lot Types” defined above. These classifications (from Lot Type 1 (60 Ft Lots) representing the highest value to Lot Type 2 (50 Ft Lot) representing the lowest value for residential lots are set forth in Table D-3 below. Assessments are allocated to each Lot Type on the basis of the average home value for each class of lots. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1 (60 Ft Lots) to 1.0.

Table D-3
Equivalent Unit Factors

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor
Lot Type 1 (60 Ft Lot)	\$405,000	1.00 per dwelling unit
Lot Type 2 (50 Ft Lot)	\$337,500	0.83 per dwelling unit

The total estimated Equivalent Units for Phase #1 are shown in Table D-4 below as calculated based on the Equivalent Unit factors shown above, estimated Lot Types and number of units estimated to be built within Phase #1.

Table D-4
Estimated Equivalent Units - Phase #1

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft Lot)	65	1.00	65.00
Lot Type 2 (50 Ft Lot)	94	0.83	78.33
Total Equivalent Units	159		143.33

As explained under Section V-C, for purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #2 Improvements to be financed with the Phase #2 Bonds shall be allocated to the Phase #2 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units.

The total estimated Equivalent Units for Phase #2 are shown in Table D-5 below as calculated based on the Equivalent Unit factors shown above, estimated Lot Types and number of units estimated to be built within Phase #2.

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Table D-5
Estimated Equivalent Units - Phase #2

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft Lot)	84	1.00	84.00
Lot Type 2 (50 Ft Lot)	113	0.83	94.17
Total Equivalent Units	197		178.17

Appendix E

ASSESSMENT ROLL – Phase #1 Assessed Property

Appendix E
Phase #1 Assessment Roll

Parcel	All Parcels
Assessment	\$5,725,000
Total Equivalent Units	143.33

Year	Principal and Interest¹	Principal and Interest²	Administrative Expenses³	Total Annual Installment⁴
2016	\$0	\$0	\$0	\$0
2017	\$199,535	\$92,438	\$30,000	\$321,972
2018	\$254,515	\$92,438	\$44,268	\$391,221
2019	\$251,980	\$130,500	\$44,880	\$427,360
2020	\$249,445	\$185,500	\$45,504	\$480,449
2021	\$251,910	\$177,200	\$46,141	\$475,251
2022	\$253,620	\$174,200	\$46,790	\$474,610
2023	\$250,095	\$176,200	\$47,453	\$473,748
2024	\$251,570	\$172,900	\$48,129	\$472,599
2025	\$247,810	\$174,600	\$48,818	\$471,228
2026	\$249,050	\$171,000	\$49,521	\$469,571
2027	\$250,055	\$167,400	\$50,238	\$467,693
2028	\$250,825	\$168,800	\$50,969	\$470,594
2029	\$245,790	\$169,900	\$51,715	\$467,405
2030	\$245,755	\$165,700	\$52,476	\$463,931
2031	\$245,455	\$166,500	\$53,252	\$465,207
2032	\$244,890	\$162,000	\$54,044	\$460,934
2033	\$244,060	\$162,500	\$54,852	\$461,412
2034	\$247,965	\$157,700	\$55,675	\$461,340
2035	\$246,340	\$152,900	\$56,515	\$455,755
2036	\$244,450	\$153,100	\$57,372	\$454,922
2037	\$242,295	\$153,000	\$58,246	\$453,541
2038	\$244,875	\$147,600	\$59,138	\$451,613
2039	\$241,250	\$147,200	\$60,047	\$448,497
2040	\$242,338	\$141,500	\$60,975	\$444,812
2041	\$242,850	\$140,800	\$61,921	\$445,571
2042	\$237,788	\$144,800	\$62,886	\$445,474
2043	\$237,438	\$138,200	\$63,871	\$439,508
2044	\$236,513	\$136,600	\$64,875	\$437,987
2045	\$235,013	\$134,700	\$65,899	\$435,611
2046	\$237,938	\$132,500	\$66,943	\$437,381
Total	7,323,410	\$4,590,375	\$1,613,414	\$13,527,199

1 - The principal and interest amounts are calculated based on final bond pricing numbers. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves.

2 - The principal and interest amounts are calculated for the estimated Phase #1B Bonds in the amount of \$2,175,000. The interest amounts shown are estimated based on an interest rate of 3.75% through 2018 and 5.5% thereafter and will be updated at final pricing.

3 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Appendix E
Phase #1 Assessment Roll

Lot Type
Assessment
Equivalent Units

Lot Type 1 (60' Lot)
\$39,942
1.00

Year	Principal and Interest ¹	Principal and Interest²	Administrative Expenses³	Total Annual Installment⁴
2016	\$0	\$0	\$0	\$0
2017	\$1,392	\$645	\$209	\$2,246
2018	\$1,776	\$645	\$309	\$2,729
2019	\$1,758	\$910	\$313	\$2,982
2020	\$1,740	\$1,294	\$317	\$3,352
2021	\$1,758	\$1,236	\$322	\$3,316
2022	\$1,769	\$1,215	\$326	\$3,311
2023	\$1,745	\$1,229	\$331	\$3,305
2024	\$1,755	\$1,206	\$336	\$3,297
2025	\$1,729	\$1,218	\$341	\$3,288
2026	\$1,738	\$1,193	\$345	\$3,276
2027	\$1,745	\$1,168	\$350	\$3,263
2028	\$1,750	\$1,178	\$356	\$3,283
2029	\$1,715	\$1,185	\$361	\$3,261
2030	\$1,715	\$1,156	\$366	\$3,237
2031	\$1,712	\$1,162	\$372	\$3,246
2032	\$1,709	\$1,130	\$377	\$3,216
2033	\$1,703	\$1,134	\$383	\$3,219
2034	\$1,730	\$1,100	\$388	\$3,219
2035	\$1,719	\$1,067	\$394	\$3,180
2036	\$1,705	\$1,068	\$400	\$3,174
2037	\$1,690	\$1,067	\$406	\$3,164
2038	\$1,708	\$1,030	\$413	\$3,151
2039	\$1,683	\$1,027	\$419	\$3,129
2040	\$1,691	\$987	\$425	\$3,103
2041	\$1,694	\$982	\$432	\$3,109
2042	\$1,659	\$1,010	\$439	\$3,108
2043	\$1,657	\$964	\$446	\$3,066
2044	\$1,650	\$953	\$453	\$3,056
2045	\$1,640	\$940	\$460	\$3,039
2046	\$1,643	\$915	\$462	\$3,021
Total	\$51,077	\$32,017	\$11,252	\$94,345

1 - The principal and interest amounts are calculated based on final bond pricing numbers. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves.

2 - The principal and interest amounts are calculated for the estimated Phase #1B Bonds in the amount of \$2,175,000. The interest amounts shown are estimated based on an interest rate of 3.75% through 2018 and 5.5% thereafter and will be updated at final pricing.

3 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Appendix E
Phase #1 Assessment Roll

Lot Type
Assessment
Equivalent Units

Lot Type 2 (50' Lot)
\$33,285
0.83

Year	Principal and Interest ¹	Principal and Interest²	Administrative Expenses³	Total Annual Installment⁴
2016	\$0	\$0	\$0	\$0
2017	\$1,160	\$537	\$174	\$1,872
2018	\$1,480	\$537	\$257	\$2,275
2019	\$1,465	\$759	\$261	\$2,485
2020	\$1,450	\$1,078	\$265	\$2,793
2021	\$1,465	\$1,030	\$268	\$2,763
2022	\$1,475	\$1,013	\$272	\$2,759
2023	\$1,454	\$1,024	\$276	\$2,754
2024	\$1,463	\$1,005	\$280	\$2,748
2025	\$1,441	\$1,015	\$284	\$2,740
2026	\$1,448	\$994	\$288	\$2,730
2027	\$1,454	\$973	\$292	\$2,719
2028	\$1,458	\$981	\$296	\$2,736
2029	\$1,429	\$988	\$301	\$2,717
2030	\$1,429	\$963	\$305	\$2,697
2031	\$1,427	\$968	\$310	\$2,705
2032	\$1,424	\$942	\$314	\$2,680
2033	\$1,419	\$945	\$319	\$2,683
2034	\$1,442	\$917	\$324	\$2,682
2035	\$1,432	\$889	\$329	\$2,650
2036	\$1,421	\$890	\$334	\$2,645
2037	\$1,409	\$890	\$339	\$2,637
2038	\$1,424	\$858	\$344	\$2,626
2039	\$1,403	\$856	\$349	\$2,608
2040	\$1,409	\$823	\$355	\$2,586
2041	\$1,412	\$819	\$360	\$2,591
2042	\$1,382	\$842	\$366	\$2,590
2043	\$1,380	\$803	\$371	\$2,555
2044	\$1,375	\$794	\$377	\$2,546
2045	\$1,366	\$783	\$383	\$2,533
2046	\$1,370	\$763	\$385	\$2,517
Total	42,564	\$26,681	\$9,376	\$78,621

1 - The principal and interest amounts are calculated based on final bond pricing numbers. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves.

2 - The principal and interest amounts are calculated for the estimated Phase #1B Bonds in the amount of \$2,175,000. The interest amounts shown are estimated based on an interest rate of 3.75% through 2018 and 5.5% thereafter and will be updated at final pricing.

3 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Appendix F

PROPOSED ASSESSMENT ROLL – Phase #2 Assessed Property

Appendix F
Phase #2 Assessment Roll

Parcel	All Parcels
Assessment	\$7,325,000
Total Equivalent Units	178.17

Year	Principal and Interest¹	Administrative Expenses²	Total Annual Installment³
2019	\$439,500	\$40,000	\$479,500
2020	\$554,500	\$40,800	\$595,300
2021	\$552,600	\$41,616	\$594,216
2022	\$555,400	\$42,448	\$597,848
2023	\$552,600	\$43,297	\$595,897
2024	\$554,500	\$44,163	\$598,663
2025	\$550,800	\$45,046	\$595,846
2026	\$551,800	\$45,947	\$597,747
2027	\$552,200	\$46,866	\$599,066
2028	\$552,000	\$47,804	\$599,804
2029	\$551,200	\$48,760	\$599,960
2030	\$549,800	\$49,735	\$599,535
2031	\$547,800	\$50,730	\$598,530
2032	\$545,200	\$51,744	\$596,944
2033	\$542,000	\$52,779	\$594,779
2034	\$543,200	\$53,835	\$597,035
2035	\$543,500	\$54,911	\$598,411
2036	\$542,900	\$56,010	\$598,910
2037	\$541,400	\$57,130	\$598,530
2038	\$539,000	\$58,272	\$597,272
2039	\$535,700	\$59,438	\$595,138
2040	\$536,500	\$60,627	\$597,127
2041	\$531,100	\$61,839	\$592,939
2042	\$529,800	\$63,076	\$592,876
2043	\$527,300	\$64,337	\$591,637
2044	\$528,600	\$65,624	\$594,224
2045	\$523,400	\$66,937	\$590,337
2046	\$522,000	\$68,275	\$590,275
2047	\$514,100	\$69,641	\$583,741
Total	15,610,400	\$1,551,689	\$17,162,089

1 - The principal and interest amounts are estimated based on 5.5% interest rate. The interest amounts shown include the 0.5% additional interest amount to be collected for Prepayment and Delinquency Reserves.

2 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

3 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Appendix F
Phase #2 Assessment Roll

Lot Type	Lot Type 1 (60' Lot)
Assessment	\$41,113
Equivalent Units	1.00

Year	Principal and Interest¹	Administrative Expenses²	Total Annual Installment³
2019	\$2,467	\$225	\$2,691
2020	\$3,112	\$229	\$3,341
2021	\$3,102	\$234	\$3,335
2022	\$3,117	\$238	\$3,356
2023	\$3,102	\$243	\$3,345
2024	\$3,112	\$248	\$3,360
2025	\$3,091	\$253	\$3,344
2026	\$3,097	\$258	\$3,355
2027	\$3,099	\$263	\$3,362
2028	\$3,098	\$268	\$3,367
2029	\$3,094	\$274	\$3,367
2030	\$3,086	\$279	\$3,365
2031	\$3,075	\$285	\$3,359
2032	\$3,060	\$290	\$3,350
2033	\$3,042	\$296	\$3,338
2034	\$3,049	\$302	\$3,351
2035	\$3,051	\$308	\$3,359
2036	\$3,047	\$314	\$3,362
2037	\$3,039	\$321	\$3,359
2038	\$3,025	\$327	\$3,352
2039	\$3,007	\$334	\$3,340
2040	\$3,011	\$340	\$3,352
2041	\$2,981	\$347	\$3,328
2042	\$2,974	\$354	\$3,328
2043	\$2,960	\$361	\$3,321
2044	\$2,967	\$368	\$3,335
2045	\$2,938	\$376	\$3,313
2046	\$2,930	\$383	\$3,313
2047	\$2,886	\$391	\$3,276
Total	\$87,617	\$8,709	\$96,326

1 - The principal and interest amounts are estimated based on 5.5% interest rate. The interest amounts shown include the 0.5% additional interest amount to be collected for Prepayment and Delinquency Reserves.

2 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

3 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Appendix F
Phase #2 Assessment Roll

Lot Type	Lot Type 2 (50' Lot)
Assessment	\$34,261
Equivalent Units	0.83

Year	Principal and Interest¹	Administrative Expenses²	Total Annual Installment³
2019	\$2,056	\$187	\$2,243
2020	\$2,594	\$191	\$2,784
2021	\$2,585	\$195	\$2,779
2022	\$2,598	\$199	\$2,796
2023	\$2,585	\$203	\$2,787
2024	\$2,594	\$207	\$2,800
2025	\$2,576	\$211	\$2,787
2026	\$2,581	\$215	\$2,796
2027	\$2,583	\$219	\$2,802
2028	\$2,582	\$224	\$2,805
2029	\$2,578	\$228	\$2,806
2030	\$2,572	\$233	\$2,804
2031	\$2,562	\$237	\$2,799
2032	\$2,550	\$242	\$2,792
2033	\$2,535	\$247	\$2,782
2034	\$2,541	\$252	\$2,792
2035	\$2,542	\$257	\$2,799
2036	\$2,539	\$262	\$2,801
2037	\$2,532	\$267	\$2,799
2038	\$2,521	\$273	\$2,794
2039	\$2,506	\$278	\$2,784
2040	\$2,509	\$284	\$2,793
2041	\$2,484	\$289	\$2,773
2042	\$2,478	\$295	\$2,773
2043	\$2,466	\$301	\$2,767
2044	\$2,472	\$307	\$2,779
2045	\$2,448	\$313	\$2,761
2046	\$2,442	\$319	\$2,761
2047	\$2,405	\$326	\$2,730
Total	73,014	\$7,258	\$80,272

1 - The principal and interest amounts are estimated based on 5.5% interest rate. The interest amounts shown include the 0.5% additional interest amount to be collected for Prepayment and Delinquency Reserves.

2 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

3 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Appendix E
Phase #1 Assessment Roll

Lot Type
Assessment
Equivalent Units

HOA Property
\$0

Year	Principal and Interest¹	Administrative Expenses³	Total Annual Installment⁴
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
2023	\$0	\$0	\$0
2024	\$0	\$0	\$0
2025	\$0	\$0	\$0
2026	\$0	\$0	\$0
2027	\$0	\$0	\$0
2028	\$0	\$0	\$0
2029	\$0	\$0	\$0
2030	\$0	\$0	\$0
2031	\$0	\$0	\$0
2032	\$0	\$0	\$0
2033	\$0	\$0	\$0
2034	\$0	\$0	\$0
2035	\$0	\$0	\$0
2036	\$0	\$0	\$0
2037	\$0	\$0	\$0
2038	\$0	\$0	\$0
2039	\$0	\$0	\$0
2040	\$0	\$0	\$0
2041	\$0	\$0	\$0
2042	\$0	\$0	\$0
2043	\$0	\$0	\$0
2044	\$0	\$0	\$0
2045	\$0	\$0	\$0
2046	\$0	\$0	\$0
2047	\$0	\$0	\$0
Total	\$0	\$0	\$0

1 - The principal and interest amounts are estimated based on 5.5% interest rate. The interest amounts shown include the 0.5% additional interest amount to be collected for Prepayment and Delinquency Reserves.

2 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

3 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Attachment: Celina - Glen Crossing Phase #2 2018 - Assessment Ordinance (with attachments) (2018 - 62 : Glen Crossing Phase 2 PID Levy &



Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Brooks Wilson, Planning Consultant
 CC: Jason Laumer, City Manager
 Date: November 13, 2018
 Re: Dallas North Tollway Overlay Ordinance

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance amending Ordinance No. 2006-57, as heretofore amended, the same being the Comprehensive Zoning Ordinance, Chapter 14: Zoning, by adding a new Article 14.03.032 DNTD, Dallas North Tollway Overlay District. (Dallas North Tollway Overlay District) (McAfee)

Background Information:

As Celina continues to grow, it is likely that the two major north/south corridors (Preston Road and the Dallas North Tollway) will become centers of commercial activity. These important corridors will develop quickly as the Metroplex economy shifts northward. It is therefore practical and prudent to anticipate the high intensity growth that will occur over the next decade and to prepare for that growth now.

The Preston Road Overlay District was established in 2001 and amended twice since then. Preston Road has already seen an addition of roadway lanes from the southern border of Celina to near the Celina High School. At the present time, the Dallas North Tollway has only two lanes of traffic (the future northbound service lanes) open to FM 428 (future Glendenning Parkway). The southbound lanes in this same location are currently under construction. However, the DNT is designed to continue northward to the Celina city limits. It is in the interest of the City to plan now for the type of development that would be most beneficial to the continued growth and prosperity of Celina.

The attached document lays out a mechanism for the City to anticipate and address the kind of growth and density seen in Plano in the 1980s-1990s and in Frisco in the last two decades. With the rapid influx of new home developments, the commercial businesses will soon follow. The DNT Overlay District would encourage high-density growth patterns that the City prefers along major regional corridors and discourage single-family residential development located close to the noise and traffic that would be generated by the future tollroad.

City of Celina Strategic Plan:

The goals of the Dallas North Tollway Overlay District support the second stated goal of the City of Celina 2018-2020 Strategic Plan, which is to “Plan the City.” It is imperative that the City take action now to ensure that the growth that comes to Celina is managed to the best interest of the City and its citizens.

Board Review/Citizen Input:

A notice of the public hearing was published in *The Celina Record* on September 28, 2018.

At the regular meeting of the Planning & Zoning Commission held on October 16, 2018, the Commission voted unanimously to recommend approval of the ordinance.

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City Attorney has reviewed the ordinance and deemed it acceptable.

Supporting Document:

- Proposed Ordinance

Staff Recommendation:

Staff recommends approval.

**CITY OF CELINA, TEXAS
ORDINANCE 2018-____
DALLAS NORTH TOLLWAY OVERLAY**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING THE CITY'S CODE OF ORDINANCES, CHAPTER 14: ZONING, ARTICLE 14.03, ZONING DISTRICTS, BY ADDING A NEW SECTION 14.03.032, TO BE ENTITLED DALLAS NORTH TOLLWAY OVERLAY DISTRICT; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FINDINGS; PROVIDING FOR AMENDMENT TO THE CODE OF ORDINANCES; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING FOR SAVINGS; PROVIDING FOR SEVERABILITY; PROVIDING FOR PENALTY, PROVIDING FOR PUBLICATION; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a Home Rule Municipality located in Collin County and Denton County, Texas created in accordance with the provisions of the Texas Local Government Code, the Texas Constitution and operating pursuant to the enabling legislation of the state of Texas; and

WHEREAS, the City Council of the City of Celina, Texas is empowered under Local Government Code 54.001 to do all acts and make all regulations which may be necessary or expedient for the promotion of the public health, safety and general welfare; and

WHEREAS, Chapter 211 of the Texas Local Government Code, empowers a municipality to establish regulations pertaining to zoning within its incorporated boundaries; and

WHEREAS, the City Council, has determined that revising the Dallas North Tollway Overlay District rules will provide flexibility to both our residents and developers, while promoting an aesthetically pleasing environment; and

WHEREAS, the City Council, has determined revising the Dallas North Tollway Overlay District rules is necessary to promote responsible land and economic development, and to protect the public health and safety.

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

**SECTION 1
INCORPORATION OF PREMISES**

The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

SECTION 2 FINDINGS

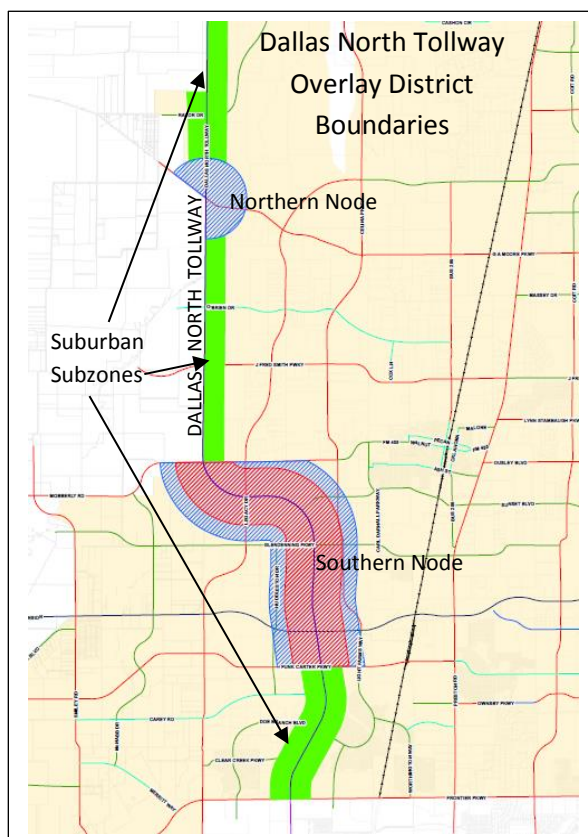
After due deliberations the City Council has concluded that the adoption of this Ordinance is in the best interest of the City of Celina, Texas and of the public health, safety and welfare.

SECTION 3 AMENDMENTS

Section 3.01. That the Code of Ordinances of the City of Celina, Texas Chapter 14; Zoning, Article 14.03; Zoning Districts, Division 1: Generally, is hereby amended to add a new Section 14.03.032: DNTO, Dallas North Tollway Overlay District which shall read as follows:

“Sec. 14.03.032 DNTO, North Dallas Tollway Overlay District

- (a) General Purpose and Description. The Dallas North Tollway Overlay District (DNTO) is intended to substantially advance a legitimate governmental interest that includes enhancing the quality of life in Celina, to regulate the character of growth, determine the highest and best use for valuable land situated adjacent to the future Dallas North Tollway, and to ensure the careful and orderly growth of a major regional thoroughfare that spans the City of Celina. Higher development standards in this significant corridor can effectively enhance the City's image as a desirable place to live, work, and shop. The DNTO provides development standards within an anticipated high traffic zone and allows greater height for buildings than would otherwise be allowed by the established base zoning districts. The DNTO district standards recognize that major regional highways act as an economic development engine that will be utilized to leverage a diverse and sustainable non-residential tax base for the City.
- (b) Intent. It is not the intent of the DNTO district to replace the zoning regulations governing the use on any individual parcel of property. Instead, these regulations are meant to supplement the existing zoning district regulations on individual parcels of property within the overlay district and to encourage high value development with an urban character.
- (c) Official Boundaries.
- (1) Linear measurement. The DNTO's boundaries shall be measured 1,000 feet from the right-of-way boundary line of the service roads along the Dallas North Tollway (also known as “Dallas Parkway”) that are not designated as a high-rise or mid-rise subzone. These areas shall be designated as “suburban subzones.”



- (2) Northern node. From the intersection box of the Dallas North Tollway and G.A. Moore Parkway (FM 455), a circle shall be drawn with a 2,500 foot radius in all directions within the city limits. This shall be designated as the “northern mid-rise subzone.”
- (3) Southern node (high-rise subzone). From the northern limit of Mobberly Road (CR 8) to the southern limit of Punk Carter Parkway (CR 7), a 1,500 foot width shall be drawn from the Dallas North Tollway right-of-way line outward within the city limits. This shall be designated as the “high-rise subzone.”
- (4) Southern node (mid-rise subzone). From the northern limit of Mobberly Road (CR 8) to the southern limit of Punk Carter Parkway (CR 7), beyond the high-rise subzone described above, a 2,500 foot width shall be drawn from the Dallas North Tollway right-of-way line outward within the city limits (or an additional 1,000 feet beyond the high-rise subzone). However, this subzone will follow the rights-of-way of future Huddleston Parkway as the western boundary and the Light Farms Way extension as the eastern boundary. This shall be designated as the “southern mid-rise subzone.”

The corridor and its subsequent regulations apply to all land within the corridor, as defined above, and properties beyond the official boundary lines with ingress and egress (access) to the Dallas North Tollway.

However, the district boundaries exclude all single family subdivisions platted prior to the date of the adoption of this ordinance (11-13-18). The official boundaries of the DNT overlay district and its three subzones shall be as delineated on the City of Celina Official Zoning Map.

(d) Permitted Uses.

Schedule of Permitted Uses for Dallas North Tollway Overlay District						
Land Use	High-Rise Subzone		Mid-Rise Subzones		Suburban Subzones	
Full Service Hotels	P		P		P	
Office High-Rise Buildings	P		P		P	
Mixed use high-rise buildings ¹	P		P		P	
Entertainment venues	P		P		P	
Retail malls with structured parking permitted	P		P		P	
Shopping malls ²		C	P		P	
Retail strip centers		C	P		P	
Stand-alone urban living multi-family with structured parking		C	P		P	
Stand-alone garden style multi-family with both structured & surface parking		C		C		C
Amusement park				C		C
Anchor store ³ (also known as “big box”)			P		P	
Armed services recruiting center					P	
Assisted living facility				C		C
Auto Repair (Minor)						C
Auto supply store for new & rebuilt parts					P	
Bakery or confectionery (retail)			P		P	
Bank/credit unions			P		P	
Church/place of worship			P		P	
Community center (municipal)	P		P		P	

Concrete or asphalt batching plant (temporary)				C		C
Food or grocery store			P		P	
Food or grocery store (with beer & wine sales)			P		P	
Funeral home				C		C
Garden shop (inside storage)				C	P	
General retail store			P		P	
Governmental building			P		P	
Laundry/dry cleaning (drop off/pick up)				C	P	
Light industrial uses						C
Medical facilities			P		P	
Micro brewery				C		C
Mini Storage or self-storage						C
Municipal facility	P		P		P	
Nursing/convalescent home				C		C
Offices			P		P	
Parking lot structure			P		P	
Personal services shop			P		P	
Pet and animal grooming shop				C	P	
Restaurant (with drive-through service)				C		C
Restaurant (with no drive-through service)			P		P	
Seasonal business				C		C
Studio for radio or television (without tower)			P		P	
Theater or playhouse (indoor)			P		P	
Veterinarian (indoor kennels)			P		P	

1. Mixed use with retail (at a minimum on the ground floor, but may occupy additional floors) and multi-family on subsequent floors permitted;
2. "Shopping Malls" are defined as a one or more story building containing shops either with an air-conditioned court/walkways (examples are Stonebriar Mall or The Galleria Mall) or with outdoor walkable areas (such as Fire Wheel Center or Fairview Town Center).
3. An "anchor store" is defined as a major department store, a full-service grocery store, entertainment venue, or similarly sized business

(e) Prohibited Uses.

Prohibited Uses for Dallas North Tollway Overlay District						
Land Use	High-Rise Subzone		Mid-Rise Subzone		Suburban Subzone	
Dwelling, single-family attached	X	X	X	X	X	X
Dwelling, single-family detached	X	X	X	X	X	X
Dwelling, two-family	X	X	X	X	X	X
Living quarters on site with a business	X	X	X	X	X	X
Group day care home or community home	X	X	X	X	X	X
Patio home	X	X	X	X	X	X
Manufactured home subdivision	X	X	X	X	X	X
Auto laundry or carwash	X	X	X	X	X	X
Auto repair (Major)	X	X	X	X	X	X
Auto sales and service	X	X	X	X	X	X
Batch plants (permanent)	X	X	X	X	X	X
Bed and breakfast inn	X	X	X	X	X	X

Caretaker/guard residence	X	X	X	X	X	X
Cemetery and/or mausoleum	X	X	X	X	X	X
Check cashing service	X	X	X	X	X	X
Commercial parking yards	X	X	X	X	X	X
Day camp for children	X	X	X	X	X	X
Family home (adult or child care)	X	X	X	X	X	X
Heavy Industrial Uses	X	X	X	X	X	X
Kiosk (providing a service)	X	X	X	X	X	X
Kiosk (recycling)	X	X	X	X	X	X
Landfill	X	X	X	X	X	X
New or used boat or motorcycle sales	X	X	X	X	X	X
New or used car sales	X	X	X	X	X	X
Pawn shop	X	X	X	X	X	X
Salvage yards	X	X	X	X	X	X
Sexually oriented business	X	X	X	X	X	X
Tire dealer, with or without open storage	X	X	X	X	X	X
Wastewater treatment plant	X	X	X	X	X	X
Water treatment plant	X	X	X	X	X	X

(f) Conflicts.

- (1) Permitted land uses and all development standards in the City's Zoning Ordinance, Subdivision Ordinance, building codes, and other applicable development-related codes and ordinances that apply to the base zoning district in which any property is located shall apply unless otherwise provided specifically herein, unless the land use is specifically prohibited in the list of prohibited uses, above.
- (2) In cases where another overlay district requirements conflict with base zoning requirements or with the requirements of this overlay district, the more stringent requirements shall apply. Unless specifically provided otherwise herein, the base zoning of a property (including permitted uses and development standards) shall not be affected by the applicable DNTD district.
- (3) The City Manager shall have the authority to approve minor modifications to development plans. Any major modification must be approved by the City Council.
- (4) Notwithstanding the prohibition of single family uses within the DNTD, a Planned Development that incorporates the majority of the overall tract in retail, office, and commercial development with vertically integrated residential development along with a minor component of detached single family uses, may be considered by the City Council and become an approved Planned Development use within the DNTD Suburban Subzone.

(g) Development Standards.

- (1) Character and intent:
 - i. *High-rise subzone:* The intent of the high-rise subzone is to create an urban character within the subzone, with minimal front yard setbacks that are primarily comprised of walkable sidewalks or plazas, especially on interior streets with more narrow travel lanes and on-street parking. Parking lots at the front of buildings is discouraged; although a drop-off zone with a porte cochere may be allowed. Parking should be structured or placed at the rear of buildings to provide minimum intrusion into the public pedestrian realm. Designs and site plans will be considered during the zoning process and approved as a function of the Concept Plan submitted with the zoning application.

- ii. *Mid-rise subzone*: The intent of the mid-rise subzone is to act as a transition from the more urban character of the high-rise subzone and the more typical suburban development found throughout north Texas. The mid-rise zone allows limited parking in front of the building with the majority of parking being located at the side or rear of the building. Site design should consider the pedestrian connections to both the high-rise subzone and the suburban subzones in addition to providing vehicle access.
- iii. *Suburban subzone*: The intent of the suburban subzone is to allow most commercial, office, and light industrial uses and to allow greater latitude with design of individual sites than in the high-rise or mid-rise subzones. The suburban subzone prohibits single-family residential development, but may be located adjacent to such developments.

(2) Height of non-residential buildings:

<i>Subzone:</i>	<i>Maximum height</i>	<i>Minimum height</i>
High-rise subzone	12 stories*	4 stories
Mid-rise subzone	6 stories	3 stories
Suburban subzone	**	1 story

*Additional height may be allowed by City Council.

**The maximum building heights as specified by the property's governing zoning district shall be applicable. More specifically, this overlay district shall not allow any increase in building height beyond the maximum heights as prescribed by the property's governing zoning district.

- (h) *Building Facade Standards*. Requirements are applicable to all structures. Color elevations as part of a facade concept plan of the entire proposed project shall be submitted with any zoning request.

- (1) **Masonry requirement.** Every elevation of each building shall be finished with masonry as specified below. Acceptable masonry finishing materials are brick, stone, and/or synthetic stone materials including, but not necessarily limited to, slate, flagstone, granite, limestone, glass, and marble. Three-step stucco may be used as a masonry product on all floors excluding one through three, unless used as an accent material on those floors and not to exceed twenty-five percent (25%) of the façade of the floors including stucco (each floor's percentage will be calculated independently).
 - i. Floors one through three shall be finished with a minimum of seventy-five percent (75%) masonry;
 - ii. Floors four through six shall be finished with a minimum of twenty-five percent (25%) percent masonry;
 - iii. Masonry materials are not required, but may be used, on floors seven and above.
 - iv. Tilt wall construction is allowed for industrial uses. Synthetic stucco, such as exterior finish and insulation system (EIFS), may be utilized as an architectural accent material, not to exceed ten percent (10%) of the exterior surface of any building facade. Textured paint/EIFS skim coat on masonry construction will be excluded in the EIFS maximum percentages.
 - v. Metal or wood (other than engineered wood) exterior construction is allowed as an accent material to enhance the overall architectural design.
 - vi. The Director of Development Services may approve deviations from a strict interpretation of the exterior standards to accommodate specific "signature design aesthetic."

- vii. No single building material shall cover more than eighty-five percent (85%) of any facade.
- (2) The balance of any exterior finishing materials shall be masonry, three-step stucco, EIFS, architectural concrete masonry units (CMU), concrete tilt wall construction, architectural metal panels (not including corrugated metal), treated engineered wood, and/or glass curtain wall systems.
- (3) If an architectural design or percentage of materials differs from the requirements for minimum masonry percentages listed above, the City Council may consider reducing or waiving the masonry requirement if the elevations/materials proposed are equal to or better than the required masonry in quality and durability.
- (4) All nonresidential buildings shall be architecturally finished with similar exterior materials on all four sides with a higher level of finish and articulation on the primary façade, especially at the primary entrance.
- (5) The entrance or entrances on all buildings shall be articulated and defined with strong architectural features. All buildings shall be designed to incorporate no less than three (3) of the following architectural elements. Buildings over 50,000 square feet must include a minimum of five (5) of the following elements.
 - i. Decorative/functional canopies (drive-through canopies are not counted), awnings, valances or porticos;
 - ii. Overhangs (5 feet minimum);
 - iii. Recesses or projections (3 feet minimum);
 - iv. Architectural arcades;
 - v. Patterned brick designs;
 - vi. Peaked roof forms;
 - vii. Arches;
 - viii. Outdoor patios;
 - ix. Recessed or “popped-out” display windows (2 feet minimum);
 - x. Visible architectural details, such as tile work or moldings, integrated into building facade;
 - xi. Integrated planters or wing walls that incorporate landscape and sitting areas; or
 - xii. Other architectural features with similar visual impact.
- (6) Ground floor facades facing the Dallas North Tollway and any intersecting thoroughfare must incorporate articulated entry areas, arcades, display windows, awnings, or other architectural variety features along no less than sixty percent (60%) of the facade.
- (7) In addition to the above architectural requirements, all buildings shall incorporate a basic level of design variety as follows:
 - i. Horizontal articulation. Facades greater than 100 feet in length that are visible from the right-of-way shall incorporate wall projections or recesses of five (5) feet or greater. Projections, inserts, or recesses shall be at least fifteen percent (15%) of the length of the facade. No uninterrupted length of facade may exceed 100 feet in length.
 - ii. Vertical articulation. Facades greater than 100 feet in length shall provide variations in elevation to prevent a straight or uninterrupted building line to discourage a bulk or box-type look to a building. Offsets, reveals, or projecting ribs shall be used to express architectural or structural bays.
- (8) Windows shall not be glazed or reglazed with mirrored or reflective glass.
- (9) Minimum roof pitch shall be at least 4:12, except for flat-roofed structures that shall have a highly articulated parapet that conceals the roof and any roof-mounted equipment.

- (i) Loading and Service Areas.
- (1) Loading and service areas shall be located at the side or rear of buildings. Horizontal articulation described in Section 14.03.032(h)(7) is not required on the building façades containing a loading dock and/or service area, provided that such area is located to not be readily visible from the Dallas North Tollway or any intersecting thoroughfare.
 - (2) Trash and recycling receptacles shall be screened with a eight (8) foot solid masonry wall on three (3) sides with a solid metal gate (primed and painted) and located outside buffer yards, and to the side or rear of the principal building.
- (j) Convenience Stores and Gas Stations. For the purpose of encouraging the safe, healthy, attractive and convenient location and development of convenience stores and gas stations, the following supplementary standards apply:
- (1) Convenience stores and gas stations are prohibited from Mid-Rise and High-Rise subzones.
 - (2) Refer to Section 14.05.060(a) for architectural standards for gas stations and convenience stores.
- (k) Access. Access and off-street parking shall be provided in conformance with the City standards, as they exist or may be amended.
- (1) Developments shall incorporate a twenty-four (24) foot wide shared access drive (via platted or properly recorded easements) through neighboring property(s), such that each lot or development site has at least two points of access to public roads. The width of this access drive shall be increased if required for access by fire safety apparatus per the Fire Code.
 - (2) The required shared access drive shall be located adjacent to the required landscape buffer, and/or adjacent to the first row of parking.
 - (3) Rights-of-way may be considered as fire lanes for purposes of meeting fire coverage requirements in the City's adopted Fire Code.
- (l) Landscaping Standards for High-rise Subzone. In addition to the requirements in the Subdivision and Zoning Ordinances, the following standards apply:
- (1) When a build-to line is used. Most mixed-use, retail, and office buildings in the high-rise subzone will be built adjacent to the sidewalk and not provide a separate landscape buffer at the front façade of the building. In these cases, the following regulations apply:
 - i. Trees located within sidewalks. When buildings are built to the sidewalk without a landscape buffer at the front façade, street trees shall be required to produce shaded areas within the sidewalk. One large canopy tree, appropriate for urban conditions, shall be planted in tree-wells for each thirty (30) linear feet of street frontage.
 - ii. Other landscape requirements. When buildings are built to the sidewalk without a landscape buffer at the front façade, planters with seasonal flowers/grasses/plants shall be provided adjacent to entrances of buildings. These planters may be freestanding pots or permanent fixtures designed to also accommodate seating.
 - iii. Street furniture. Seating shall be provided and outdoor café seating is encouraged. Any restaurant that faces the street shall provide outdoor seating.
 - (2) When a build-to line is not used. Typical development allows for a wide landscaped buffer between a major roadway and the building facades/entrances. When the site is designed in this manner, the following regulations apply:
 - i. Landscape buffers adjacent to DNT. A minimum forty (40) foot wide front yard landscape buffer shall be required of all properties located adjacent to the Dallas North Tollway if the building is not built adjacent to the sidewalk. The landscaping within the buffer shall consist of grass and shallow-rooted shrubs when

accommodating underground infrastructure. Driveways and sidewalks may cross the buffer area to provide access to the site. The required landscape buffers shall be exclusive of detention facilities.

- ii. Landscape buffers adjacent to arterial streets. Corner lots of intersecting streets designated as an arterial street, or greater, shall provide for a forty (40) foot landscape buffer. The buffer shall extend the distance of the lot frontage and transition within fifty (50) feet to the adjacent required landscape buffer.
- iii. Landscape buffers adjacent to collector streets. Corner lots of intersecting streets designated as a collector street shall provide a twenty (20) foot landscape buffer.
- iv. Street trees. Large canopy trees shall be required in the landscaped buffer along any roadway at a rate of one large canopy tree for every thirty (30) linear feet of frontage.
- v. Required interior site landscaping. For surface parking lots, one landscape island with one large canopy tree and appropriate ground cover shall be provided for every ten (10) parking spaces.
- vi. Parking lot screening. A landscape planting of sixteen (16) evergreen shrubs, a minimum three-gallon size at the time of planting, shall be planted for each fifty (50) linear feet of street frontage, exclusive of drives, in groupings or hedgerow style on sites that have a minimum three-foot-wide bed shall be provided for the planting of such shrubs. Shallow-rooted shrubs shall be provided if located over a water or sewer easement.
- vii. Adjacent to a single-family use or zoning district. When a nonresidential development is established on a tract of land that is adjacent to a single-family development or to property zoned for single-family use, there shall be a fifty (50) foot wide landscaped buffer along the property line that is adjacent to such use or district. The landscaped buffer shall remain open and unobstructed (i.e., no parking, detention areas, driveways, or other active use of the buffer area), and shall be planted with ground cover, such as grass or ivy. Large canopy trees (evergreen) shall be required in this landscaped buffer at a rate of one tree for every thirty (30) linear feet of residential adjacency.

(3) *Parking lots.*

- i. Divided entrance drives. Parking lots containing more than 200 parking spaces shall construct a divided driveway with medians for landscaping at the main entrance. A sidewalk shall be provided within the median for protected access from parking to the commercial site.
- ii. Earthen berms. Landscaped earthen berms in height of three (3) feet are encouraged as parking lot screening, along with shrubs or tall native grasses planted along the peak of the berm.

- (m) Landscaping Standards for Mid-rise and Suburban Subzones. In addition to the requirements in the Subdivision and Zoning Ordinances, the following standards apply

(1) *Landscape buffer.*

- i. A minimum forty (40) foot wide front yard landscape buffer shall be required of all properties located within this DNT0 subzone when adjacent to a major 6-lane arterial or the Dallas North Tollway.
- ii. A thirty (30) foot landscape buffer shall be required in within this DNT0 subzone when adjacent to a four-lane roadway.
- iii. A twenty (20) foot landscape buffer shall be required in within this DNT0 subzone when adjacent to a collector.

- iv. Landscape buffers may include water and sewer easements. Driveways and sidewalks may cross the buffer area to provide access to the site. The required landscape buffers may include detention facilities, if such facilities are amenitized.
- v. Corner lots shall extend the required buffer on the larger street designation for a minimum distance of fifty (50) feet and transition to the width required for the lesser required landscape buffer.

(2) *Landscaping requirements.*

- i. Large trees. One large tree, a minimum three-inch caliper in size, shall be planted for each forty (40) linear feet of street frontage, exclusive of drives in the required front yard.
- ii. Small trees. A minimum of five (5) small trees a minimum two-inch caliper in size, shall be planted for each forty (40) linear feet of street frontage, exclusive of drives in the required front yard. Trees may be clustered for greater visual effect.
Trees located within sidewalks. When buildings are built to the sidewalk without a landscape buffer at the front façade, street trees shall be required to produce shaded areas within the sidewalk. One canopy tree suitable for containers shall be planted in tree-wells for each thirty (30) linear feet of street frontage.
- iii. Shrub requirements. A landscape planting of evergreen shallow-rooted shrubs, a minimum three-gallon size at the time of planting, shall be planted in groupings or hedgerow style to screen parking lots facing rights-of-way. A minimum three-foot-wide bed shall be provided for the planting of such shrubs. Shallow-rooted shrubs may be placed within the water/sewer easement.
- iv. Additional landscaping. Additional landscaping within the easement shall include grass, ground-cover, or other appropriate natural features.
- v. Required interior site landscaping. For surface parking lots, one landscape island with one large canopy tree and appropriate ground cover shall be provided for every ten (10) parking spaces.
- viii. Adjacent to a single-family use or zoning district. When a nonresidential development is established on a tract of land that is adjacent to a single-family development or to property zoned for single-family use, there shall be a twenty-five (25) foot wide landscaped buffer along the property line that is adjacent to such use or district. The landscaped buffer shall remain open and unobstructed (i.e., no parking, detention areas, driveways, or other use of the buffer area), and shall be planted with ground cover, such as grass or ivy. This landscaped buffer may be located within the required yard/setback area. Large canopy trees (evergreen) shall be required in this landscaped buffer at a rate of one tree for every forty (40) linear feet of residential adjacency.

vi. (3) *Parking lots.*

- i. Divided driveways. Parking lots containing more than 200 parking spaces shall construct divided driveways with medians for landscaping. A sidewalk shall be provided within the median for protected access from parking to the commercial site. Monument signs for the development are encouraged to be placed within the median of this divided drive entranceway.
- ii. Earthen berms. Landscaped earthen berms in height of three (3) feet are encouraged as parking lot screening.

(n) Screening Standards.

- (1) *Site elements required to be screened.* The following site elements shall be screened from the public view from the Dallas North Tollway:
 - i. Mechanical and utility equipment.
 - a. Screening shall consist of a solid decorative wall or architectural element of the building.
 - b. Roof-mounted equipment shall be screened with solid materials that are compatible and enhance the architecture of the building. Appropriate screening includes an extension of a wall, such as a parapet wall, on which the equipment is mounted.
 - ii. Vehicle loading/unloading and service areas.
 - a. Screens shall incorporate shrubbery having year-round foliage and/or a solid wall or architectural element of the building that is a minimum of six (6) feet in height.
 - b. Areas shall be screened from view of any public rights-of-way.
 - iii. Refuse and recycling containers. Screening shall consist of a solid masonry wall or architectural element of the building that is a minimum eight (8) feet in height with a metal gate (primed and painted) that is to remain closed at all times other than servicing.
- (2) *Manner of screening.* All screening walls visible from a public street shall be:
 - i. Constructed of a minimum of a six (6) foot masonry wall with materials that are consistent with the color and design of the primary on-site structure;
 - ii. Consistent in color and design with the building architecture;
 - iii. Uniform in style and materials along the entire length of the screen within a single development.
- (3) *Prohibited screening elements.* No screening wall shall be:
 - i. Greater than eight (8) feet in height;
 - ii. Located within any required visibility triangle;
 - iii. Constructed with any of the following materials: surface painted or coated concrete, chain link, concertina wire, barbed wire, corrugated metal, or fiberglass panels.
- (o) Sidewalk and Parking Location Standards.
 - (1) *Location.* The required sidewalk in the DNTD district may be located within the front yard building and parking setbacks as well as the right-of-way parkway area from the back of curb to the property line.
 - (2) *Easement required.* A public use easement shall be provided for the required sidewalk when placed outside of street right-of-way and on private property.
 - (3) *Construction and location of sidewalks and parking.* Sidewalks in the DNTD must adhere to the following standards:
 - i. High-rise Subzone - Minimum ten (10) foot wide sidewalks adjacent to buildings facing or siding streets, with buildings built to the sidewalk edge. Parking shall be structured with limited surface parking at the sides of buildings that do not face a street or at the rear of the building.
 - ii. Mid-rise Subzone – Minimum ten (10) foot wide sidewalks adjacent to buildings, with buildings either built to the sidewalk edge or separated from the sidewalk by a minimum six (6) foot wide landscaped buffer. One parking row and/or an access drive may also be placed between the sidewalk and the façade of a building that faces a street, provided that the landscape buffer is provided to screen the parking row. Additional parking shall be structured or provided as surface parking at the sides of buildings that do not face a street or at the rear of the building.

- iii. Suburban Subzone - Minimum six (6) feet wide (unless adjacent to a four-lane or six-lane roadway), with buildings set back from the sidewalk by a landscape buffer of at least six (6) feet in width. Parking rows and/or an access drive may also be placed between the sidewalk and the façade of a building that faces a street or at the rear of the building.
- iv. Sidewalks must be a minimum width of ten (10) feet wide adjacent to any four-lane or six-lane roadway. All other roadways may allow a six (6) foot wide sidewalk.
- v. In all subzones, regardless of width of sidewalk, a minimum of six (6) feet of clear walkable space shall be provided, free of street furniture, other seating, trees within tree wells, shrubbery or landscaped containers.
- vi. Sidewalk approaches to street and driveway intersections shall be straight and parallel to the adjacent street for a minimum of ten (10) feet, constructed with appropriate handicapped access ramps.
- vii. Detailed construction plans shall be submitted to the City Manager or his designee for approval prior to construction of the sidewalk.
- viii. Deviations from these criteria may be approved by the City Manager or his designee for good cause such as cases of unusual or unique topography or to preserve desirable natural features.
- ix. A minimum six (6) foot wide, paved pedestrian sidewalk shall connect the perimeter sidewalk to the building entry, if the building is set back from the perimeter sidewalk. This connecting sidewalk shall be handicapped accessible.
- x. Notwithstanding the above regulations, all sidewalks shall conform to the requirements of the Subdivision Ordinance and the *Engineering Design Standards* of the City of Celina, as they exist or may be amended."

3.02 All other articles, chapters, sections, paragraphs, sentences, phases and words are not amended but are hereby ratified and affirmed.

SECTION 4 **CUMULATIVE REPEALER CLAUSE**

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided however, that any complaint, action, claim or lawsuit which has been initiated or has arisen under or pursuant to such other Ordinances on this date of adoption of this Ordinance shall continue to be governed by the provisions of such Ordinance and for that purpose the Ordinance shall remain in full force and effect.

SECTION 5 **SAVINGS CLAUSE**

All rights and remedies of the City of Celina, Texas are expressly saved as to any and all violations of the provisions of any other ordinance affecting zoning which have secured at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances same shall not be affected by this Ordinance but may be prosecuted until final disposition by the court.

SECTION 6

SEVERABILITY

The provisions of the Ordinance are severable. However, in the event this Ordinance or any procedure provided in this Ordinance becomes unlawful, or is declared or determined by a judicial, administrative or legislative authority exercising its jurisdiction to be excessive, unenforceable, void, illegal or otherwise inapplicable, in whole or in part, the remaining and lawful provisions shall be of full force and effect and the City shall promptly promulgate new revised provisions in compliance with the authority's decisions or enactment.

SECTION 7 **PENALTY**

Any person, firm or corporation violating any of the provisions or terms of this ordinance or of the Code of Ordinances as amended hereby, shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Celina, and upon conviction shall be punished by a fine not to exceed Two Thousand Dollars (\$2,000) for each offense, and a separate offense shall be deemed committed upon each day during or on which a violation occurs and continues.

If the governing body of the City of Celina determines that a violation of this Ordinance has occurred, the City of Celina may bring suit in district court to enjoin the person, firm, partnership, corporation, or association from engaging in the prohibited activity.

SECTION 8 **PUBLICATION CLAUSE**

The City Secretary of the City of Celina is hereby directed to publish in the Official Newspaper of the City of Celina the Caption, and Effective Date Clause of this Ordinance as required by Section 52.013 of the Local Government Code.

SECTION 9 **ENGROSSMENT AND ENROLLMENT**

The City Secretary is hereby directed to engross and enroll this Ordinance by copying the descriptive Caption in the minutes of the City Council and by filing this Ordinance in the Ordinance records of the City.

SECTION 10 **EFFECTIVE DATE**

This Ordinance shall become effective from and after its date of passage in accordance with law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this 13th day of November, 2018.

Sean Terry, Mayor

City of Celina, Texas

ATTEST:

Vicki Faulkner, City Secretary
City of Celina, Texas

[SEAL]

APPROVED AS TO FORM:

City Attorney
City of Celina, Texas

Attachment: Dallas North Tollway Overlay District Ordinance (2018 - 63 : Dallas North Tollway Overlay Ordinance)



Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Brooks Wilson, Planning Consultant
 CC: Jason Laumer, City Manager
 Date: November 13, 2018
 Re: Accessory Buildings Ordinance

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance amending Ordinance No. 2006-57, as heretofore amended, the same being the Comprehensive Zoning Ordinance, Chapter 14: Zoning, Section 14.04.002, Accessory Buildings and Use Regulations. (Accessory Buildings and Use Regulations) McAfee

Background Information:

Section 14.04.002, Accessory Buildings and Use Regulations, was adopted by Ordinance No. 2013-11 on June 11, 2013. The regulations have been amended from time to time. However, this is the first comprehensive review of the ordinance as a whole and replaces the current ordinance in its entirety.

The current accessory structure ordinance addresses the size, number, location, and type of accessory structure that can lawfully be constructed in Celina. In addition, for structures greater than 250 square feet, a percentage of masonry materials must be used, in the form of wainscoting. Residents have requested that the number and size of accessory structures be increased.

Barns are allowed only on properties that are one acre in size or larger and must be used for agricultural purposes - in other words, not as a garage, workshop, home business, event space or residence. Accessory dwelling units (ADUs) are currently restricted to AG, Agricultural and SF-E, Single Family Estate zoning districts and the property must be a minimum of one acre in size. This ordinance proposes to allow ADUs in the OT-R, Old Town Residential zoning district as well. Accessory dwelling units may not be rented or sold.

The proposed ordinance more clearly defines the permit process for accessory structures and details the masonry requirements by size and type of structure. Permits will not be required for sheds or small backyard structures under 120 square feet in size. All structures greater than 120 square feet in size will require a building permit, inspections, and final approval. Each accessory structure type defines the application process, the regulations that apply and the method of approval.

Board Review/Citizen Input:

A notice of the public hearing was published in *The Celina Record* on September 28, 2018.

At the regular meeting of the Planning & Zoning Commission held on October 16, 2018, the Commission voted unanimously to recommend approval of the ordinance.

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City Attorney has reviewed the ordinance and deemed it acceptable.

Supporting Documents:

- Current Ordinance
- Proposed Ordinance

Staff Recommendation:

Staff recommends approval.

**CITY OF CELINA, TEXAS
ORDINANCE 2018-____
ACCESSORY STRUCTURES**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING THE CITY'S CODE OF ORDINANCES, CHAPTER 14: ZONING, ARTICLE 14.04, USE REGULATIONS, SECTION 14.04.002, ACCESSORY STRUCTURES; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FINDINGS; PROVIDING FOR AMENDMENT TO THE CODE OF ORDINANCES; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING FOR SAVINGS; PROVIDING FOR SEVERABILITY; PROVIDING FOR PENALTY, PROVIDING FOR PUBLICATION; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a Home Rule Municipality located in Collin County and Denton County, Texas created in accordance with the provisions of the Texas Local Government Code, the Texas Constitution and operating pursuant to the enabling legislation of the state of Texas; and

WHEREAS, the City Council of the City of Celina, Texas is empowered under Local Government Code 54.001 to do all acts and make all regulations which may be necessary or expedient for the promotion of the public health, safety and general welfare; and

WHEREAS, Chapter 211 of the Texas Local Government Code, empowers a municipality to establish regulations pertaining to zoning within its incorporated boundaries; and

WHEREAS, the City Council, has determined that revising the rules regarding accessory structures will provide flexibility to our residents, while promoting an aesthetically pleasing environment; and

WHEREAS, the City Council, has determined revising the rules regarding accessory structures is necessary to promote responsible land development, and to protect the public health and safety.

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

**SECTION 1
INCORPORATION OF PREMISES**

The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

**SECTION 2
FINDINGS**

After due deliberations the City Council has concluded that the adoption of this Ordinance is in the best interest of the City of Celina, Texas and of the public health, safety and welfare.

SECTION 3 **AMENDMENTS**

Section 3.01. That the Code of Ordinances of the City of Celina, Texas Chapter 14; Zoning, Article 14.04; Use Regulations, Section 14.04.002: Accessory Structures is hereby amended to read as follows:

“Sec. 14.04.002 Accessory Structures
PART ONE – GENERAL INFORMATION

- (a) Definition. An accessory building is defined as any structure, either attached or detached from the main dwelling or commercial building, the use of which is incidental to that of the main structure and located on the same lot. Accessory structures include, but are not limited to, detached garages and carports, patio covers, arbors, gazebos, cabanas, outdoor kitchens, recreational fire-pits, sheds, and other enclosures. Agricultural accessory buildings include barns, stables, coops, or any enclosure designed to accommodate farming or ranching supplies, livestock or fowl. Fences are not included in this definition of “accessory structure.”
- (b) Permit required. An accessory structure that is less than or equal to 120 square feet (approximately 10’ X 12’) in size shall not be required to obtain a building permit, but shall meet all height and setback requirements of this article. An accessory structure that is greater than 120 square feet in size OR any size structure that is attached to the main building shall be required to have a building permit, be inspected by the City, and meet the requirements of this article.
- (c) Allowed Accessory Building Uses. Allowed accessory uses are listed in the requirements for each zoning district provided for by this Chapter. However, in general, no commercial uses are allowed in an accessory building. In addition, an accessory structure may only be used for dwelling purposes in the AG, Agricultural, SF-E, Single Family Estate, or OT-R, Old Town Residential zoning districts and in no case may be rented to a person other than a family member or permanent member of the household staff.
- (d) General Provisions.
 - (1) Attached structures. Any structure that is attached to the principal building shall be considered a part thereof and shall comply with all the requirements for the principal structure, unless otherwise provided herein. Unenclosed structures, such as patio covers and gazebos, may encroach into the rear and side yard setback so long as a five (5) foot setback is maintained from all property lines.
 - (2) Detached structures. Detached structures shall comply with the requirements set out in this article and may not be located in the front yard or between the primary structure and any street.
 - (3) Easements. Accessory buildings shall not be located within or over an easement or right-of-way, unless approved in writing by the holder of the easement.
 - (4) Prohibited storage. Containerized storage, cargo storage, and/or trailer storage shall not be permitted. Notwithstanding the above, temporary storage pods may be placed within a private driveway (but not blocking any portion of the right-of-way or sidewalk) for a period not to exceed seven (7) days for the purposes of loading or unloading furnishings or other goods.
 - (5) Not allowed in front yard. Accessory structures shall not be located in the front yard area. This excludes temporary uses such as basketball hoops, bike, or skateboard ramps, or other moveable recreational devices. However, any such device shall be located entirely within the boundaries of

the private property and shall not be placed in the right-of-way, the street, the sidewalk, or the parkway (defined as the grassy area between the sidewalk and the curb).

- (6) Approval. Building permits are approved by the Building Official, following review and approval of the site plan by the Director of Development Services.

(e) General Development Standards for Accessory Buildings.

TABLE A MAXIMUM NUMBER, TYPE, AND SQUARE FOOTAGE PER LOT SIZE in RESIDENTIAL DISTRICTS			
	Less than one acre	One acre or greater, but less than 3 acres	Three acres or greater
Max number of accessory structures	2	3, plus barn	No limit
Max square footage of all accessory structures	600 or 25% of house square footage, whichever is greater	4,000	10,000
Max height of accessory structures, measured at eave of structure (other than barns)	10 feet	16 feet	20 feet
Barns allowed (includes other agricultural structures)	No	Yes	Yes
Max square footage of barns	N/A	4,000	10,000
Max height of barns (at ridge line)	N/A	35 feet	35 feet

(f) Architectural Standards for Accessory Buildings (barn structures and greenhouses excluded – see Section 14.04.002, Part Two, (h) and (i) for specific regulations related to barns and greenhouses).

- (1) Permits are required for all accessory structures that are greater than 120 square feet.
- (2) Permanent and/or engineered foundations may be required per the adopted International Code.
- (3) Accessory structures less than or equal to 120 square feet are not subject to architectural standards for exterior materials, but must be properly anchored to the ground per the International Residential Code (IRC).
- (4) Accessory structures that are between 121 and 200 square feet shall be constructed of wood, treated engineered wood, metal, cementitious fiberboard, brick, stone, or stucco. Materials from the approved list may be combined.
- (5) Accessory structures that are between 201 and 600 square feet shall be constructed of treated engineered wood, cementitious fiber board, brick, stone, or stucco that blend and compliment the main structure. In addition, accessory structures between 201 and 600 square feet shall incorporate a brick or stone wainscot (36" in height for structures ≤ 12 feet in height; 48" in height for structures >12 feet in height, measured at the eave) in an exterior material that is generally similar to or blends with the masonry material of the main structure, if applicable. Materials from the approved list may be combined.
- (6) Accessory structures that are greater than 600 square feet shall generally match the exteriors of the main structure in terms of types of materials, percentages of materials, and color.
- (7) All accessory structures shall be earth tones in color.
- (8) Metal buildings require raised or standing seams, minimum 26" gauge, corner trim, pre-installed, baked-in finish that cannot be bold colors.

(g) Setback and Siting Regulations for Most Accessory Structures (see Part Two for specific accessory structure types).

- (1) No accessory structures shall be located in front yards and may not be located between the primary structure and the street.

- (2) Accessory structures that are attached to a residence or non-residential building shall abide by the side and rear yard setbacks of the governing zoning district.
- (3) Detached accessory structures in residential zoning districts shall observe the following side yard setbacks:
 - i. Typical side yard setback shall be three (3) feet.
 - ii. Side yard setback when also facing a street shall be fifteen (15) feet.
- (4) Detached accessory structures in residential zoning districts shall observe the following rear yard setbacks:
 - i. Rear yard setback shall be three (3) feet for structures that are <250 square feet in size, no greater than eight (8) feet at the eave line, and screened from the alley or adjacent property by a solid fence.
 - ii. Rear yard setback shall be five (5) feet for structures that are ≥250 square feet in size OR that do not meet the height or fence requirement cited above.
 - iii. Accessory structures adjacent to greenways (parks, golf courses, playground, or community open space) shall be the same setback as the main structure in the governing zoning district.

PART TWO – REGULATIONS FOR SPECIFIC ACCESSORY STRUCTURES

These regulations supersede any general regulations listed in Part One. However, if a standard is not specifically mentioned within the Specific Accessory Structure regulations, below, then the regulations stated in Part One apply.

(a) Accessory Dwelling Units (ADUs).

- (1) Application. All ADUs require a building permit that includes a site plan indicating the proposed placement of the accessory dwelling unit.
- (2) Definition. An ADU is a subordinate building/structure intended for habitation. ADUs shall not be permitted without a main building or primary use in existence and are subject to zoning district regulations.
- (3) Zoning. ADUs are prohibited in all zoning districts other than the AG, Agricultural zoning district, SF-E, Single-Family Estate zoning district, or OT-R, Old Town Residential zoning district. ADUs shall be allowed as an incidental residential use of a primary residential structure, located on the same lot as the primary residential structure, may be occupied only by the residents or guests of the primary residential structure, and shall meet the standards listed herein.
- (4) Regulations. The following area regulations shall be observed for all ADUs whether located on the ground or erected over a private garage:
 - i. An ADU may not be sold separately from sale of the entire property, including the primary residential structure, and shall not be rented or sublet;
 - ii. An ADU is not permitted without the primary residential structure;
 - iii. Utility services shall be metered by the same meter as that which serves the main structure on the premises;
 - iv. ADUs shall abide by the same setback, height, and architectural regulations as detached garages, except that the rear yard setback shall be twenty (20) feet;
 - v. The total conditioned square footage of an ADU is limited to 800 square feet for lots that are less than one-half (½) acre in size. Lots that are one-half (½) acre or greater in area may construct an ADU up to 1,200 square feet if all other regulations are met. An ADU must be constructed to the rear of the primary residential structure, and may be attached to or separate from the main dwelling (note that ADUs that are attached to the main structure that cause the overall structure to be greater than the threshold set by the Fire Codes may require the entire structure to be sprinklered);

- vi. No ADU or living quarters shall be used or occupied as a place of abode or residence by anyone other than a family member or guest of the owner/occupant of the primary residential structure or a bona fide caretaker, servant or farm worker actually and regularly employed by the landowner or occupant of the main building; and
 - vii. Only one ADU, including a garage ADU, or servant's/caretaker's quarters, shall be allowed on any lot, and the ADU shall be clearly incidental to the primary residential structure.
- (5) Architectural requirements. ADUs require the following design elements:
- i. The exterior facades of a ADU shall be constructed of a masonry material (brick, stone, stucco) or materials that are generally similar to the materials, percentages, and colors used on the main building or structure.
 - ii. Cementitious fiberboard or treated engineered wood may be used to fulfill masonry requirements for a detached accessory building or structure of 200 square feet or less.
- (6) Approval. Building permits for ADUs are approved by the Building Official, following review and approval of the site plan by the Director of Development Services.
- (b) Accessory Buildings for Schools and/or Churches.
- (1) Application. All accessory buildings used for schools or churches require a building permit.
- (2) Regulations. The following regulations apply to school and church accessory buildings:
- i. Churches, regardless of the zoning district, may have no more than two (2) accessory buildings. The total floor area of all accessory buildings shall not exceed thirty (30%) of the square footage of the first floor of the main building or 3,000 square feet, whichever is less. Accessory buildings utilized by churches are exempt from the Architectural Standards listed in this Article.
 - ii. Schools, regardless of the zoning district, may utilize accessory/temporary buildings only as approved by the Planning and Zoning Commission and the City Council. Accessory buildings utilized by schools are exempt from the Architectural Standards listed in this Article.
 - iii. The siting of such facilities shall be selected to minimize visibility from the public right-of-way.
 - iv. All associated service and utility lines shall be buried.
 - v. Skirting for the building is required, as is concrete pedestrian access, in addition to any required ramps.
 - vi. A stabilizing foundation in compliance with the approved building code must be provided.
 - vii. All buildings shall be perpetually maintained and repaired in a safe, reasonably good, and attractive manner by the property owner in a manner that protects against the elements, is structurally safe, and corrects any visual ills or other problems.
- (3) Approval. Building permits are approved by the Building Official, following review and approval of the site plan by the Director of Development Services.
- (c) Swimming Pools, Spas, and Hot Tubs.
- (1) Application. All swimming pools and spas/hot tubs require a building permit.
- (2) Regulations. The following regulations apply to swimming pools and spas/hot tubs:
- i. Shall not be located in the front yard area;
 - ii. Shall comply with the minimum side yard and corner lot requirements for accessory structures;
 - iii. The setback shall be a minimum five (5) feet from any building line to the water's edge; and
 - iv. The setback shall be a minimum three (3) feet from any building line to decking or flatwork.
- (3) Approval. Building permits are approved by the Building Official, following review and

approval of the site plan by the Director of Development Services.

(d) Detached Garages.

- (1) Application. All detached garages require a building permit.
- (2) Regulations. The following regulations apply to detached garages:
 - i. Front yard setback shall be twenty (20) feet for front-loading garages;
 - ii. Rear yard setback shall be twenty (20) feet for alley access garages;
 - iii. Side yard setback shall be twenty (20) feet for garages with access to a side street.
 - iv. Typical side yard setback shall be five (5) feet;
 - v. The size, height, and architectural restrictions are the same as for accessory structures listed in Table A of this Article, except that a minor height waiver for associated pitched roofs may be granted at the discretion of the Director of Development Services; and
 - vi. An exception to the sixteen (16) foot maximum height for a detached garage may be granted at the discretion of the Director of Development Services for garages that are designed for oversized vehicles, such as RVs, boats, etc. as long as the overall height remains lower than the overall height of the main structure.
- (3) Architectural requirements. The exterior facades of detached garages shall be constructed of a masonry material (brick, stone, stucco) or materials that are generally similar to the materials, percentages, and colors used on the main building or structure.
- (4) Approval. Building permits are approved by the Building Official, following review and approval of the site plan by the Director of Development Services.

(e) Carports.

- (1) Application. All carports require a building permit which includes a site plan indicating the proposed placement of the carport.
- (2) Regulations. The following regulations apply to carports:
 - i. Metal support poles required;
 - ii. Carports shall have a pitched roof or be sufficiently slanted to drain and shall be attached to the primary residence;
 - iii. Carports are prohibited in any front yard;
 - iv. Setbacks for carports shall be the same as for the primary structure in the governing zoning district; and
 - v. Manufactured homes may install a carport, which shall be designed to shelter a maximum of two (2) vehicles, shall not exceed ten (10) feet in height, and shall not be located closer than three (3) feet to any side or rear lot line.
- (3) Approval. Building permits are approved by the Building Official, following review and approval of the site plan by the Director of Development Services.

(f) Patio Covers or Outdoor Rooms.

- (1) Application. All enclosed or covered patios require a building permit for the above-ground structure.
- (2) Regulations. The following restrictions shall apply to all covered patios, enclosed patios, or partially enclosed patios, patio covers, outside rooms, and other similar installations.
 - i. Patio covers or outside rooms that are attached to the primary structure and are ≤ 250 square feet shall be setback a minimum of three (3) feet of any property line;
 - ii. Patio covers or outside rooms that are attached to the primary structure and are > 250 square feet shall be setback a minimum of five (5) feet of any property line or the same setback for the primary structure, whichever is greater;
 - iii. Metal or wood may be used as support structures, but the wood must be treated or

- otherwise impervious to rotting;
 - iv. Open roofing on patio covers and/or outdoor rooms may be constructed of wood beams that have been treated or otherwise impervious to rotting; and
 - v. Covered or partially enclosed patios may be connected to the primary structure. However, should the applicant wish to convert the partially enclosed patio into a fully functioning room, the setbacks for the zoning district in which the residence is located shall apply.
 - (3) Approval. Building permits are approved by the Building Official, following review and approval of the site plan by the Director of Development Services.
- (g) Patios, Flatwork (Concrete or Pavers).
- (1) Application. All patios, grading, and other residential flatwork require a building permit.
 - (2) Regulations. The following restrictions shall apply to all impervious surface, concrete, grading, and other similar installations:
 - i. All new parking, drives, and approaches must be constructed with concrete to the City's engineering design criteria;
 - ii. Any flatwork, foundation, or slab greater than 200 square feet must be drawn to City standards and may require an engineer's seal;
 - iii. Flatwork shall be set back a minimum of three (3) feet from any property line;
 - iv. Flatwork is not allowed in the front yard area, unless the flatwork is for a driveway for a front-loading garage. This shall not be interpreted to allow for enlarged driveways, whose width should match the width of the enclosed garage and not be expanded into the side yard setback;
 - v. Nothing within this section allows the creation of a drainage hazard or issue, and all flatwork must be sloped or graded to drain;
 - vi. Paving is limited to twenty percent (20%) of total lot coverage, including the driveway but not including any patio, walkway, pool deck, sports courts or other paved feature; and
 - vii. A residential property shall continue to maintain the majority of each of its yard in living landscape, as required by the Landscape ordinance and administered by the Director of Development Services. Mulch, gravel, rock gardens, decorative stone, and similar material may be used for decorative patterns, beds, erosion control, and in other limited application with associated landscaping; however, their use shall not be the predominant groundcover.
 - (3) Approval. Building permits are approved by the Building Official, following review and approval of the site plan by the Director of Development Services.
- (h) Barns and Farm Accessory Structures.
- (1) Application. All farm accessory structures greater than 120 square feet in area require a building permit.
 - (2) Regulations. The following regulations apply to barns, sheds, or livestock shelters related to the operation of a farm, ranch, or other private (non-commercial) agricultural operation:
 - i. Barns are not allowed on lots that are less than one (1) acre in size;
 - ii. The site on which a barn is proposed must be currently classified and in operation as an agricultural enterprise;
 - iii. Barns may be constructed of any suitable all-weather material as listed in the adopted International Building Code; and
 - iv. The height of barns or other farm accessory structures shall not exceed thirty-five (35) feet, measured from the ground to the ridge line.
 - v. The siting of such facilities shall be selected to minimize visibility from the public right-of-way.

- vi. All associated service and utility lines shall be buried.
- vii. Commercial operations, or operations open to the general public, are considered commercial enterprises and shall abide by all commercial building regulations and permits.
- (3) Approval. Building permits for barns and farm accessory structures are approved by the Building Official, following review and approval of the site plan by the Director of Development Services.
- (i) Greenhouse Structures.
 - (1) Application. Greenhouse structures require a building permit if ≥ 120 square feet.
 - (2) Regulations. The following regulations apply to greenhouses:
 - i. Greenhouses may be constructed of glass, opaque plastic, and other all-weather material as listed in the adopted International Building Code;
 - ii. Typical side yard setback shall be three (3) feet;
 - iii. Side yard setback shall be fifteen (15) feet when facing a street;
 - iv. Rear yard setback shall be three (3) feet for structures that are < 250 square feet in size, no greater than eight (8) feet at the eave line, and screened from the alley or adjacent property by a solid fence; and
 - v. Rear yard setback shall be five (5) feet for structures that are ≥ 250 square feet in size OR that do not meet the height and fence requirement cited above.
 - (3) Approval. Building permits for greenhouses are approved by the Building Official, following review and approval of the site plan by the Director of Development Services."
- (j) Commercial Structures.
 - (1) Application. All structures located in non-residential, commercial, office, retail, industrial, and multi-family zoning districts, and structures associated with such land uses, are considered permanent, commercial buildings and shall obtain all necessary permits and inspections and abide by all applicable codes and masonry regulations.
 - (2) Exceptions. Accessory structures with pervious roofs, such as decorative pergolas or arbors, may be constructed with fire-treated and rot-resistant wooden or comparable material with Director approval. An open air pavilion shall encase its columns in masonry that matches the primary building. Modular storage units, portable on demand storage containers, donation bins, kiosks or stands, cargo containers, and drop-off bins/trailers are considered accessory structures.
 - (3) Approval. Accessory structures shall not conflict with site features such as fire lanes, landscape buffers, required parking, or other identified features deemed pertinent during the permit review process.

3.02 All other articles, chapters, sections, paragraphs, sentences, phases and words are not amended but are hereby ratified and affirmed.

SECTION 4 **CUMULATIVE REPEALER CLAUSE**

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided however, that any complaint, action, claim or lawsuit which has been initiated or has arisen under or pursuant to such other Ordinances on this date of adoption of this Ordinance shall continue to be governed by the provisions of such Ordinance and for that purpose the Ordinance shall remain in full force and effect.

SECTION 5 **SAVINGS CLAUSE**

All rights and remedies of the City of Celina, Texas are expressly saved as to any and all violations of the provisions of any other ordinance affecting zoning which have secured at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances same shall not be affected by this Ordinance but may be prosecuted until final disposition by the court.

SECTION 6 **SEVERABILITY**

The provisions of the Ordinance are severable. However, in the event this Ordinance or any procedure provided in this Ordinance becomes unlawful, or is declared or determined by a judicial, administrative or legislative authority exercising its jurisdiction to be excessive, unenforceable, void, illegal or otherwise inapplicable, in whole or in part, the remaining and lawful provisions shall be of full force and effect and the City shall promptly promulgate new revised provisions in compliance with the authority's decisions or enactment.

SECTION 7 **PENALTY**

Any person, firm or corporation violating any of the provisions or terms of this ordinance or of the Code of Ordinances as amended hereby, shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Celina, and upon conviction shall be punished by a fine not to exceed Two Thousand Dollars (\$2,000) for each offense, and a separate offense shall be deemed committed upon each day during or on which a violation occurs and continues.

If the governing body of the City of Celina determines that a violation of this Ordinance has occurred, the City of Celina may bring suit in district court to enjoin the person, firm, partnership, corporation, or association from engaging in the prohibited activity.

SECTION 8 **PUBLICATION CLAUSE**

The City Secretary of the City of Celina is hereby directed to publish in the Official Newspaper of the City of Celina the Caption, and Effective Date Clause of this Ordinance as required by Section 52.013 of the Local Government Code.

SECTION 9 **ENGROSSMENT AND ENROLLMENT**

The City Secretary is hereby directed to engross and enroll this Ordinance by copying the descriptive Caption in the minutes of the City Council and by filing this Ordinance in the Ordinance records of the City.

SECTION 10 **EFFECTIVE DATE**

This Ordinance shall become effective from and after its date of passage in accordance with law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this 13th day of November, 2018.

Sean Terry, Mayor
City of Celina, Texas

ATTEST:

Vicki Faulkner, City Secretary
City of Celina, Texas

[SEAL]

APPROVED AS TO FORM:

City Attorney
City of Celina, Texas

Attachment: Accessory Structure Ordinance (2018 - 64 : Accessory Buildings Ordinance)



Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Brooks Wilson, Planning Consultant
 CC: Jason Laumer, City Manager
 Date: November 13, 2018
 Re: Architectural Standards Ordinance

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance amending Ordinance No. 2006-57, as heretofore amended, the same being the Comprehensive Zoning Ordinance, Chapter 14: Zoning, Article 14.05, Division 5, Exterior Construction and Design Requirements and replacing it in its entirety with Article 14.05, Division 5, Architectural Design Standards. (Architectural Design Standards) (McAfee)

Background Information:

The majority of Article 14.05, Development Standards and Use Regulations, Division 5, Exterior Construction and Design Requirements was adopted with the 2004 Code of Ordinances. Minor changes have been made from time to time, but this is the first comprehensive review of the ordinance in over a decade.

In 2014, the Council adopted an amendment that allowed more latitude in the approval of exterior materials within planned development districts. Alternatives to the required masonry products would be allowed if certain considerations were met. In 2017, Council adopted regulations for residential amenity centers. Most recently, in May 2018, Council adopted a revised definition for “façade” that included regulations that would normally be made within the ordinance itself. This definition dealt with the relative location of front facing garages and the front façade of the residence.

The proposed ordinance includes the following major changes:

- Categories masonry and other exterior products into three types: Type A being superior exterior products that are the most preferred choice (brick or stone); Type B being exterior products that are considered slightly less desirable than Type A products (stucco, cementitious fiber board, treated engineered wood, shake shingles); and Type C products such as metal, natural wood, tile, glass, and EIFS, which are generally suitable for accents.
- The overall percentage of masonry on all residential facades of eighty-five percent (85%) Type A products (brick and stone) and no more than fifteen percent (15%) Type B products (stucco, cementitious fiber board, engineered wood, and/or treated and fire-retardant shake shingles).
- Allow the garages of one-story homes to be placed a maximum of eight feet in front of the main façade only if a porch extends across at least fifty percent (50%) of the façade or a bay window is provided (this is a slight increase to eight feet from the six feet within the current ordinance). Allow the garages of two-story homes to be placed a maximum of eight feet in front of the main façade without additional requirements. This will allow more flexibility for residential homebuilders, add interest to the streetscape, and reduce the monotony of all or most homes having a flat façade.

- Require homebuilders to choose from a list of architectural features and add a minimum of four of these to the exterior house design.
- Restrict elevation repetition.
- Multi-family construction must also meet the 85/15 percent combination of Type A and B materials.
- Multi-family buildings shall generally be parallel to the street and perpendicular to any adjacent single-family district.
- Standards for commercial buildings, including Big Box and high-rise structures, are included.
- Architectural standards for commercial structures are differentiated according to height of the buildings and require tri-partite design for added visual appeal.
- Set standards for screening between subject property and roadways based on size of roadways and establish landscape buffers.

Board Review/Citizen Input:

A notice of the public hearing was published in *The Celina Record* on September 28, 2018.

At the regular meeting of the Planning & Zoning Commission held on October 16, 2018, the Commission voted unanimously to recommend approval of the ordinance.

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City Attorney has reviewed the ordinance and deemed it acceptable.

Supporting Documents:

- Current Division 5 - Exterior Construction and Design Requirements
- Proposed Ordinance Division 5 - Architectural Design Standards

Staff Recommendation:

Staff recommends approval.

**CITY OF CELINA, TEXAS
ORDINANCE 2018-____
ARCHITECTURAL DESIGN STANDARDS**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING THE CITY'S CODE OF ORDINANCES, CHAPTER 14, ZONING, ARTICLE 14.05, DEVELOPMENT STANDARDS AND USE REGULATIONS, BY ADDING A NEW DIVISION 5, TO BE ENTITLED ARCHITECTURAL DESIGN STANDARDS; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FINDINGS; PROVIDING FOR AMENDMENT TO THE CODE OF ORDINANCES; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING FOR SAVINGS; PROVIDING FOR SEVERABILITY; PROVIDING FOR PENALTY, PROVIDING FOR PUBLICATION; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a Home Rule Municipality located in Collin County and Denton County, Texas created in accordance with the provisions of the Texas Local Government Code, the Texas Constitution and operating pursuant to the enabling legislation of the state of Texas; and

WHEREAS, the City Council of the City of Celina, Texas is empowered under Local Government Code 54.001 to do all acts and make all regulations which may be necessary or expedient for the promotion of the public health, safety and general welfare; and

WHEREAS, Chapter 211 of the Texas Local Government Code, empowers a municipality to establish regulations pertaining to zoning within its incorporated boundaries; and

WHEREAS, the City Council, has determined that revising the rules regarding exterior construction will provide flexibility to our residents and developers, while promoting an aesthetically pleasing environment; and

WHEREAS, the City Council, has determined revising the rules regarding exterior construction is necessary to promote responsible land development, and to protect the public health and safety.

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

**SECTION 1
INCORPORATION OF PREMISES**

The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

SECTION 2 FINDINGS

After due deliberations the City Council has concluded that the adoption of this Ordinance is in the best interest of the City of Celina, Texas and of the public health, safety and welfare.

SECTION 3 AMENDMENTS

Section 3.01. That the Code of Ordinances of the City of Celina, Texas Chapter 14: Zoning, Article 14.05: Development Standards and Use Regulations, is hereby amended by adding a new Division 5: Architectural Design Standards, which shall read as follows:

“Division 5Architectural Design Standards.

14.05.051.....Purpose. The purpose of establishing architectural standards is to set minimum standards for the appearance and quality of buildings and corresponding site elements that are recognized as enhancing property values and are in the interest of the general welfare of the City. These standards are not intended to prohibit architectural innovation, nor are they intended to mandate specific architectural styles and concepts. Rather, they are intended to provide for developments of enduring quality that provide visual character and interest. The development community is encouraged to seek out new and innovative construction techniques and materials to implement the standards contained herein that will result in a significant contribution to the visual character of the area and the City as a whole. Any new or innovative material shall be considered on a case-by-case basis by the Director and must be equal to the current standards in terms of quality and longevity.

14.05.052.....Applicability and Administration.

- (a) The regulations provided in this section shall apply to all new construction and all structures within all zoning districts, but shall only apply to single family residential uses when indicated. Where the regulations of this section conflict with other sections or provisions of this chapter, the regulations of this section shall apply.
- (b) When an existing building, constructed prior to the adoption of this section, is proposed for an addition or expansion that will increase the square footage of the existing building by less than fifty percent (50%), either by a single expansion or by the cumulative effect of a series of expansions, similar or like exterior materials may be used on new façades that match the existing building and architectural theme to the extent possible.
- (c) Any addition that is fifty percent (50%) or greater of the originally approved floor area shall be subject to and shall be compliant with the regulations herein, potentially resulting in the reconstruction of the entire exterior veneer of an existing structure. At a minimum, the front façade must comply with the regulations stated herein.
- (d) All repair and alterations of exterior façades, including re-painting or rebranding, of non-residential buildings are required to obtain a permit from the City and comply with all applicable color regulations contained herein.
- (e) Certain structures, such as temporary construction buildings or portable classroom buildings situated on public school or non-profit property, may be exempt from compliance with established or future policies adopted by the City Council.
- (f) The provisions of this section shall be administered by the Director who shall have the authority to approve any façade plan that is deemed to satisfy the minimum requirements of this section, alternate façade plans deemed to meet the intent of the section, including any minor deviations

or waivers, and to make necessary interpretations regarding any subjectivity or frustration of purpose contained herein.

- (g) All exterior façades shall be perpetually maintained and repaired in a safe, reasonably sound, and attractive manner by the owner in a manner that protects against the elements, is structurally safe, and corrects any visual deficiencies or other problems.
- (h) The City Council, in compliance with all applicable regulations, may issue a Conditional Use Permit (CUP), establish a planned development (PD) district or other special zoning district, or enter into a development agreement or other economic incentive agreement, which may amend or revise the regulations herein for a certain project or area of the City.
- (i) Due to the unique service nature of government owned and occupied facilities, in addition to the development costs being a public burden, such facilities may meet the spirit and intent of the regulations contained herein to the extent possible, and are not expected to strictly comply.
- (j) Single family tracts with existing PDs (or comparable special zoning) which include specific architectural standards may continue to apply the standards as found in the governing PD. Non-residential tracts and uses within existing PDs (or comparable special zoning) shall be governed by the standards contained herein.

14.05.053.....Definitions.

Architectural concrete masonry units (CMU) includes highly textured finish, such as split faced, indented, hammered, fluted, ribbed, burnished, or similar decorative finish; coloration shall be integral to the masonry material and shall not be painted on; minimum thickness of one inch when applied as a veneer; shall include light weight and featherweight decorative masonry units.

Big box shall mean a building, usually with a single tenant, which comprises more than 50,000 square feet.

Brick includes severe weather rated kiln fired clay or slate material, can include concrete brick if it is to the same ASTM C216 or C652 standard and severe weather rated as typical fired clay brick; minimum thickness of one inch when applied as a veneer, and shall not include underfired clay, sand, or shale.

Director shall mean the Director of Development Services, or his/her designee.

EIFS means exterior insulation and finish systems.

Engineered wood shall mean a wood-based product that has been treated to be stronger and more weather/wear resistant than natural wood.

Facades:

Front façade shall mean the exterior walls of any air-conditioned space that are parallel or roughly parallel to the street.

Rear façade shall mean the exterior walls of any air-conditioned space that are parallel or roughly parallel to the rear property line.

Primary façade shall mean the exterior walls of any air-conditioned space that face directly on a public street of any size or back to a public street that is designated as a collector or larger.

Secondary façade shall mean the exterior walls of any air-conditioned space that do not directly face a public street or back to a public street that is designated as a collector or larger (any wall other than a primary façade).

Masonry materials shall mean and include that form of construction defined below and composed of brick, stone, granite, marble, stucco (three-step hard coat), decorative concrete masonry unit, tilt wall concrete panels, sealed and painted concrete block, and exterior insulation finish systems (EIFS), and rock or other materials of equal characteristics laid up unit upon unit set and bonded to one another in mortar.

Non-residential building shall mean those buildings utilized for use other than single family, duplex, and townhome dwelling, to specifically include commercial, retail, medical, office, and multi-family structures and associated accessory structures.

Residential buildings shall mean those buildings utilized for a single family, duplex, and townhome dwellings.

Stone includes naturally occurring granite, marble, limestone, slate, river rock, and other similar hard and durable all weather stone that is customarily used in exterior building construction; may also include cast or manufactured stone product, provided that such product yields a highly textured stone-like appearance, its coloration is integral to the masonry material and shall not be painted on, and it is demonstrated to be highly durable and maintenance free; natural or manmade stone shall have a minimum thickness of one inch when applied as a veneer.

Shake shingles mean a non-combustible, fire-rated product that is used as a decorative element on residences.

Stucco means the 3-step process that is applied in three separate layers: 3/8-inch thick scratch coat, 3/8-inch thick brown coat, and approximate 1/8-inch thick finish coat. The approximately 7/8-inch three-coat system is applied over an approved weather-resistive barrier and metal lath either by hand using a trowel or by machine application.

14.05.054.....Exterior Materials by Category.

- (a) Category A materials are defined as the superior masonry products from which the City prefers buildings to be predominantly constructed. Unless otherwise provided for in this Chapter, acceptable Category A masonry finishing materials are brick, natural stone, and manufactured stone.
- (b) Category B materials are the secondary products that the City recognizes as materials acceptable for use, but also as products that are somewhat less desirable. Unless otherwise provided for in this Chapter, acceptable Category B masonry finishing materials include three-step stucco, architectural concrete block with integrated color (i.e. split-face CMU), concrete tilt wall (colored or stamped), treated engineered wood, and cementitious fiberboard with integrated color (in the form of lap siding or board and batten).
- (c) Category C materials are accent products acceptable in limited application for architectural accents and for walls on upper stories of multiple story buildings. Unless otherwise provided for in this Chapter, acceptable Category C materials include metal, tile, glass block, exterior insulation and finish systems (EIFS), and natural wood products.
- (d) Prohibited exterior surface materials include cinder block, vinyl, plastic, and aggregate pea-gravel finished surfaces.

14.05.055.....Submittal of Façade Design.

- (a) Submittal information. Sufficient information shall be submitted to evaluate the architectural standards criteria outlined herein as part of the site plan submittal.
- (b) Color elevations and/or samples. Color elevations shall include:
 - (1) All façades (whether four or more) of each building.
 - (2) Proposed exterior materials with a percentage breakdown of each material used, exclusive of windows and doors.
 - (3) A calculation chart or graphic demonstrating compliance with the articulation standards.
 - (4) A listing of the selected auxiliary design standards, described herein, to illustrate compliance.

- (5) If a landmark feature is required of the building, please note the feature proposed for credit.
- (c) Standard notes on all site plans.
- (1) "Roof mounted mechanical equipment shall be sufficiently screened from view by parapet walls, and ground mounted equipment shall be screened by masonry wing walls that match the material of the primary building."
- (2) "All light sources, including wall packs, shall be full cut-offs (i.e. recessed/shielded)."
- (d) Streetscape elements. For any proposed streetscape elements (such as bike racks, trash receptacles, lampposts, tree grates, bollards, outdoor seating, and/or other street furniture) or screening devices (masonry walls screening dumpsters, mechanical equipment, residential subdivision, etc.), graphics should also be submitted showing the material, color, height, and any other pertinent details.

14.05.056.....Architectural Standards for Residential Structures.

- (a) Intent. The intent of this subsection is to create residential neighborhoods that reflect the character of Celina, preserve and enhance property values, and contribute to the tax base of the City. It is not the intent of this section to discourage innovation. The use of exceptional design features, such as alternate exterior materials or design features, or other unique and outstanding architectural ornamentation worthy of merit that make a positive contribution to the surrounding visual environment is encouraged. If the alternate design does not meet the letter of the ordinance, but is determined to meet the intent of the ordinance, the Director shall have the discretion to allow the alternate design.
- (b) Mandatory Design Standards for Residential Development. All new residences within the City of Celina shall conform to the following design standards:
- (1) Category A Materials for Single Family, Duplex, and Townhome Development. All exterior facades on residential structures shall be constructed of a minimum of eighty-five percent (85%) masonry, defined for single-family structures as brick, stone, or manufactured stone.
- (2) Category B Materials for Single Family, Duplex, and Townhome Development. The remainder of each façade may include one or more of the following: three-step stucco, treated engineered wood, and shake shingles. Any of these materials may be used singly or in combination, not to exceed a total of fifteen percent (15%) of any residential façade. Other materials of equal or similar characteristics may be allowed at the discretion of the Director. On lots greater than one-half (½) acre in size, cedar or redwood planking may be allowed at the discretion of the Director.
- (3) Category C Materials for Single Family, Duplex, and Townhome Development. Cementitious fiberboard or natural wood may also be used for architectural features, including window box-outs, bay windows, roof dormers, columns, chimneys not part of an exterior wall, or other architectural features approved by the Director.

TABLE A		
REQUIRED PERCENTAGES OF EXTERIOR MATERIALS FOR SINGLE FAMILY, DUPLEX AND TOWNHOME		
<i>Facades</i>	<i>Percentage Breakdown</i>	<i>Definition</i>
Front, Sides and Rear Facades	Minimum 85% Category A Maximum 15% Category B	All walls, whether visible from the street or not, shall conform to the 85/15 rule.
	Category C	May only used for minor architectural features (see 3, above)

*Treated engineered wood or EIFS may be used for trim or soffit construction – the percentage of treated engineered wood or EIFS must be subtracted from the percentage of other category materials so that the total percentage of any given façade remains as shown above.

- (4) Placement of exterior materials. Notwithstanding the minimum and maximum percentages of building materials allowed on residential homes (shown above), any break from one material to

another shall follow the natural lines and design features of the architectural plan. A change from one material to another cannot be arbitrarily assigned without consideration of the specific façade for which it is designed. The Director of Development Services shall have final approval of any residential elevation submitted for construction.

- (5) Alternate stucco architecture. If a home is designed with a specific architectural style that warrants the use of stucco as the primary exterior material, including but not limited to Mediterranean, Spanish, Southwest, or Modern, then the use of stucco as the primary or exclusive material may be approved by the Director. All elements of the architectural style must be incorporated, including but not limited to clay roof tiles, typical of the style. Residences with primarily stucco finishes shall be accented with heavy wood beams, stonework or other features to enhance the style. Elevations with no discernable style that simply disregard the required masonry requirement will not be considered. Only three-step stucco (or its equivalent) is allowed.
- (6) Front facades and front-facing garage placement – one-story homes. The face of garage doors shall not extend beyond the front façade of any residential structure unless one or both of the following conditions apply; and in that case, the face of the garage door may extend up to a maximum of eight (8) feet beyond the front façade:
 - i. A front porch extending a minimum of fifty percent (50%) of the front façade is provided; or
 - ii. A bay window is provided on the longest wall face of the front façade.
- (7) Front facades and front-facing garage placement – two story homes. The face of garage doors may extend beyond the front façade of any residential structure up to a maximum of eight (8) feet beyond the front façade. Any additional garages to be provided must be placed with side (J-swing) or rear access.
- (8) Front facades and J-swing garage placement. When the doors of garages are designed to be perpendicular to the street access (i.e. J-swing garages), the garage may extend in front of the front façade of the residential structure
- (9) Elevation repetition. Any house elevation shall not be repeated on the lot most directly across the street, nor shall it be repeated on two (2) lots in either direction on the same side of the street. A wide variety of elevations is desired as it strengthens the character of the subdivision and reduces monotony of design. Houses that have a primarily stucco exterior shall be limited to one (1) per block face.
- (10) Elevation masonry mix and pattern. Front elevations shall use more than one type of masonry product in a variety of patterns to vary the architectural appeal of the streetscape. Regardless of the minimum Category A masonry requirements, every front façade shall be a mixture of materials and colors.
- (11) Front entry doors. Front entry doors shall consist of a hardwood, treated engineered wood, or other highly durable products, including products that have a wood appearance and are approved by the Director.
- (12) Garage doors. Front entry doors shall consist of lightweight but durable materials, such as painted metal, and include materials that have a wood appearance and are approved by the Director. Garage doors windows are permitted.
- (13) Roof pitch. Minimum roof pitch of residential structures is 6:12.
- (14) Roof materials. All roof materials shall meet the minimum standards as listed in the adopted International Building Code, which includes the use of solid solar shingles and panels.
- (15) Screening of utility units. HVAC units shall be screened from view from streets with shrubs or a stained wood fence.
- (16) Mailboxes, individual. The subdivision will determine whether individual mailboxes shall be brick

or stone to match the residence or metal containers on posts. Where practical, the mailboxes should be paired.

- (17) Mailboxes, clustered. When mailboxes are clustered in single-family or two-family residential districts, the exterior of the clustered mailboxes shall be decorative metal on a matching support poles and shall be maintained by the Home Owners Association (HOA).
 - (18) Driveways. All driveways shall be concrete and have a minimum width of ten (10) feet and a maximum width of twenty-four (24) feet at the property line and continue at a maximum width of twenty-four (24) feet until past the sidewalk, at which time the drive may flare out to accommodate a third garage or parking pad. Greater drive widths may be approved on a case-by-case basis by of the Director.
- (c) Architectural Design Features. All residential structures must include at least four (4) of the following design features on the front façade or visible from the front or side street:
- (1) Garage doors not facing the street (J-swing garage style);
 - (2) Carriage style garage doors with decorative hardware;
 - (3) Decorative brick patterning;
 - (4) Architectural pillars or posts;
 - (5) Bay window facing street;
 - (6) Brick or stone chimney on exterior wall;
 - (7) Stone accents;
 - (8) Covered front porches (minimum of sixty (60) square feet covered by main roof or an architectural extension);
 - (9) Cupulas or turrets;
 - (10) Dormers or gables;
 - (11) Roof accent upgrades (e.g. metal, tile, slate, solar tiles);
 - (12) Recessed entries a minimum of three (3) feet deeper than main front façade;
 - (13) Greater than 8:12 primary roof pitch, or variable roof pitches;
 - (14) Transom windows;
 - (15) Shutters;
 - (16) Masonry arches;
 - (17) Mixed masonry patterns;
 - (18) Coach lights at entrances;
 - (19) Decorative attic or gable feature, minimum two (2) square feet in size (e.g. vent, window, brick detail);
 - (20) Decorative driveway paving (e.g. salt finish, exposed aggregate, or other treatments approved by the City Building Official).

14.05.057.....Architectural Standards for Multi-Family Structures.

- (a) Intent. The intent of this subsection is to create multi-family buildings that reflect the character of Celina. It is not the intent of this section to discourage innovation. The use of exceptional design features, such as tower elements, exposed beams, or other unique and outstanding architectural ornamentation worthy of merit that make a positive contribution to the surrounding visual environment is encouraged and will be considered on a case-by-case basis. The size, disposition and design of buildings play an important role in achieving that goal The following goals apply to multi-family and townhome development:
- (1) Multi-family buildings shall be constructed in a manner that contributes to the attractiveness of the City.
 - (2) Buildings shall be constructed in a manner, and with materials, that are highly durable and will

continue to endure and be attractive over a long period of time, especially when adjacent to public and pedestrian areas.

(b) Exterior Materials for Multi-Family Construction.

TABLE B	
EXTERIOR MATERIALS FOR MULTI-FAMILY	
Categories	Materials
A	Brick, Stone, or Manufactured Stone
B	Split-Face CMU, Stucco, Cementitious Fiber Board, Treated Engineered Wood
C	Metal, Natural Wood, Tile, Glass, EIFS
Prohibited	Plain Concrete Block, Aggregate, Vinyl, Plastic, Tilt Wall

REQUIRED PERCENTAGES OF EXTERIOR MATERIALS FOR MULTIFAMILY		
Facades	Percentage Breakdown	Definition
Primary	85% Category A 15% Category B* 0% Category C*	Exterior walls of buildings which face a street or parking area
Secondary	50% Category A 50% Category B* 0% Category C*	Exterior walls of buildings which are NOT clearly visible from a public street, such as an interior courtyard

*Treated engineered wood or EIFS may be used for trim or soffit construction – the percentage of treated engineered wood or EIFS must be subtracted from the percentage of other category materials so that the total percentage of any given façade remains as stated above.

(c) Design Standards.

- (1) Primary facades. Exterior facades that face a public street or a parking lot shall be constructed of eighty-five percent (85%) masonry Category A products*.
- (2) Secondary facades. Facades that do not face a public street or parking lot (such as an interior courtyard) shall be constructed of a minimum of fifty percent (50%) masonry Category A products with the remainder being one or more Category B materials.
- (3) Two masonry materials required. At least two (2) masonry materials shall be used on all exterior facades.
- (4) Uniform architectural style. All buildings within a common development, as shown on a development plan, conceptual plan, or site plan, shall have similar architectural styles, materials, colors and detailing; however, sufficient variations should be incorporated to discourage exact duplicated buildings.
- (5) Facades adjacent to streets. Facades shall generally be built parallel to the street frontage.
- (6) Facades adjacent to single family. Facades shall generally be built perpendicular when adjacent to single- family districts.
- (7) Accessory building materials. Amenity centers, covered garages, and other accessory buildings shall meet the exterior material requirements of the primary facades. Carports shall meet the exterior material requirements of the primary facades with the exception of the support poles, which may be constructed of painted metal.
- (8) Amenities/hardscape. All streetscape elements and site amenities, such as bike racks, trash receptacles, lampposts, and tree grates shall be metal, rust and flake/chip resistant, and generally be black in color. Bollards may be concrete or cast metal and shall be of decorative design.
- (9) Roof design. Roofs shall be peaked with either hip, gable or mansard design with a minimum one-to-four (1:4) pitch, or a parapet wall or false mansard design with a minimum one-to-two (1:2)

pitch is acceptable only if constructed around the entire perimeter of a building so that no flat roof shall be visible from a public street or along an active storefront.

- (10) Roof materials. Any accessory structure (such as a garage, carport or amenity center) within a multi-family development shall have a decorative metal roof or a parapet wall to shield roof-mounted equipment.
- (11) Canopies and roof extensions. Decorative canopies or roof extensions within a multi-family development shall be constructed of metal. Shingles on these canopies or roof extensions are not permitted.
- (12) Building color.
 - i. The dominant color of all buildings shall be muted shades of color that are subtle, neutral, or earth tone. Black and stark white shall not be used except as accent colors or as found within brick and stone. The color of secondary facades shall match or compliment the primary facade.
 - ii. There are no restrictions on accent colors that comprise less than one percent (1%) of the building face, except that no high intensity colors, neon colors, or fluorescent colors shall be used on exterior surfaces of the building.
 - iii. Bright, reflective, pure tone primary or secondary colors are permissible only in limited application as accent colors on canopies and awnings, or other such features. Proportions should be consistent with trim or accentuation only. Such building trim and accent areas shall not exceed 5 percent of any single exterior wall area. Specifically excluded are door and window frames, moldings, cornices, and other such features. This provision shall not be construed as a license to employ corporate imaging or branding on the primary building facade.
 - iv. The use of high intensity or fluorescent colors shall be prohibited. The use of tube lighting, string lights, or other similar materials shall not be installed on non-residential buildings, except as allowed by the Photometric/Lighting regulations, as found within the Code of Ordinances.
 - v. No more than one (1) color shall be used for visible roof surfaces; however, if more than one type of roofing material is used, the materials shall be varying hues of the same color or complimentary in nature. Awnings and canopies may incorporate brighter color and branding; however, the primary roof shall not be a bold color.
- (13) Additional design standards. All multi-family primary buildings shall be designed to incorporate no less than four (4) of the architectural elements from the list below.
 - i. Canopies, awnings, porticos with colonnade or arcades.
 - ii. Raised pilaster cornices (end columns at corners), or quoined corners (any of various bricks of standard shape for forming corners of brick walls or a wedge-shaped piece of wood, stone, or other material, used for various ornamental purposes at corners).
 - ii. Vertical elements (tower, cupola, lighthouse, turret, arches, etc.).
 - iii. Accented windows and doors framed with smooth cobble, cast stone, limestone or other decorative masonry headers and sills; or dormer windows.
 - iv. Outdoor patios and/or courtyards (landscaped and furnished) integrated into a site's layout that creates a sense of place for informal and experiential gathering.
 - v. Decorative and repetitive ornamentation (non-signage) integrated into the building facade, such as corbels, medallions, functioning clocks, niches, wrought iron, balconettes, gargoyles, or horizontal and rhythm patterned brickwork.
 - vi. Other similar architectural features, as approved by the Director.

(d) Architectural requirements for screening.

- (1) All multi-family uses shall provide a minimum eight (8) foot tall masonry screening wall between the subject property and any single-family or duplex residential use.
- (2) The masonry shall match or blend with the masonry used on the main structure.
- (3) In specific cases, an alternate screening may be allowed by the Planning & Zoning Commission when deemed appropriate. An alternate screening may be one of the following, or its equivalent:
 - i. A decorative iron or wrought iron screening wall with masonry columns to be spaced no greater than thirty (30) feet on center, along with medium-sized evergreen plants that will grow to a minimum height of six (6) feet within two (2) years of planting; or
 - ii. An earthen berm, minimum three (3) feet in height over the surrounding landscaped area, along with evergreen shrubs or native grasses, that together with the earthen berm, will create a minimum visual separation of six (6) feet within two (2) years of planting; or
 - iii. A cedar board-on-board wood fence with decorative cap, along with plantings of canopy trees, evergreen trees, ornamental trees, native grasses, and shrubs that are provided in substantially greater number and in a planned, designed manner as to create a visual screen that clearly exceeds the visual impact of any of the other required screening materials.
- (4) The screening wall (or alternate screening) shall be constructed/planted in a minimum forty (40) foot landscape buffer adjacent to all arterial streets (six lanes divided) and limited access roadway service roads, as shown on the Thoroughfare Plan.
- (5) The screening wall (or alternate screening) shall be constructed/planted in a minimum thirty (30) foot landscape buffer adjacent to all four lane divided streets, as shown on the Thoroughfare Plan.
- (6) The screening wall (or alternate screening) shall be constructed/planted in a minimum twenty (20) foot landscape buffer adjacent to all other streets.
- (7) The screening wall (or alternate screening) shall be constructed/planted in a minimum thirty (30) foot landscape buffer adjacent to all residential zoning districts.
- (8) The screening wall (or alternate screening) shall be constructed/planted in a minimum ten (10) foot landscape buffer adjacent to all other multi-family zoning districts.

14.05.058.....Architectural Standards for Commercial Structures (Includes office, retail, commercial, mixed use, etc.)

- (a) Intent. The following apply to non-residential developments, including institutional buildings:
 - (1) The intent of this subsection is to create commercial buildings that reflect the character of Celina. The size, disposition and design of buildings play an important role in achieving that goal.
 - (2) Buildings should be constructed in a manner that allows flexibility to accommodate a range of uses over time in order to avoid the need to demolish and rebuild for successive uses.
 - (3) Buildings should directly contribute to the attractiveness, safety and function of the street and public areas.
 - (4) Buildings should be constructed in a manner, and with materials, that are highly durable and will continue to endure and be attractive over a long period of time, especially when adjacent to public and pedestrian areas.
 - (5) It is not the intent of this section to discourage innovation. The use of exceptional design features, such as tower elements, exposed beams, or other unique and outstanding architectural ornamentation worthy of merit that make a positive contribution to the surrounding visual environment is encouraged.
- (b) Design Standards for Commercial Buildings up to Three (3) Stories in Height.
 - (1) Walls, excluding windows, doors and other openings, shall be constructed of a minimum seventy

percent (70%) Category A materials and a maximum of thirty percent (30%) Category B materials. However, accent materials from Category C may be allowed in limited application for architectural accents or features.

- (2) A “big box” store or shopping center may use split-face CMU (architectural block) for up to twenty percent (20%) of the primary facade, in addition to the thirty percent (30%) of other Category B materials for a total of fifty percent (50%) Category B materials.
- (3) All exterior walls of buildings less than 15,000 square feet are considered primary facades, regardless of orientation.

TABLE C		
EXTERIOR MATERIALS FOR COMMERCIAL		
Categories	Materials	
A	Brick, Stone, or Manufactured Stone	
B	Split-Face CMU, Stucco, Cementitious Fiber Board, Quick Brick, Treated Engineered Wood	
C	Metal, Natural Wood, Tile, Glass, EIFS	
Prohibited	Plain Concrete Block, Aggregate, Vinyl, Plastic, Tilt Wall	
REQUIRED PERCENTAGES OF EXTERIOR MATERIALS FOR COMMERCIAL BUILDINGS THREE (3) OR FEWER STORIES		
Facades	Minimum Percentage	Definition
Primary	Minimum 20% stone Remainder Category A for a total of 70% Category A Maximum 30% Category B	Exterior walls of buildings which are clearly visible from a public street or along an active storefront
Secondary	30% Category A Remainder Category B	Exterior walls of buildings 15,000 square feet or larger which are NOT clearly visible from a public street or along an active storefront
FACADES (BIG BOX)		
Primary	Minimum 50% Category A Remainder Split Faced CMU and other Category B	Exterior walls of buildings which are clearly visible from a public street or along an active storefront
Secondary	Minimum 20% Category A Remainder Split Faced CMU or other Category B	Exterior walls of buildings 15,000 square feet or larger which are NOT clearly visible from a public street or along an active storefront

- (4) Façades shall generally be built parallel to the street frontage, except at street intersections, where a façade containing a primary building entrance should be curved or angled toward an intersection.
- (5) All buildings within a common development, as shown on a development plan, concept plan, or site plan, shall have similar architectural styles, materials, colors, and detailing.
- (6) All structures shall be architecturally finished on all sides that can be seen from a public right-of-way with similar styles, materials, colors and detail.
- (7) At least two masonry materials shall be used on all exterior façades. Except for stone, no single material shall exceed seventy percent (70%) of any given facade.

- (8) All buildings shall be designed and constructed in tri-partite architecture so that they have a distinct base, middle, and top, separated by horizontal elements, as illustrated below.



- (9) For buildings with a visible hip, gable, or mansard roof, allowed materials include metal (standing seam), slate, or tile (clay or cement, barrel or Roman-shaped).
- (10) Roofs shall be peaked with either hip, gable, or mansard design with a minimum 1:4 pitch, or a parapet wall or false mansard design (minimum 1:2 pitch) is acceptable only if constructed around the entire perimeter of a building so that no flat roof shall be visible from a public street. At all times roof-mounted mechanical equipment shall be screened from view.
- (11) Windows and glazing shall be limited to a minimum of ten percent (10%) and maximum of seventy percent (70%) of each building elevation. Faux windows or elements that create a comparable visual, such as decorative brickwork, insets of varying materials/colors, or other similar features are allowed, subject to discretionary review and approval by the Director. All windows should be recessed a minimum four (4) inches from exterior wall finish and have a maximum exterior visible reflectivity of ten percent (10%).
- (12) Columns shall be encased in Category A masonry material used elsewhere on the primary building.
- (13) All streetscape elements and site amenities, such as bike racks, trash receptacles, lampposts, benches, bollards, patio furniture, and tree grates, shall be metal, rust and flake/chip resistant, and generally be black in color. Minor deviations in color and design that maintain the spirit and intent of the section are allowed with Director approval. Bollards can be concrete or cast metal and shall be of decorative design with no bold colors or sleeves.
- (c) Design Standards for Commercial Buildings Four (4) Stories in Height or Taller.
- (1) Façades shall generally be built parallel to the street frontage, except at street intersections, where a façade containing a primary building entrance should be curved or angled toward the intersection.
- (2) All buildings within a common development, as shown on a development plan, concept plan, or site plan, shall have similar architectural styles, materials, colors, and detailing.
- (3) All structures shall be architecturally finished on all sides that can be seen from a public right-of-way with similar styles, materials, colors, and detailing.
- (4) Masonry requirement. Every elevation of each building shall be finished with masonry as specified below. Acceptable masonry finishing materials are brick, stone and/or synthetic stone

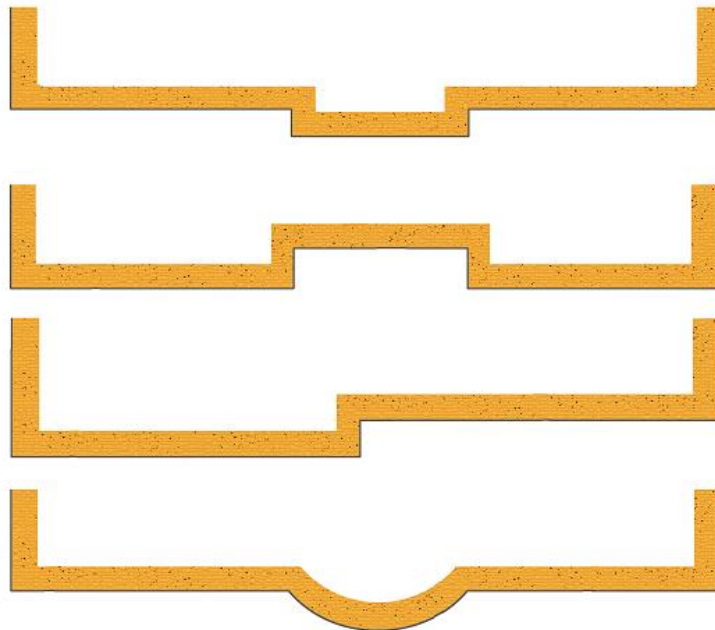
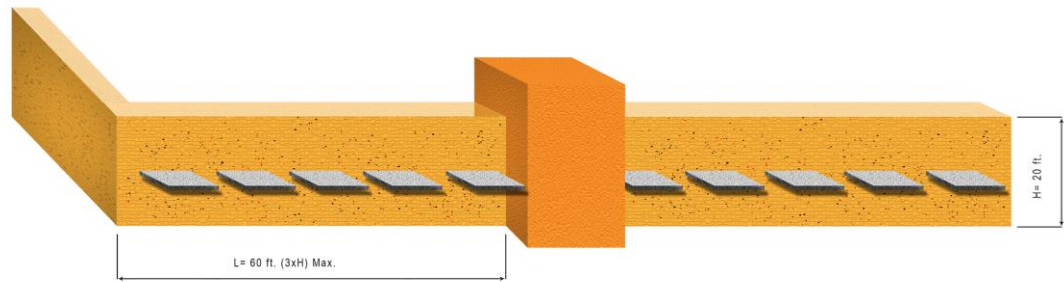
materials including, but not necessarily limited to, slate, flagstone, granite, limestone, glass, and marble. See Table D, below.

TABLE D	
EXTERIOR MATERIALS CATEGORIES FOR HIGH RISE BUILDINGS	
<i>Categories</i>	<i>Materials</i>
A	Brick, Stone, Manufactured Stone, Glass Wall System
B	Split-Face CMU, Stucco, Cementitious Fiber Board, Treated Engineered Wood, Tilt Wall Construction
C	Metal, Natural Wood, Tile, Glass Blocks, EIFS
Prohibited	Plain Concrete Block, Aggregate, Vinyl, Plastic
MINIMUM EXTERIOR PERCENTAGES FOR HIGH RISE BUILDINGS	
Floors 1-3	Minimum 75% Category A Maximum 15% Category B Remainder Category C
Floors 4-6	Minimum 50% Category A Minimum 50% Category B Remainder Category C
Floors 7 and above	0% Category A required (but may be used) Maximum 100% Category B or C

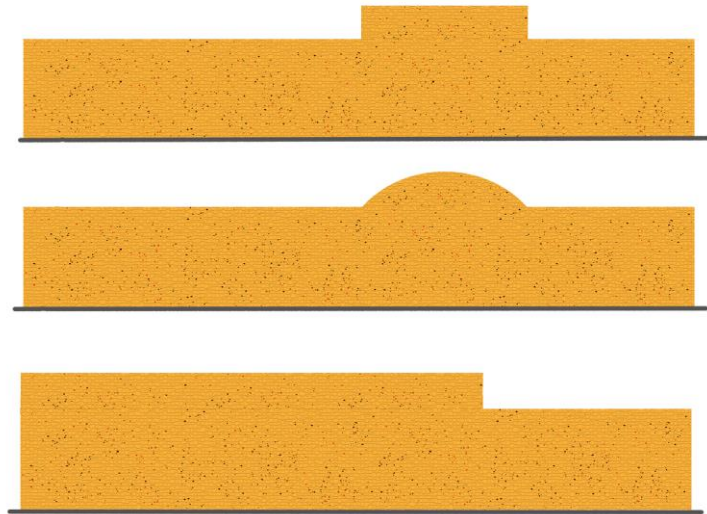
- i. Tilt wall construction may be allowed for industrial uses. Synthetic stucco, such as exterior finish and insulation system (EIFS), may be utilized as an architectural accent material, not to exceed ten percent (10%) of the exterior surface of any building façade and not used on the first floor of any structure. Textured paint/EIFS skim coat on masonry construction will be excluded in the EIFS maximum percentages.
 - ii. Metal or wood (other than treated engineered wood) exterior construction is allowed only as an accent material to enhance the overall architectural design.
 - iii. The Director may approve deviations from a strict interpretation of the exterior standards to accommodate specific “signature design aesthetic.”
 - iv. No single building material shall be used for more than eighty-five percent (85%) of any façade unless approved by writing by the Director.
 - v. Windows shall not be glazed or reglazed with mirrored or reflective glass.
- (5) If an architectural design differs from the requirements for masonry listed above, the City Council may consider reducing or waiving the masonry requirement if the elevations proposed are considered to be equal to or better than the required masonry in quality.
- (6) All commercial buildings shall be architecturally finished with similar exterior materials on all four sides with a higher level of finish and articulation on the primary facade (at the primary entrance or front door).
- (7) The entrance or entrances on all buildings shall be articulated and defined with strong architectural features. All buildings shall be designed to incorporate no less than three (3) of the following architectural elements. Buildings over 50,000 square feet must include a minimum of five (5) of the following elements. Buildings over 100,000 square feet must include a minimum of seven (7) of the following elements.
 - i. Canopies (not drive-through canopies), awnings, valances or porticos;
 - ii. Overhangs (5 feet minimum);
 - iii. Recesses or projections (3 feet minimum);
 - iv. Architectural arcades;
 - v. Peaked roof forms;
 - vi. Arches;

- vii. Outdoor patios;
 - viii. Recessed or “popped-out” display windows (2 feet minimum);
 - ix. Visible and noticeable architectural details, such as tile work or moldings, integrated into building facade;
 - x. Integrated planters or wing walls that incorporate landscape and sitting areas; or
 - xi. Other architectural features with similar visual impact.
- (8) Ground floor facades facing major thoroughfares and any intersecting thoroughfare must incorporate articulated entry areas, arcades, display windows, awnings, or other architectural variety features along no less than sixty percent (60%) of the facade.
- (9) In addition to the above architectural requirements, all buildings shall incorporate a basic level of design variety as follows:
- i. Horizontal articulation. Facades greater than 100 feet in length that are visible from the right-of-way shall incorporate wall projections or recesses of three (3) feet or greater. Projections, inserts, or recesses shall be at least ten percent (10%) of the length of the facade. The maximum unarticulated façade allowed is 100 feet in length.
 - ii. Vertical articulation. Facades greater than 100 feet in length shall provide variations in elevation to prevent a straight or uninterrupted building line to discourage a bulk or box-type look to a building. Offsets, reveals, or projecting ribs shall be used to express architectural or structural bays. The 10% or 3 foot standard shall apply when the above direction is not met or otherwise absent.
 - iii. Windows shall not be glazed or reglazed with mirrored or reflective glass.
- (10) Loading and service areas. Loading and service areas shall be located at the side or rear of buildings. Horizontal articulation described above is not required on the façade of buildings containing a loading dock and/or service area, provided that such area is located in such a manner as to not be readily visible from any major thoroughfare or any intersecting roadway.
- (d) Other Architectural Elements Required for All Commercial Development.
- (1) Windows. Windows and glazing shall be limited to a minimum of ten percent (10%) and maximum of seventy percent (70%) of each building elevation facing a street, major access drive, or side yard greater than ten (10) feet. Faux (i.e. false) windows are allowed along secondary facades, and big boxes may utilize other rhythmic material options to achieve the window appearance.
 - (2) Roof designs and materials. For buildings with a visible hip, gable, or mansard roof, allowed materials include metal (standing seam), slate or tile (clay or cement, barrel, or Roman-shaped).
 - (3) Prohibited materials. Prohibited exterior surface materials include cinder block, vinyl, plastic, and aggregate pea-gravel finished surfaces.
 - (4) Murals. Murals, if used, cannot display or connote a commercial message without abiding by the Sign regulations, as found within the Code of Ordinances.
- (e) Building Articulation Design Standards Required for All Commercial Development. Primary facades clearly visible from a public street or along an active storefront shall meet the following minimum standards for articulation:
- (1) Horizontal articulation. No building wall shall extend for a distance equal to three times the wall’s height without providing an offset equal to 15 percent of the wall’s height, and that new plane shall extend for a distance equal to at least 25 percent of the maximum length of the first plane.
 - (2) Vertical articulation. No wall length shall extend for a distance greater than three times the height of the wall without changing height by a minimum of 15 percent of the wall’s height, and that new plane shall extend for a distance equal to at least 25 percent of the maximum length of the

first plane. Pitched roofs shall count toward achieving vertical articulation, provided they are 65 degrees or less from horizontal.



Examples of horizontal articulation



Examples of vertical articulation

(f) Design Standards.

- (1) Two masonry materials required. At least two (2) masonry materials shall be used on all exterior facades.
- (2) Roof design. Roofs shall be peaked with either hip, gable or mansard design with a minimum one-to-four (1:4) pitch, or a parapet wall or false mansard design with a minimum one-to-two (1:2) pitch is acceptable only if constructed around the entire perimeter of a building so that no flat roof shall be visible from a public street or along an active storefront.
- (3) Landmark buildings.
 - i. Buildings that are located at the end of a terminating street or major access lane or at the intersection of streets and/or major access lane shall be considered a landmark building.
 - ii. Such buildings shall be designed with landmark features that take advantage of that location, such as an accentuated entry and a unique building articulation that is offset from the front wall planes and goes above the main building eave or parapet line.
 - iii. Landmark features shall be in proportion to the building and are subject to review and approval by the Director.
- (4) Building color.
 - i. The dominant color of all buildings shall be muted shades of color that are subtle, neutral, or earth tone. Black and stark white shall not be used except as accent colors or as found within brick and stone. The color of secondary facades shall match or compliment the primary facade.
 - ii. There are no restrictions on accent colors that comprise less than one percent (1%) of the building face, except that no high intensity colors, neon colors, or fluorescent colors shall be used on exterior surfaces of the building.
 - iii. Bright, reflective, pure tone primary or secondary colors are permissible only in limited application as accent colors on canopies and awnings, or other such features. Proportions should be consistent with trim or accentuation only. Such building trim and accent areas shall not exceed 5 percent of any single exterior wall area. Specifically excluded are door and window frames, moldings, cornices, and other such features. This provision shall not be construed as a license to employ corporate imaging or branding on the primary building facade.
 - iv. The use of high intensity or fluorescent colors shall be prohibited. The use of tube lighting,

string lights, or other similar materials shall not be installed on non-residential buildings, except as allowed by the Photometric/Lighting regulations, as found within the Code of Ordinances.

- v. No more than one (1) color shall be used for visible roof surfaces; however, if more than one type of roofing material is used, the materials shall be varying hues of the same color or complimentary in nature. Awnings and canopies may incorporate brighter color and branding; however, the primary roof shall not be a bold color.
- (5) Additional design standards. All structures shall be designed to incorporate no less than four (4) of the architectural elements from the list below. Buildings over 50,000 square feet must include a minimum of five (5) of the referenced architectural elements.
- i. Canopies, awnings, porticos with colonnade or arcades.
 - ii. Raised pilaster cornices (end columns at corners), or quoined corners (any of various bricks of standard shape for forming corners of brick walls or a wedge-shaped piece of wood, stone, or other material, used for various ornamental purposes at corners).
 - iii. Vertical elements (tower, cupola, lighthouse, turret, arches, etc.).
 - iv. Accented windows and doors framed with smooth cobble, cast stone, limestone or other decorative masonry headers and sills; or dormer windows.
 - v. Outdoor patios and/or courtyards (landscaped and furnished) integrated into a site's layout that creates a sense of place for informal and experiential gathering.
 - vi. Decorative and repetitive ornamentation (non-signage) integrated into the building facade, such as corbels, medallions, functioning clocks, niches, wrought iron, balconettes, gargoyles, or horizontal and rhythm patterned brickwork.
 - vii. Other similar architectural features, as approved by the Director.
- (g) Architectural Requirements for Screening.
- (1) All multi-family uses shall provide a minimum eight (8) foot tall masonry screening wall between the subject property and any single-family or duplex residential use.
 - (2) The masonry shall match or blend with the masonry used on the main structure.
 - (3) In specific cases, an alternate screening may be allowed by the Planning & Zoning Commission when deemed appropriate. An alternate screening may be one of the following, or its equivalent:
 - iv. A decorative iron or wrought iron screening wall with masonry columns to be spaced no greater than thirty (30) feet on center, along with evergreen shrubs that will grow to a minimum height of six (6) feet within two (2) years of planting; or
 - v. An earthen berm, minimum three (3) feet in height over the surrounding landscaped area, along with evergreen shrubs or native grasses, that together with the earthen berm, will create a minimum visual separation of six (6) feet within two (2) years of planting; or
 - vi. A cedar board-on-board wood fence with decorative cap, along with plantings of canopy trees, evergreen trees, ornamental trees, native grasses, and shrubs that are provided in substantially greater number and in a planned, designed manner as to create a visual screen that clearly exceeds the visual impact of any of the other required screening materials.
 - (4) The screening wall (or alternate screening) shall be constructed/planted in a minimum forty (40) foot landscape buffer adjacent to all arterial streets (six lanes divided) and limited access roadway service roads, as shown on the Thoroughfare Plan.
 - (5) The screening wall (or alternate screening) shall be constructed/planted in a minimum thirty (30) foot landscape buffer adjacent to all four lane divided streets, as shown on the Thoroughfare Plan.

- (6) The screening wall (or alternate screening) shall be constructed/planted in a minimum twenty (20) foot landscape buffer adjacent to all other streets.
- (7) The screening wall (or alternate screening) shall be constructed/planted in a minimum thirty (30) foot landscape buffer adjacent to all residential zoning districts.
- (8) The screening wall (or alternate screening) shall be constructed/planted in a minimum ten (10) foot landscape buffer adjacent to all similar zoning districts.

14.05.059.....Architectural Standards for Industrial Structures.

The following apply to structures constructed in an industrial zoning district and proposing an industrial and/or manufacturing use, per the use chart of the zoning ordinance:

- (1) The main entry or office area of the building shall be articulated both horizontally and vertically by at least five (5) feet or ten percent (10%) of the adjacent wall length, whichever is greater. Building corners shall also be articulated, as approved by the Director.
- (2) Primary exterior facades which are clearly visible from a public street shall be constructed with a minimum ten percent (10%) Category A materials and up to ninety percent (90%) Category B materials, exclusive of windows and doors. Category C materials may be used for accents. The Category A materials noted above shall be applied to corners, entries, and other areas in order to mitigate monotony and increase the aesthetic value. A minimum of two (2) different materials shall be used.
- (3) Secondary exterior facades NOT facing a public street may be constructed with up to 100% Category B materials.
- (4) A uniform color scheme is required. Colors shall be neutrals, creams, pastels, or deep, rich, non-reflective, natural or earth-tone colors.
- (5) Industrial structures shall incorporate two (2) of the additional design standards listed in Section 14.05.058(c)(7), "Additional Design Elements."

14.05.060.....Architectural Standards for Specific Structures.

(a) Gas Pumps and Fueling Stations.

- (1) Materials for the main building shall follow the regulations for Commercial Structures (Section 14.05.058).
- (2) Canopies shall not exceed twenty (20) feet in total height, measured from the pavement to the top of the canopy.
- (3) The roofs of convenience store buildings shall be 4:12 pitched or include a parapet to shield roof-mounted equipment.
- (4) Canopies and their supporting structures should be architecturally integrated with the primary building and all other accessory structures on the site through the use of the same or complementary materials, design motif, and colors.
- (5) Canopy support columns shall be fully encased with Type A masonry products and shall not include any non-structural additions to the columns;
- (6) Canopy band faces shall be a color consistent with the main structure or an accent color. The canopy band face shall be flat with no projections or stripes, shall not be of plastic materials, shall



be generally a metal or masonry based material, not be greater than four (4) feet in height, and may not be backlit or used as signage; except as follows:

- i. The canopy band face may utilize one (1) small button logo on each face that can be internally illuminated, as long as each button logo does not exceed fifteen (15) square feet for bands three (3) feet in height and twenty (20) square feet for bands four (4) feet in height, is generally as tall as it is wide, and does not protrude more than eighteen (18) inches from the canopy in any direction.
 - ii. The canopy band face may utilize an external LED halo type light, if properly shielded/recessed and oriented downward so that only the “wash” is visible.
 - iii. The canopy band face may utilize internally illuminated rings, as long as the source is LED, it is flush with the band face and only protrudes nominally (up to a maximum of six (6) inches), and the size of the ring does not exceed more than twenty-five percent (25%) for single rings and fifty (50%) for multiple rings of the thickness of the canopy band face.
 - (7) Lighting fixtures (LED only) or sources of light that are a part of the underside of the canopy should be recessed into the underside of the canopy;
 - (8) The materials and color used on the underside of the canopy should not be highly reflective, with the intent of minimizing the amount and intensity of light, which reaches beyond the site boundaries;
 - (9) Materials and colors used on both structural and architectural surfaces shall be subdued, earth-tone colors, with the intent of promoting a harmonious appearance of the structures and the natural surroundings, as well as with appearance themes or guidelines of surrounding development. Brick, stone and other high-quality masonry type elements are required as a major component of the exterior of all structures;
 - (10) Bright accent colors, intended to express corporate or business logos, may be used only on a limited basis. These accent color areas should not be internally illuminated, except as allowed by the City’s sign regulations.
 - (11) Exhaust valves for underground fuel storage tanks shall be designed to be located against a building, dumpster screening wall, or other structure to mitigate their visual impact and should be an earth-tone color. If impractical, the exhaust valves may be located in an interior landscape area, if properly screened, but should not be located in the exterior landscape buffer adjacent to the public right-of-way.
- (b) Mechanical and Electrical Equipment.
- (1) Exposed conduits, ladders, exhaust valves, utility boxes and drain spouts shall be a color matching the building, an accent color, or earth-tone color.
 - (2) Outside equipment, coolers, and/or other mechanical items shall be screened in accordance with the screening standards of the zoning ordinance, or be 100% enclosed with a Category A masonry finishing material matching the primary building.
 - (3) All new utilities, including any aerial lines, shall be underground.
 - (4) Shopping cart return bins for uses such as grocery stores shall be constructed of Category A masonry walls (or an enhanced decorative metal railing on concrete curb) and permanently affixed to the ground.
- (c) Screening Requirements for Ground Mounted Equipment.
- (1) Exposed conduits, ladders, exhaust valves, utility boxes and drain spouts shall be a color matching the building, an accent color, or earth-tone color.
 - (2) Outside equipment, coolers, and/or other mechanical items shall be screened in accordance with the screening standards of the zoning ordinance, or be 100% enclosed with a Category A masonry finishing material matching the primary building.

- (3) All new utilities shall be underground.
- (d) Screening Requirements for Roof Mounted Equipment. Roof mounted equipment shall be screened from view using parapet walls or other architectural device approved by the Director of Development Services.
- (e) Screening Requirements for Free-Standing Utility Facilities.
 - (1) Materials. For electric substations, sewer pump stations, or any other free-standing utility facility that is located within the city limits, an eight (8) foot tall masonry screening wall shall be provided. Masonry for the screening wall shall be 100% Category A masonry finishing materials. Simulated stone or brick panels are prohibited.
 - (2) Gates. A solid metal gate, primed and painted, shall be provided and the gate shall be closed at all times other than servicing and shall be provided with locks that may be accessed by emergency personnel.
- (f) Screening Requirements for Dumpster Enclosures.
 - (1) Location. Dumpster enclosures shall be placed away from the public right-of-way to the greatest extent practical, allowing for ease of access and minimum pedestrian and vehicular conflict. Gates to the dumpster enclosure should not face the right-of-way and shall be closed at all times except when accessed.
 - (2) Minimum size. Dumpster enclosure shall be constructed a minimum of twelve (12) feet wide and fourteen (14) feet deep for a single container and twenty-five (25) feet wide and fourteen (14) feet deep for a double container – or of a sufficient size to adequately access the containers by the vehicles assigned that task.
 - (3) Screening of dumpster enclosure. Screening of the dumpsters shall be of the same masonry material as the primary structure and be a minimum of six (6) feet in height. Masonry for the screening wall shall be brick or stone, or stucco with a brick or stone columns. Simulated stone or brick panels are prohibited.
 - (4) Evergreen shrubs, twenty-four (24) inches in height at the time of planting, shall be planted on the three (3) solid masonry sides of the dumpster enclosure, spaced three (3) feet on center in a minimum three (3) foot wide planter space.
 - (5) Gates. A solid metal gate, primed and painted, shall be provided and the gate shall be closed at all times other than servicing.
- (g) Accessibility & Layout.
 - (1) Pedestrian connections, both internal and external (connecting sidewalks or property boundaries), shall be provided, subject to discretionary review and approval by the Director.
 - (2) Cross access to adjacent lots shall be provided at all times for both vehicular and pedestrian travelers.
 - (3) Drive-thru facilities shall provide sufficient stacking spaces.
 - (4) The final layout of any proposed development, including building placement, parking lots, fire lanes, gates, dumpster locations, and other site elements, shall be determined by the Director during the plan review process.
- (h) Buildings that Include Bay Doors.
 - (1) Materials for the main building shall follow the regulations for Commercial Structures (Section 14.05.058).
 - (2) Bay doors shall not be parallel to or facing any public right-of-way.”

3.02 All other articles, chapters, sections, paragraphs, sentences, phases and words are not amended but are hereby ratified and affirmed.

SECTION 4 **CUMULATIVE REPEALER CLAUSE**

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided however, that any complaint, action, claim or lawsuit which has been initiated or has arisen under or pursuant to such other Ordinances on this date of adoption of this Ordinance shall continue to be governed by the provisions of such Ordinance and for that purpose the Ordinance shall remain in full force and effect.

SECTION 5 **SAVINGS CLAUSE**

All rights and remedies of the City of Celina, Texas are expressly saved as to any and all violations of the provisions of any other ordinance affecting zoning which have secured at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances same shall not be affected by this Ordinance but may be prosecuted until final disposition by the court.

SECTION 6 **SEVERABILITY**

The provisions of the Ordinance are severable. However, in the event this Ordinance or any procedure provided in this Ordinance becomes unlawful, or is declared or determined by a judicial, administrative or legislative authority exercising its jurisdiction to be excessive, unenforceable, void, illegal or otherwise inapplicable, in whole or in part, the remaining and lawful provisions shall be of full force and effect and the City shall promptly promulgate new revised provisions in compliance with the authority's decisions or enactment.

SECTION 7 **PENALTY**

Any person, firm or corporation violating any of the provisions or terms of this ordinance or of the Code of Ordinances as amended hereby, shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Celina, and upon conviction shall be punished by a fine not to exceed Two Thousand Dollars (\$2,000) for each offense, and a separate offense shall be deemed committed upon each day during or on which a violation occurs and continues.

If the governing body of the City of Celina determines that a violation of this Ordinance has occurred, the City of Celina may bring suit in district court to enjoin the person, firm, partnership, corporation, or association from engaging in the prohibited activity.

SECTION 8 **PUBLICATION CLAUSE**

The City Secretary of the City of Celina is hereby directed to publish in the Official Newspaper of the City of Celina the Caption, and Effective Date Clause of this Ordinance as required by Section 52.013 of the Local Government Code.

SECTION 9
ENGROSSMENT AND ENROLLMENT

The City Secretary is hereby directed to engross and enroll this Ordinance by copying the descriptive Caption in the minutes of the City Council and by filing this Ordinance in the Ordinance records of the City.

SECTION 10
EFFECTIVE DATE

This Ordinance shall become effective from and after its date of passage in accordance with law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this 13th day of November, 2018.

 Sean Terry, Mayor
 City of Celina, Texas

ATTEST:

 Vicki Faulkner, City Secretary
 City of Celina, Texas

[SEAL]

APPROVED AS TO FORM:

 City Attorney
 City of Celina, Texas

Attachment: Architectural Design Standards Ordinance (2018 - 65 : Architectural Standards Ordinance)



Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Paul DeBuff, Assistant to the City Manager
CC: Jason Laumer, City Manager
Date: November 13, 2018
Re: Central Park Villas Development Agreement

Action Requested:

Consider and act upon an Extraterritorial Jurisdiction Development Agreement by and between the City of Celina, Texas and Chapel Creek Partners, LP. The subject property is an approximately 72.260 acre tract of land generally located on the southwest corner of CR-90 (future Glendenning Parkway) and CR 87 (Coit Road) within the extraterritorial jurisdiction of the City of Celina, Collin County, Texas. (Central Park Villas Development Agreement) (DeBuff)

Applicant:

Chapel Creek Partners
918 W. Walnut Street, Suite 838
Celina, TX, 75009

Background Information:

The City of Celina and Chapel Creek Partners, LP have mutually agreed that a 72.260 acre tract of land situated in the L. Routh Survey, Abstract No. 779, Collin County, Texas, and generally located on the southwest corner of CR 90 (future Glendenning Parkway) and CR 87 (Coit Road) shall be annexed into the city limits following the approval of a Pre-annexation Development Agreement.

Board Review/Citizen Input:

At the regular meeting of the Planning & Zoning Commission held on October 16, 2018, the Commission voted unanimously to approve the proposed development regulations that are a part of the Development Agreement being considered tonight.

Alternatives:

N/A

Financial Considerations:

Included within the agreement are financial incentives and agreements that are being considered tonight.

Legal Review:

The City's land use attorney has reviewed the document and deemed it acceptable.

Supporting Documents:

- Central Park Villas Development Agreement

Staff Recommendation:

Staff recommends approval.

DEVELOPMENT AGREEMENT

This Development Agreement (this “Agreement”) is entered into by and between **Chapel Creek Partners, LLC**, a Texas Limited Liability Company, (the “Developer”) and the **City of Celina** (the “City”), to be effective on the date upon which the last of all of the Parties has approved and duly executed this Agreement (“Effective Date”).

ARTICLE I RECITALS

WHEREAS, certain terms used herein are defined in Article II; and

WHEREAS, the City is a home-rule municipality of the State of Texas located within Denton County and Collin County; and

WHEREAS, the Developer and the City (which are sometimes individually referred to as a “Party” and collectively as the “Parties”) desire to enter into this Agreement; and

WHEREAS, Robert H. Pickens owns an approximately 44.333 acre tract of land (the “Pickens Property”) and Richard M. Weber and Twila A. Weber own an approximately 28.000 acre tract of land (the “Weber Property”) (collectively, the Pickens Property and the Weber Property are referred to as the “Property”); and

WHEREAS, the Property is located wholly within the extraterritorial jurisdiction (the “ETJ”) of the City and described by metes and bounds in **Exhibit A** and depicted on **Exhibit B**; and

WHEREAS, the Developer intends to purchase and develop the Property as a master planned residential development, which consists of approximately 331 single-family homes; and

WHEREAS, the Parties intend for this Agreement to establish certain restrictions and impose certain commitments in connection with the development of the Property; and

WHEREAS, the Parties intend that the Property will be developed in accordance with the agreed concept plan (the “Concept Plan”), attached hereto as **Exhibit C**, and the development standards set forth in certain proposed development zoning standards (the “Development Standards”), which Development Standards are attached hereto as **Exhibit D**; and

WHEREAS, the Developer intends to construct and/or make financial contributions to certain on-site and/or off-site public improvements to serve the development of the Property (the “Public Infrastructure”); and

WHEREAS, in consideration of the Developer’s agreements contained herein to develop the Property as envisioned by the Parties, including dedication of open space to be owned and maintained by a homeowners’ association, as contemplated by **Exhibit D**, and to provide economic incentives for the development of the Property, the City intends to (a) set roadway capital recovery fees not to exceed \$2,500.00 per single-family residential lot, (b) set water capital recovery fees not to exceed \$2,000.00 per single-family residential lot, (c) set wastewater capital recovery fees not to exceed \$2,000.00 per single-family residential lot, and (d) waive the requirement for payment of any Impact Fees; and

WHEREAS, the Parties agree upon a fixed payment for the Technology Fees, to be collected upon the issuance of each single-family residential lot's building permit, not to exceed \$500.00 per lot; and

WHEREAS, the Parties agree upon a fixed payment for Park Fees, which includes recreation and open space, to be collected upon the issuance of each single-family residential lot's building permit, not to exceed \$1,500.00 per lot, in lieu of any dedications of land; and

WHEREAS, the City holds the certificates of convenience and necessity (the "CCNs") to provide retail water and wastewater service to the Property and the Parties intend for the City to provide water and wastewater service to the Property; and

WHEREAS, as the Property is within the City's extraterritorial jurisdiction, the Parties have the authority to enter into this Agreement pursuant to Section 212.171 *et seq* of the Texas Local Government Code; and

WHEREAS, the Parties intend that this Agreement is a development agreement as provided for by state law in Section 212.171 *et seq* of the Texas Local Government Code; and

WHEREAS, this Agreement shall constitute a "permit" under Chapter 245 of the Texas Local Government Code and as allowed pursuant to Section 212.172(g) of the Texas Local Government Code.

NOW, THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Agreement and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree as follows:

ARTICLE II **GENERAL TERMS AND DEFINITIONS**

The recitals to this Agreement are incorporated herein for all purposes.

Unless the context requires otherwise, the following terms shall have the meanings hereinafter set forth:

City Council means the city council of the City.

City Regulation(s) means any ordinance, rule, regulation, standard, policy, order, guideline or other City-adopted or City-enforced requirement.

Concept Plan means the concept plan as shown in **Exhibit C**.

Developer means **Chapel Creek Partners, LLC**, a Texas Limited Liability company, or its successor or permitted assignee as permitted in this Agreement.

Impact Fees means as defined in Chapter 395 of the Texas Local Government Code.

Park Fees means the fees paid in lieu of a donation of property to be used as a park.

Property means the real property described by metes and bounds in **Exhibit A** and depicted on **Exhibit B**.

Public Infrastructure means water, wastewater, drainage, roadway, and other public infrastructure necessary to serve the full development of the Property.

Technology Fees means the fees charged for telephone, cable, internet, or similar utility connections in accordance with Section 4.3.

ARTICLE III **PUBLIC INFRASTRUCTURE**

2.1 Public Infrastructure. Except as otherwise expressly provided for in this Agreement, all Public Infrastructure shall be designed, constructed and installed by Developer in compliance with the City Regulations in effect on the Effective Date and the City's uniform engineering design standards in effect on the Effective Date. Construction and/or installation of Public Infrastructure shall not begin until complete and accurate plans and specifications have been approved by the City. Each of such contracts shall require a two-year maintenance bond following completion, which bond shall run in favor of the Party responsible for maintenance of the completed Public Infrastructure. The Public Infrastructure will be installed within the public right-of-way or in easements granted to the City. The City agrees that the only perimeter or other off-site roadway improvements required to be escrowed, constructed or improved by Developer as part of the development of the Property are the following:

- (a) Northbound left turn lane into the Property on Coit Road/County Road 87
- (b) Southbound right turn lane into the Property on County Road 87/Coit Road
- (c) Eastbound right turn lane into the Property on County Road 90
- (d) Westbound left turn lane into the Property on County Road 90.

2.2 Inspections, Acceptance of Public Infrastructure.

- (a) Roadway and Storm Infrastructure. The City shall have the right to inspect, at any time, the construction of all roadway and storm water Public Infrastructure, and any related Public Infrastructure necessary to support the proposed development within the Property, which shall be inspected, designed and constructed in compliance with all statutory and regulatory requirements, including design and construction criteria, and the City Regulations in effect on the Effective Date.
- (b) Water and Wastewater Infrastructure. The City shall have the right to inspect the construction of all water and wastewater Public Infrastructure at any time, which water and wastewater shall be inspected, designed and constructed in compliance with all statutory and regulatory requirements, including design and construction criteria, and the City Regulations in effect on the Effective Date.
- (c) The City's inspections shall not release the Developer from its responsibility to construct, or ensure the construction of, adequate Public Infrastructure in accordance with approved engineering plans, construction plans, and other approved plans related to development of the Property.
- (d) From and after the inspection and acceptance by the City of the Public Infrastructure and any other dedications required under this Agreement, such improvements and dedications shall be owned by the City.
- (e) Approval of Plats/Plans. Approval by the City, the City's engineer or other City employee or representative, of any plans, designs or specifications submitted by the Developer pursuant to this Agreement or pursuant to City Regulations shall not constitute or be deemed to be a release

of the responsibility and liability of the Developer, his engineer, employees, officers or agents for the accuracy and competency of their design and specifications. Further, any such approvals shall not be deemed to be an assumption of such responsibility and liability by the City for any defect in the design and specifications prepared by the Developer or the Developer's engineer, or engineer's officers, agents, servants or employees, it being the intent of the parties that approval by the City's engineer signifies the City's approval on only the general design concept of the improvements to be constructed. All plats and plans of the Developer related to the Property shall meet the requirements of the City Regulations in effect on the Effective Date.

2.3 Eminent Domain. The Developer agrees to use commercially reasonable efforts to obtain all third-party rights-of-way, consents, or easements, if any, required for the Public Infrastructure. If, however, the Developer is unable to obtain such third-party rights-of-way, consents, or easements within ninety (90) days of commencing efforts to obtain the needed easements and right of way, the City agrees to take reasonable steps to secure same (subject to City Council authorization after a finding of public necessity) through the use of the City's power of eminent domain. The Developer shall be responsible for funding all reasonable and necessary legal proceeding/litigation costs, attorney's fees and related expenses, and appraiser and expert witness fees (collectively, "Eminent Domain Fees") paid or incurred by the City in the exercise of its eminent domain powers and shall escrow with a mutually agreed upon escrow agent the City's reasonably estimated Eminent Domain Fees both in advance of the initiations of each eminent domain proceeding and as funds are needed by the City. Provided that the escrow fund remains appropriately funded in accordance with this Agreement, the City will use all reasonable efforts to expedite such condemnation procedures so that the Public Infrastructure can be constructed as soon as reasonably practicable. If the City's Eminent Domain Fees exceed the amount of funds escrowed in accordance with this paragraph, the Developer shall deposit additional funds as requested by the City into the escrow account within ten (10) days after written notice from the City. City is not required to continue pursuing the eminent domain unless and until the Developer deposits addition Eminent Domain Fees with the City. Any unused escrow funds will be refunded to the Developer with thirty (30) days after any condemnation award or settlement becomes final and non-appealable. Nothing in this subsection is intended to constitute a delegation of the police powers or governmental authority of the City, and the City reserves the right, at all times, to control its proceedings in eminent domain.

2.4 Operation and Maintenance.

(a) Upon inspection, approval, and acceptance of the water and wastewater Public Infrastructure or any portion thereof, the City shall maintain and operate the accepted water and wastewater infrastructure or any accepted portion thereof and provide water and wastewater service to the Property.

(b) Upon inspection, approval, and acceptance of the roadway and storm water Public Infrastructure or any portion thereof, the City shall maintain and operate the roadways and storm water infrastructure or any accepted portion thereof.

(c) A homeowner's association shall be established, and it shall maintain and operate the open spaces, including but not limited to those shown on **Exhibit D**, trails, common areas, right-of-way irrigation systems, right-of-way landscaping, screening walls, and any other common improvements or appurtenances. Said improvements shall not be maintained and operated by the City unless the Parties agree in writing to the terms and conditions of maintenance and operation by the City.

ARTICLE IV

DEVELOPMENT REGULATIONS

3.1 Full Compliance with City Standards.

(a) Development of the Property shall be subject to the City Regulations and uniform engineering design standards, and as may be amended, except to the extent that the Concept Plan, attached as **Exhibit C** and the Development Standards, attached as **Exhibit D**, may vary from those terms, then the Concept Plan and the Development Standards shall control.

(b) The Parties agree the Concept Plan was created by the Developer for illustrating the boundary, lot mix, and general layout of the project. Any amendment to the Concept Plan shall be considered an amendment to this Agreement and shall replace the attached Concept Plan and become a part of this Agreement.

3.2 Development Standard Revisions. The City Manager of the City may administratively approve the following “minor revisions” to the Development Standards:

- (a) an increase in the height of any structure by five percent (5%) or less;
- (b) a setback reduction of ten percent (10%) or less;
- (c) an increase in lot coverage of five percent (5%) or less; and
- (d) a reduction in off-street parking of five percent (5%) or less.

The City Council may permit exceptions to strict compliance with the Development Standards when the Developer demonstrates, to the reasonable satisfaction of the City Council, that the requested exception:

- (a) is not contrary to the public interest;
- (b) does not cause injury to adjacent property; and
- (c) does not materially adversely affect the quality of the development.

3.3 Replat. The Developer may submit a replat for all or any portion of the Property. Any replat shall be in general conformance with the Concept Plan, including any amendments.

3.4 Vested Rights. This Agreement shall constitute a “permit” under Chapter 245 of the Texas Local Government Code that is deemed filed with the City on the Effective Date. The Developer does not, by entering into this Agreement, waive any rights or obligations arising under Chapter 245 of the Texas Local Government Code.

3.5 Conflicts. In the event of any conflict between this Agreement and any City Regulation, this Agreement, including any exhibit or attachment, shall control.

ARTICLE V DEVELOPMENT PROCESS AND CHARGES

4.1 Development, Review and Inspection Fees. Except for any fees related to zoning of the Property as provided in Section 6.2, development of any portion of the Property shall be subject to payment to the City of the applicable fees according to the City Regulations, including without limitation fees relating to platting and any other charges and fees not expressly exempted or altered by the terms of this Agreement. 4.2 Capital Recovery Fees. The Developer is responsible for the construction of all on-site and off-site Public Infrastructure, to the extent such Public Infrastructure is necessitated by and attributable to the development of the Property, subject to the terms of this Agreement. The Parties agree that such improvements will include all of the capital improvements and facility expansions necessitated by and attributable to the Property; therefore, pursuant to Section 395.001(4) of the Texas Local Government Code, **no Impact Fees levied by the City will apply to the Property.** Instead, the Developer, or the owner of a single-family residential lot as provided below, agrees to pay and City agrees to

- (a) set roadway capital recovery fees not to exceed \$2,500.00 per single-family residential lot,
- (b) set water capital recovery fees not to exceed \$2,000.00 per single-family residential lot,
- (c) set wastewater capital recovery fees not to exceed \$2,000.00 per single-family residential lot,
- (d) waive the requirement for payment of any Impact Fees.

All capital recovery fees are applicable to individual lots and will be due and payable by the owner of the single-family residential lot at the time a building permit is issued for such single-family residential lot.

4.3 Technology Fees. The Parties agree upon a fixed payment for the Technology Fees, to be collected for each single-family residential lot upon the issuance of such single-family residential lot's building permit, not to exceed \$500.00 per lot.

4.4 Park Fees. The Parties agree upon a fixed payment for the Park Fees, which includes recreation and open space, in lieu of a dedication of land, to be collected for each single-family residential lot upon the issuance of such single-family residential lot's building permit, not to exceed \$1,500.00 per lot.

4.5 Required Turn Lanes and ROW Dedication. The Developer shall, either by plat or by deed as requested by the City, dedicate the right-of-way area for Coit Road/County Road 87 and County Road 90 reflected on **Exhibit C** within the Property as ("Proposed 120' R.O.W. "), generally being approximately one-half of the total right-of-way. The City agrees that the only perimeter or other off-site roadway improvements required to be escrowed, constructed or improved by Developer as part of the development of the Property are the following

- (a) Northbound left turn lane into the Property on Coit Road/County Road 87,
- (b) Southbound right turn lane into the Property on County Road 87/Coit Road,
- (c) Eastbound right turn lane into the Property on County Road 90, and
- (d) Westbound left turn lane into the Property on County Road 90.

in the amount and at the time determined by the City Manager under the City Regulations.

4.7 INDEMNIFICATION AND HOLD HARMLESS. **THE DEVELOPER AND ITS SUCCESSORS AND ASSIGNS SHALL INDEMNIFY AND HOLD HARMLESS THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS (EACH AN "INDEMNIFIED PARTY"), FROM AND AGAINST ALL ACTIONS, DAMAGES, CLAIMS, LOSSES OR EXPENSE OF EVERY TYPE AND DESCRIPTION TO WHICH THEY MAY BE SUBJECTED OR PUT: (I) BY REASON OF, OR RESULTING FROM THE BREACH OF ANY PROVISION OF THIS AGREEMENT BY THE DEVELOPER; (II) THE NEGLIGENT DESIGN, ENGINEERING AND/OR CONSTRUCTION BY THE DEVELOPER OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY THE DEVELOPER OF ANY OF THE PUBLIC IMPROVEMENTS ACQUIRED FROM THE DEVELOPER HEREUNDER; (III) THE DEVELOPER'S NONPAYMENT UNDER CONTRACTS BETWEEN THE DEVELOPER AND ITS CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUBCONTRACTORS AND SUPPLIERS IN THE PROVISION AND/OR CONSTRUCTION OF THE PUBLIC IMPROVEMENTS; (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT THE PUBLIC INFRASTRUCTURE; OR (V) ANY CLAIMS AND SUITS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO DEVELOPER'S RESPECTIVE PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEEES, AND/OR TRUSTEES, REGARDING OR RELATED TO THE PUBLIC IMPROVEMENTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE PUBLIC INFRASTRUCTURE, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE PARTIAL NEGLIGENCE OF AN INDEMNIFIED PARTY (THE "CLAIMS"). NOTWITHSTANDING THE FOREGOING, NO INDEMNIFICATION IS GIVEN**

HEREUNDER FOR ANY ACTION, DAMAGE, CLAIM, LOSS OR EXPENSE DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE DIRECTLY ATTRIBUTABLE TO THE WILLFUL MISCONDUCT OR SOLE NEGLIGENCE OF ANY INDEMNIFIED PARTY. DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS, AND CITY IS REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

IN ITS REASONABLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY DEVELOPER IN FULFILLING ITS OBLIGATIONS HEREUNDER TO DEFEND AND INDEMNIFY THE INDEMNIFIED PARTIES, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING. THE INDEMNIFIED PARTIES RESERVE THE RIGHT TO PROVIDE A PORTION OR ALL OF THEIR/ITS OWN DEFENSE, AT THEIR/ITS SOLE COST; HOWEVER, INDEMNIFIED PARTIES ARE UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY AN INDEMNIFIED PARTY IS NOT TO BE CONSTRUED AS A WAIVER OF DEVELOPER'S OBLIGATION TO DEFEND INDEMNIFIED PARTIES OR AS A WAIVER OF DEVELOPER'S OBLIGATION TO INDEMNIFY INDEMNIFIED PARTIES PURSUANT TO THIS AGREEMENT. DEVELOPER SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN BUSINESS DAYS OF WRITTEN NOTICE FROM AN INDEMNIFIED PARTY THAT IT IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF DEVELOPER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, INDEMNIFIED PARTIES SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON THEIR OWN BEHALF, AND DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

THIS SECTION 4.7 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

THE PARTIES AGREE AND STIPULATE THAT THIS INDEMNIFICATION COMPLIES WITH THE CONSPICUOUSNESS REQUIREMENT AND THE EXPRESS NEGLIGENCE TEST, AND IS VALID AND ENFORCEABLE AGAINST THE DEVELOPER.

4.8 DEVELOPER'S ACKNOWLEDGEMENT OF THE CITY'S COMPLIANCE WITH FEDERAL AND STATE CONSTITUTIONS, STATUTES AND CASE LAW AND FEDERAL, STATE AND LOCAL ORDINANCES, RULES AND REGULATIONS/DEVELOPERS' WAIVER AND RELEASE OF CLAIMS FOR OBLIGATIONS IMPOSED BY THIS AGREEMENT.

(a) THE DEVELOPER ACKNOWLEDGES AND AGREES THAT:

(i) THE PUBLIC INFRASTRUCTURE TO BE CONSTRUCTED UNDER THIS AGREEMENT, AND THE FEES TO BE IMPOSED BY THE CITY PURSUANT TO THIS AGREEMENT, REGARDING THE PROPERTY, IN WHOLE OR IN PART, DO NOT CONSTITUTE A:

- (A) TAKING UNDER THE TEXAS OR UNITED STATES CONSTITUTION;**
- (B) VIOLATION OF THE TEXAS LOCAL GOVERNMENT CODE, AS IT EXISTS OR MAY BE AMENDED; AND/OR**
- (C) NUISANCE.**

(ii) ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE AMOUNT OF THE DEVELOPER'S FINANCIAL AND INFRASTRUCTURE CONTRIBUTION FOR THE PUBLIC INFRASTRUCTURE IS ROUGHLY PROPORTIONAL TO THE DEMAND THAT THE DEVELOPER'S ANTICIPATED IMPROVEMENTS AND DEVELOPER'S DEVELOPMENT PLACES ON THE CITY'S INFRASTRUCTURE.

(iii) ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE DEVELOPER HEREBY AGREES AND ACKNOWLEDGES, WITHOUT WAIVING CLAIMS RELATED SOLELY TO EXACTIONS NOT CONTEMPLATED BY THIS AGREEMENT, THAT: (A) ANY PROPERTY WHICH IT CONVEYS TO THE CITY OR ACQUIRES FOR THE CITY PURSUANT TO THIS AGREEMENT IS ROUGHLY PROPORTIONAL TO THE BENEFIT RECEIVED BY THE DEVELOPER FOR SUCH LAND, AND THE DEVELOPER HEREBY WAIVES ANY CLAIM THEREFOR THAT IT MAY HAVE; AND (B) ALL PREREQUISITES TO SUCH DETERMINATION OF ROUGH PROPORTIONALITY HAVE BEEN MET, AND ANY VALUE RECEIVED BY THE CITY RELATIVE TO SAID CONVEYANCE IS RELATED BOTH IN NATURE AND EXTENT TO THE IMPACT OF THE DEVELOPMENT OF THE PROPERTY ON THE CITY'S INFRASTRUCTURE. ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE DEVELOPER FURTHER AGREES TO WAIVE AND RELEASE ALL CLAIMS IT MAY HAVE AGAINST THE CITY UNDER THIS AGREEMENT RELATED TO ANY AND ALL: (A) CLAIMS OR CAUSES OF ACTION BASED ON ILLEGAL OR EXCESSIVE EXACTIONS; AND (B) ROUGH PROPORTIONALITY AND INDIVIDUAL DETERMINATION REQUIREMENTS MANDATED BY THE UNITED STATES SUPREME COURT IN *DOLAN V. CITY OF TIGARD*, 512 U.S. 374 (1994), AND ITS PROGENY, AS WELL AS ANY OTHER REQUIREMENTS OF A NEXUS BETWEEN DEVELOPMENT CONDITIONS AND THE PROJECTED IMPACT OF THE PUBLIC INFRASTRUCTURE.

(b) THIS SECTION 4.8 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

ARTICLE VI TERM

The term of this Agreement shall be for a period of fifteen (15) years after the Effective Date. The Parties may extend the term of this Agreement if they execute an agreement in writing. Notwithstanding anything to the contrary in this Agreement, this Agreement shall automatically terminate, be *void ab initio* and shall be of no further force or effect if the Developer, or an entity controlled by or under common control with Developer, or an entity in which the principals of Developer own, directly or indirectly, an economic interest and manage day-to-day operations, does not purchase the Property by May 31, 2019.

ARTICLE VII ANNEXATION AND POST-ANNEXATION MATTERS

6.1 Annexation. Following Developer's acquisition of the Property, and within ten (10) days of being requested to do so by the City which shall not be longer than one (1) year after Developer's acquisition/closing, Developer agrees to

- (a) submit a voluntary annexation petition for the Property, or
- (b) if requested by the City, sign a petition for annexation presented to Developer by the City that may contain additional acres (together all acreage the "Petition Property"). Developer agrees to execute and supply any and all instruments and/or other documentation necessary for the City to annex the Petition Property, into the City's corporate limits. The annexation service plan for the

Property shall be consistent with the terms of this Agreement. If the City is unable to complete the annexation of the Petition Property for any reason, including but not limited to procedural error or legal challenge, Developer shall execute another voluntary annexation petition for the Petition Property, within ten (10) days of being requested to do so. Prior to annexation of the Petition Property, the City shall have considered this Agreement, shall have submitted to Developer, and Developer shall review and approve, an annexation service plan which service plan shall be considered a binding, and mutually agreed upon, contractual obligation between the City and Developer. Developer acknowledges and agrees that this Section 6.1 was a material inducement for the City to enter into this Agreement with Developer.

6.2 Zoning of Property. While the Parties expressly acknowledge that the Property will be voluntarily annexed in accordance with Section 6.1 of this Agreement, the Parties agree that the Concept Plan, the Development Standards, and the applicable provisions of this Agreement memorialize the plan for development of the Property as provided for in Section 212.172 of the Texas Local Government Code. The City shall consider zoning the Property consistent with the Development Standards, Concept Plan, and applicable provisions of this Agreement contemporaneously with annexation of the Property. Through this Agreement, the Developer expressly consents and agrees to the zoning of the Property consistent with and as contemplated by this Section.

ARTICLE VII **EVENTS OF DEFAULT; REMEDIES**

7.1 Events of Default. No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given in writing (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time to be determined based on the nature of the alleged failure, but in no event more than 30 days after written notice of the alleged failure has been given). Notwithstanding the foregoing, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured and within such 30-day period gives written notice to the non-defaulting Party of the details of why the cure will take longer than 30 days with a statement of how many days are needed to cure.

7.2 Remedies. If a Party is in default, the aggrieved Party may, at its option and without prejudice to any other right or remedy under this Agreement, seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act, or actions for specific performance, mandamus, or injunctive relief. NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL ENTITLE THE AGGRIEVED PARTY TO TERMINATE THIS AGREEMENT OR LIMIT THE TERM OF THIS AGREEMENT.

ARTICLE IX **ASSIGNMENT AND ENCUMBRANCE**

8.1 Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Parties hereto. The obligations, requirements, or covenants to develop the Property in this Agreement shall be able to be assigned to any affiliate or related entity of the Developer, or any lienholder on the Property, without the prior written consent of the City. The obligations, requirements or covenants to the development of the Property shall not be assigned by Developer to a non-affiliate or non-related entity of the Developer without the prior written consent of the City Manager, which consent

shall not be unreasonably withheld if the assignee demonstrates financial ability to perform. An assignee shall be considered a “Party” for the purposes of this Agreement for all obligations arising after the date of assignment. Each assignment shall be in writing executed by Developer and the assignee and shall obligate the assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned, and shall contain a representation by the assignee acknowledged by a notary public that the assignee has the financial ability to timely perform the assigned obligations. A copy of each fully executed assignment to an assignee shall be provided to all Parties within 15 days after execution. No assignment by Developer shall release Developer from any liability that resulted from an act or omission by Developer that occurred prior to the effective date of the assignment unless the City approves the release in writing. Developer shall maintain written records of all assignments made by Developer to assignees, including a copy of each executed assignment and, upon written request from any Party or assignee, shall provide a copy of such records to the requesting person or entity, and this obligation shall survive the assigning Party’s sale, assignment, transfer, or other conveyance of any interest in this Agreement or the Property. For avoidance of doubt, any reference in this Agreement to an obligation or undertaking of the Developer means and shall refer to the Developer or the assignee who owns the particular portion of the Property that is the subject of such obligation or undertaking. For example, and without limitation, if Developer has sold one or more residential lots, at the time capital recovery fees are payable as provided above in this Agreement upon issuance of a building permit, the owner of such lot is obligated to pay such fee, and Developer has no liability or obligation to pay such fee.

8.2 Encumbrance by City. The City shall not collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of its rights, title, or interest under this Agreement, except for the fees and charges to be collected under Article IV, without the Developer’s prior written consent, which consent shall not be unreasonably withheld.

8.3 Assignees as Parties. An assignee authorized in accordance with this Agreement and for which notice of assignment has been provided in accordance with this Agreement shall be considered a “Party” for the purposes of this Agreement. With the exception of the End-Buyer (as defined in Section 9.1 below) of a lot within the Property, any person or entity upon becoming an owner of land or upon obtaining an ownership interest in any part of the Property shall be deemed to be a “Developer” and have all of the obligations of the Developer as set forth in this Agreement and all related documents to the extent of said ownership or ownership interest.

8.4 No Third-Party Beneficiaries. This Agreement only inures to the benefit of, and may only be enforced by, the Parties. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

8.5 Notice of Assignment. In addition to the other requirements in this Agreement, the following requirements shall apply in the event that the Developer sells, assigns, transfers, or otherwise conveys the Property or any part thereof and/or any of its rights or benefits under this Agreement:

- (a) within 30 days after the effective date of any such sale, assignment, transfer, or other conveyance, the Developer must provide written notice of same to the City;
- (b) the notice must describe the extent to which any rights or benefits under this Agreement have been sold, assigned, transferred, or otherwise conveyed;
- (c) the notice must state the name, mailing address, and telephone contact information of the person(s) acquiring any rights or benefits as a result of any such sale, assignment, transfer, or other conveyance; and

- (d) the notice must be signed by a duly authorized person representing the Developer.

ARTICLE X

RECORDATION AND ESTOPPEL CERTIFICATES

9.1 **Binding Obligations.** This Agreement and all amendments hereto (including amendments to the Concept Plan as allowed in this Agreement) and assignments hereof shall be recorded in the deed records of Collin County. This Agreement binds and constitutes a covenant running with the Property. Upon the Effective Date, this Agreement shall be binding upon the Parties and their successors and assigns permitted by this Agreement and forms a part of any other requirements for development within the Property. This Agreement, when recorded, shall be binding upon the Parties and their successors and assigns as permitted by this Agreement and upon the Property; however, this Agreement shall not be binding upon, and shall not constitute any encumbrance to title as to, any end-buyer/homebuyer of a fully developed and improved lot (“an End-Buyer”) and shall not negate the End-Buyer’s obligation to comply with the City's Regulations, including but not limited to zoning ordinances, as they currently exist or may be amended.

9.2 **Estoppel Certificates.** From time to time upon written request of the Developer, if needed to facilitate a sale of all or a portion of the Property or a loan secured by all or a portion of the Property, the City will execute to its reasonable knowledge and belief, a written estoppel certificate in a form and substance satisfactory to the City identifying any obligations of the Developer under this Agreement that are in default. The Developer shall pay the City \$1,000 at the time of the Developer’s requests for an estoppel certificate for each request in excess of one per calendar year.

ARTICLE XI

ADDITIONAL PROVISIONS

10.1 **Recitals.** The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; (c) are legislative findings of the City Council of the City; and (d) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

10.2 **Notices.** Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to any party shall be deemed to have been received when personally delivered or transmitted by telecopy or facsimile transmission (which shall be immediately confirmed by telephone and shall be followed by mailing an original of the same within 24 hours after such transmission) or 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

To the City:

Attn: City Manager
City of Celina
142 North Ohio
Celina, TX 75009

With a copy to: Attn: Julie Fort
Messer, Rockefeller & Fort, PLLC
6371 Preston Road, Suite 200
Frisco, Texas 75034

To the Developer: Attn: Larry D. Beck
Chapel Creek Partners, LLC
838 W. Walnut #838
Celina, Texas 75009

With a copy to: Toates Law Firm, PLLC
Attn: W. Russell Toates
5501 LBJ Freeway, Suite 200
Dallas, Texas 75240
E-mail: russ@toateslaw.com

Any party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other party.

10.3 Interpretation. The Parties acknowledge that each has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision.

10.4 Time. In this Agreement, time is of the essence and compliance with the times for performance herein is required.

10.5 Authority and Enforceability. The City represents and warrants that this Agreement has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. The Developer represents and warrants that this Agreement has been approved by appropriate action of the Developer, and that the individual executing this Agreement on behalf of the Developer has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Agreement is binding upon such Party and is enforceable against such Party, in accordance with its terms and conditions and to the extent provided by law.

10.6 Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing signed by the Parties.

10.7 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then:

- (a) such unenforceable provision shall be deleted from this Agreement;
- (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and

(c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

10.8 Applicable Law; Venue. This Agreement is entered into pursuant to, and is to be construed and enforced in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Collin County. Exclusive venue for any action to enforce or construe this Agreement shall be in the Collin County District Court.

10.9 Non-Waiver. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

10.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

10.11 Further Documents. The Parties agree that at any time after execution of this Agreement, they will, upon request of another Party, execute and deliver such further documents and do such further acts and things as the other Party may reasonably request in order to effectuate the terms of this Agreement. This provision shall not be construed as limiting or otherwise hindering the legislative discretion of the City Council seated at the time that this Agreement is executed or any future City Council.

10.12 Exhibits. The following exhibits are attached to this Agreement and are incorporated herein for all purposes:

Exhibit A	Legal Description of the Property
Exhibit B	Survey of Property
Exhibit C	Concept Plan
Exhibit D	Development Standards

10.13 Governmental Powers; Waivers of Immunity. By its execution of this Agreement, the City does not waive or surrender any of its respective governmental powers, immunities, or rights except as provided in this section. The Parties acknowledge that the City waives its sovereign immunity as to suit solely for the purpose of adjudicating a claim under this Agreement. This is an agreement for the provision of goods or services to the City under Section 271.151 et seq. of the Texas Local Government Code.

10.14 Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to force majeure, to perform its obligations under this Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within three business days after the occurrence of a force majeure, the Party claiming the right to temporarily suspend its performance, shall give notice to all the Parties, including a detailed explanation of the force majeure and a description of the action that will be taken to remedy the force majeure and resume full performance at the earliest possible time. The term “force majeure” shall include events or circumstances that are not within the reasonable control of Party whose performance is suspended and

that could not have been avoided by such Party with the good faith exercise of good faith, due diligence and reasonable care.

10.15 Amendments. This Agreement cannot be modified, amended, or otherwise varied, except in writing signed by the City and Developer expressly amending the terms of this Agreement.

10.16 Consideration. This Agreement is executed by the Parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is hereby acknowledged.

[signatures on following pages]

EXECUTED by the City and Developer on the respective dates stated below.

Date: _____

CITY OF CELINA

By: _____
Sean Terry, Mayor

ATTEST:

Vicki Faulkner, City Secretary

APPROVED AS TO FORM

Julie Fort, Attorney for City

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

This instrument was acknowledged before me on the __ day of _____, 2018 by Sean Terry, the Mayor of the City of Celina, Texas on behalf of said City.

(SEAL)

Notary Public, State of Texas

Name printed or typed

Commission Expires:_____

Attachment: Chapel Creek Development Agreement (Central Park Villas Development Agreement)

DEVELOPER:

Chapel Creek Partners, LLC,
a Texas limited liability company

By: _____

Name: Larry D. Beck

Title: Manager

STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on the __ day of _____, 2018 by _____, the Manager of Chapel Creek Partners, LLC, a Texas limited liability company on behalf of said limited liability company.

(SEAL)

Notary Public, State of Texas

Name printed or typed

Commission Expires: _____

EXHIBIT A
Legal Description

BEING, a tract of land situated in the L. Routh Survey, Abstract No. 779, being part of a 100.51 acre tract, as described in Vol. 1772, Pg. 229, in the Deed Records of Collin County, Texas, being more particularly described as follows:

BEGINNING, at a 3/8 inch iron rod found at the northeast corner of a tract of land in deed to Trustee of the Belinda Cox Matusek tract, as recorded in Clerks File No. 2012-891520, in said Deed Records;

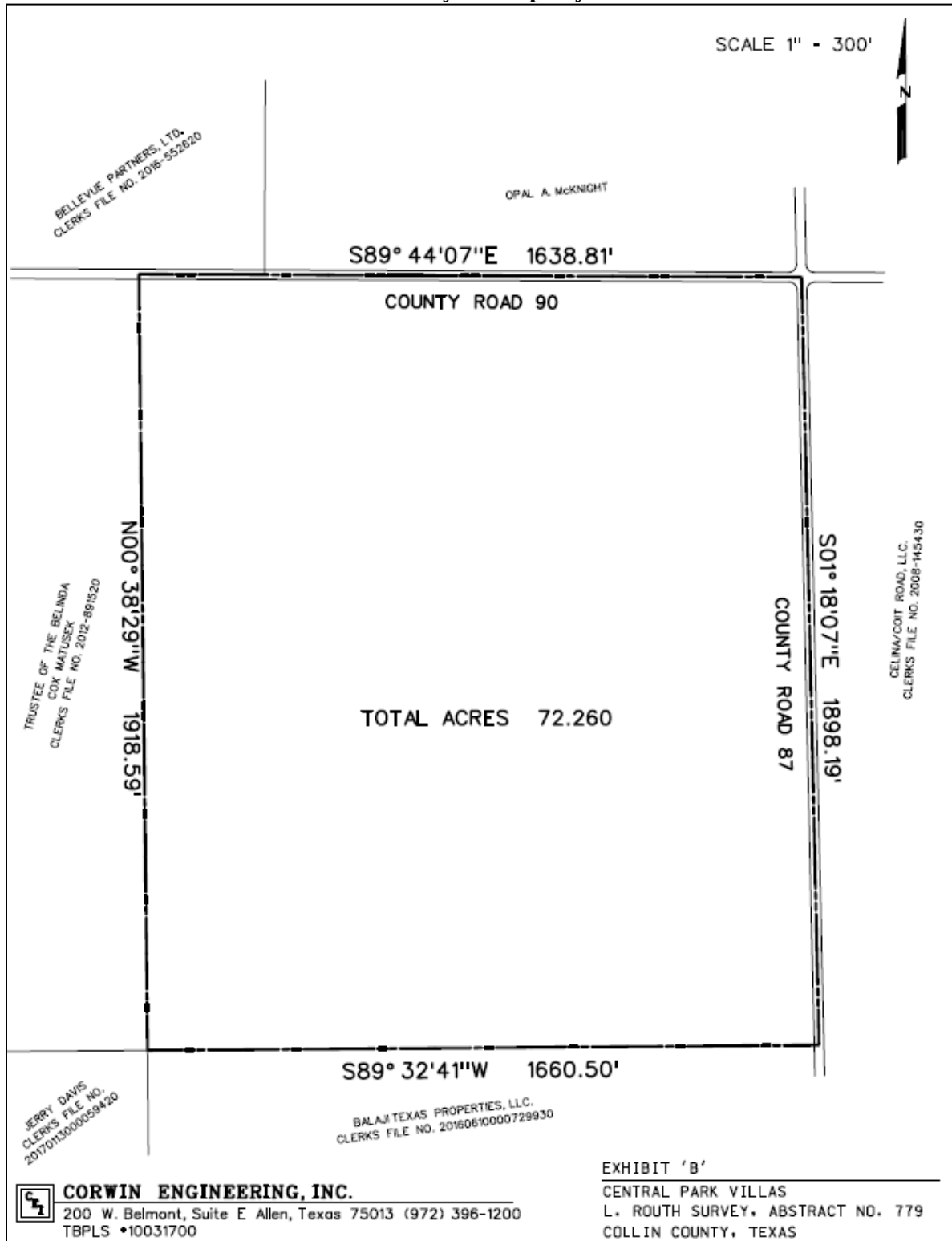
THENCE, South 89°44'07" East, along the approximate centerline of County Road 90, for a distance of 1638.81 feet, to a point at the intersection of said approximate centerline of County Road 90 and being the approximate centerline of County Road 87;

THENCE, South 01°18'07" East, along the approximate centerline of said County Road 87, for a distance of 1898.19 feet;

THENCE, South 89°32'41" West, departing said centerline, for a distance of 1660.50 feet, at the southeast corner of said Belinda Cox Matusek tract;

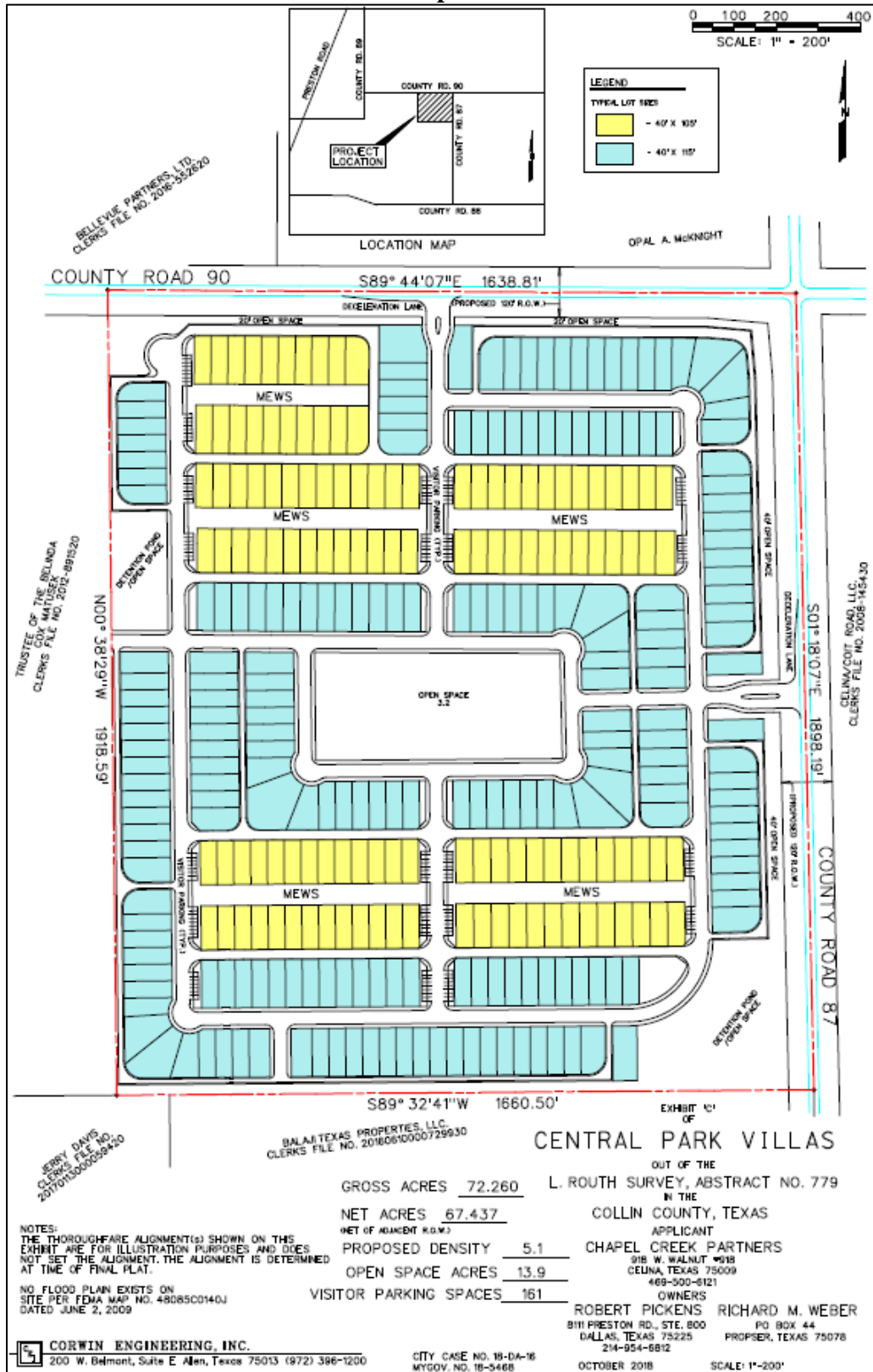
THENCE, North 00°38'29" West, along the east line of said Belinda Cox Matusek tract, for a distance of 1918.59 feet, to the POINT OF BEGINNING and containing 72.260 acres of land.

EXHIBIT B **Survey of Property**



Attachment: Chapel Creek Development Agreement (Central Park Villas Development Agreement)

EXHIBIT C Concept Plan



Attachment: Chapel Creek Development Agreement (Central Park Villas Development Agreement)

EXHIBIT D

Development Standards

PROJECT LOCATION

The property is located at the southwest intersection of Glendenning Parkway (CR 90) and Coit Road (CR 87). The proposed Planned Development (the "PD") offers a unique Single Family detached development. Creating the PD under Section 14.03.031 of the City's Zoning ordinance is necessary to accomplish this development. Submitted under Section 14.03.031 as a Concept Plan, this PD will provide:

- Increased amount of single-family housing and lot choices through a unique development layout.
- Open space and mews (a row or group of houses built adjacent or around an open space or yard maintained by the HOA) to promote neighborhood community interaction and open spaces as amenities.
- Mews shall be fifty feet (50') in width and include five foot (5') wide sidewalks on each side for homeowner access to maintain a wide-open space for play and social gathering of neighbors.
- Parking will be provided for each Mews section to accommodate visitors and repairmen.
- Cluster mailboxes will be located near parking spaces on the ends of the Mews.

PROPOSED LAND USES

The proposed development is in accordance with the City of Celina Comprehensive Plan dated April 2013 by increasing Suburban Moderate-High Residential (Suburban Mix) land use category. The following land uses are proposed:

- Base zoning district SF-R
- Suburban Moderate-High Residential (Suburban Mix)
 - Single family detached dwellings with varying lot sizes.
- Open Space/Park Space
- Amusement and Recreation Services

PROPOSED THOROUGHFARES/ACCESS

The proposed development will comply with the existing Master Thoroughfare Plan, and as may be amended. In addition to the designating rights-of-way according to the Master Thoroughfare Plan, a divided subdivision entrance will be utilized for internal traffic circulation, and street stubs to adjacent property for future connectivity. To further enhance circulation, access to the development will be from both current CR 87 and CR 90, future Coit Road and Glendenning Parkway, respectively.

CONCEPT PLAN

The Concept Plan locates the proposed land uses outlined within the Property. The proposed development shall have unified and consistent design elements and provide an integrated development that follows the Comprehensive Plan.

DEVELOPMENT REGULATIONS

Single Family Residential District the intent is to allow a mixture of single family lot sizes provided that the overall density within such SF area shall not exceed five (5) units to the gross acre or 331 lots. For single family lots, the permitted and conditional uses, as well as the regulations, under

Section SF-R of the City of Celina's zoning ordinance shall apply, except as set forth herein, and further defined as Lot Types 1 and 2 below.

SINGLE-FAMILY PERMISSIBLE USES

The following uses shall be allowed:

1. Residential Uses: Single-family detached dwellings
2. Community Facility Uses
 - a. Public and private parks;
 - b. Recreational and open space including but not limited to playgrounds, parkways, greenbelts, pedestrian paths, dog parks;
 - c. Amenity centers.
3. Temporary structure for storage of building materials and equipment used for initial residential construction, when on the same or adjoining lot, for a period not to exceed the duration of the construction. This shall include temporary trailers for construction and sales activity. Building material storage will be allowed adjacent to temporary trailers or in a lot designated for storage.
4. Manufactured and/or modular homes are prohibited in this PD district.

RESIDENTIAL DESIGN GUIDELINES

1. Lot Type Regulations
2. The PD will include a variety of lot types in order to achieve the goals established for the district. The lot types and requirements for each shall be as follows:

A. Lot Type 1:

1. Purpose: This lot type is designed to allow single family detached dwellings on lots of not less than four thousand two hundred (4,200) square feet, together with the allowed incidental and accessory uses.
2. Height Regulations: No building shall exceed forty-five feet (45') or two and one-half (2-1/2) stories in height to the highest point of its roof.
3. Lot Mix Regulations: There shall be approximately 229 lots in the district that are Lot Type 1.
4. Area Regulations: The following minimum standards shall be required as measured from property lines:

Minimum Lot Size: 4,200 square feet.

Lot Coverage: The maximum Lot Coverage shall not exceed sixty-five percent (65%) excluding flatwork, i.e. sidewalks and driveways.

Minimum Floor Area: The minimum square footage of a dwelling unit, exclusive of garages, breezeways and porches, shall be twelve hundred fifty (1,250) square feet.

Front Yard: Fifteen feet (15') setback line when garage doors face the alley. Covered Front Porches may extend over the front building setback line up to five feet (5'). Key lots shall have two (2) front yards.

Rear Yard: Twenty feet (20') minimum garage setback measured from the alley Right of Way (ROW). This setback, coupled with

	the alley parkway, shall ensure that the alleys are passable at all times.
Side Yard:	Five feet (5') minimum. Ten feet (10') minimum when adjacent to street right of way.
Lot Width:	Forty feet typical (40') at building line.
Lot Depth:	115 foot minimum except 100 foot minimum on cul-de-sac and knuckle lots.
Garage Orientation:	Shall face the alley with twenty feet (20') minimum setback.

B. Lot Type 2: (MEWS LOTS)

1. Purpose: This lot type is designed to allow single family detached dwellings on lots that front on a “MEWS” open space to promote neighborhood interaction. These lots shall be not less than three thousand eight hundred (3,800) square feet, together with the allowed incidental and accessory uses.
2. Height Regulations: No building shall exceed forty-five feet (45') or two and one-half (2-1/2) stories in height to the highest point of its roof.
3. Lot Mix Regulations: There shall be approximately 136 Lots in this district that are Lot Type 2.
4. Area Regulations: The following minimum standards shall be required as measured from property lines:

Minimum Lot Size:	3,800 square feet.
Lot Coverage:	The maximum Lot Coverage shall not exceed sixty-five percent (65%) excluding flatwork, i.e. sidewalks and driveways.
Minimum Floor Area:	The minimum square footage of a dwelling unit, exclusive of garages, breezeways and porches, shall be twelve hundred and fifty (1,250) square feet.
Front Yard:	Five feet (5') setback line. Covered Front Porches may extend over the front building setback line up to five feet (5'). Key lots shall have two (2) front yards.
Rear Yard:	Twenty feet (20') minimum garage setback measured from the alley Right of Way (ROW). This setback, coupled with the alley parkway, shall ensure that the alleys are passable at all times.
Side Yard:	Five feet (5') minimum. Ten feet (10') minimum when adjacent to street or alley right of way.
Lot Width:	Forty feet typical (40') at building line; thirty-five feet (35') minimum on cul-de-sac and knuckle lots.
Lot Depth:	105 foot minimum.
Garage Orientation:	Shall face the alley with twenty feet (20') minimum setback.

CONDITIONAL USES

Any uses allowed as conditional uses in the SF-R District (Section 14.03.008) as defined in the City of Celina Zoning Ordinance, and as amended, may seek approval through the CUP process outlined in the Zoning Ordinance.

HOMEOWNERS/PROPERTY OWNERS ASSOCIATION

A Homeowner Association will be established as each residential or nonresidential parcel of land is developed. The PD shall contain one Homeowner/Property Owner Association.

OPEN SPACE

The PD will dedicate one acre of open space for every 75 dwelling units. The open space acreage may consist of any areas including publicly accessible detention/drainage facilities (wet ponds included), natural open space areas, open spaces with easements passing through, open spaces with walking, hiking, and/or bike trails, and public or private parks. Any detention/drainage areas counted toward the open space requirement shall be landscaped and amenitized with benches and sidewalks on a minimum of three (3) sides. The Open Space and mews shall be owned and maintained by the Homeowner Association (HOA). The amenities shall include, but are not limited to: community pool, restrooms, playground/children's playscape, benches, fire-pit, and landscaped open areas. Open space will be approximately 17% of development acreage.

CONCEPT PLAN

The Concept Plan demonstrates locations and relationships of the uses permitted under this PD. Because of anticipated development dynamics, it is anticipated that the overall Concept Plan will change from time to time.

An amendment to a concept plan approved as a part of the ordinance establishing the planned development district is a change in zoning district classification and must follow the same procedures set forth in Section 14.02.152, except the director of planning and development may approve minor revisions which do not alter the basic relationship of the proposed development to adjacent property, the uses permitted, increase the density, building height, coverage of site, off street parking ratio, or area regulations as indicated on the approved concept plan.

SCREENING & LANDSCAPE BUFFERS

Six-foot tall masonry screening wall shall be required for lots adjacent to CR 90 (Glendenning Parkway) and CR 87 (Coit Road). Black six foot (6') tall metal tubular fence shall be required on lots adjacent to or backing on open spaces. A landscape buffer shall be a minimum of forty feet (40') along Coit Road and a minimum twenty feet (20') along Glendenning Parkway with a meandering ten-foot (10') sidewalk along both rights-of-way.

DEVELOPMENT AMENITIES

Central Park Villas shall have the following amenities:

- 3.8 +/- acre central park with pool, pavilion, playground for kids, fire-pit, visitor parking, along with acres of open space for play and gatherings.
- An HOA owned and maintained pool with men's and women's restrooms with changing areas.
- Dog park within the detention area or other comparable area.
- Nuisance water will be routed around the detention areas to allow use as park space when not inundated.
- Mews areas will feature sidewalks at the property lines to leave maximum usable greenspace for play and gathering of neighbors.
- 13 +/- acres of open green spaces for play and gathering of neighbors and friends.
- 160 +/- visitor parking spaces

- Playground for kids, along with benches shall be provided
- Dog sanitation stations located within all open spaces including Mews areas
- Central mailboxes will be located near visitor parking spaces to enhance safety.



Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Paul DeBuff, Assistant to the City Manager
CC: Jason Laumer, City Manager
Date: November 13, 2018
Re: Palladium support resolution

Action Requested:

Consider and act upon a resolution of the City Council of the City of Celina, Texas, confirming support for the proposed Palladium Celina Senior Living Development located on the south side of E. Sunset Blvd and west of County Road 89. (Palladium Celina Senior Living) (DeBuff)

Background Information:

This resolution expresses Council's support for Palladium Senior Living Development to the east of the current Brookshire's supermarket.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

This ordinance has been reviewed the City Attorney.

Supporting Documents:

- Proposed Resolution
- Aerial of proposed location, site plan, sample elevation

Staff Recommendation:

Staff recommends approval.

**CITY OF CELINA
RESOLUTION NO. 2018-_____**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS,
CONFIRMING SUPPORT FOR THE PROPOSED PALLADIUM CELINA SENIOR
LIVING DEVELOPMENT LOCATED ON THE SOUTH SIDE OF E. SUNSET BLVD
AND WEST OF COUNTY ROAD 89.**

WHEREAS, the City of Celina, Texas (the "City") is a Home Rule municipality located in Collin County, Texas, and Denton County, Texas created in accordance with the provisions of the Texas Local Government Code and operating pursuant to the Celina Home Rule Charter; and

WHEREAS, Palladium Celina Senior Living, Ltd., has proposed a development for affordable rental housing located on the south side of E. Sunset Blvd and west of County Road 89, City of Celina, Collin County, Texas named Palladium Celina Senior Living in the City of Celina; and

WHEREAS, the City intends to issue a commitment and letter confirming that the City will provide a loan, grant, reduced fees, or contribution of other value for the benefit of the Development so that the Applicant may receive one (1) point for a contribution from the City in an amount of \$500.00; and

WHEREAS, Palladium Celina Senior Living, Ltd., has advised that it intends to submit an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2019 Competitive 9% Housing Tax Credits for Palladium Celina Senior Living.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS;

1. That the City Council hereby confirms that it supports the proposed Palladium Celina Senior Living located on the south side of E. Sunset Blvd and west of County Road 89, City of Celina, Collin County, Texas, and that this formal action has been taken to put on record the opinion expressed by the city on November 13, 2018, and
2. That for and on behalf of the Governing Body, Vicki Faulkner, Celina City Secretary, is hereby authorized, empowered, and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.

PASSED AND APPROVED by the City Council of the City of Celina, Texas, this the 13th day of November, 2018.



Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Paul DeBuff, Assistant to the City Manager
CC: Jason Laumer, City Manager
Date: November 13, 2018
Re: Utility Rate Updates

Action Requested:

Consider and act upon an ordinance of the City Council of the City of Celina, Texas, amending the City's Code of Ordinances, Appendix A: Fee Schedule, Utility Rates. (DeBuff)

Background Information:

On October 9th, Willdan Financial Services briefed the City Council on a proposed water rate schedule change. This item proposes two different scenarios for water rate schedule and fee changes for Council to choose from.

Note: The Council member who moves to approve this item must include the Scenario number for the Council to approve.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

N/A

Supporting Documents:

- Proposed ordinance

Staff Recommendation:

Staff recommends approval.

CITY OF CELINA, TEXAS

ORDINANCE 2018-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING THE CITY'S CODE OF ORDINANCES, APPENDIX A: FEE SCHEDULE; ARTICLE A5.000: UTILITY RATES AND CHARGES; SECTION A5.002 WATER RATES AND SECTION A5.003 SEWER RATES; ADOPTING REVISED FEES FOR UTILITY RATES; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FINDINGS; PROVIDING FOR AMENDMENT TO THE CODE OF ORDINANCES; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING FOR SAVINGS; PROVIDING FOR SEVERABILITY; PROVIDING FOR PENALTY, PROVIDING FOR PUBLICATION; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a home rule municipality located in Collin County and Denton County, Texas created in accordance with the provisions of the Texas Local Government Code, the Texas Constitution and operating pursuant to the enabling legislation of the state of Texas; and

WHEREAS, the City Council of the City of Celina, Texas is empowered under Local Government Code 54.001 to do all acts and make all regulations which may be necessary or expedient for the promotion of the public health, safety and general welfare; and

WHEREAS, the City Council is legally empowered to regulate the utility rates charged to customers of its municipal system; and

WHEREAS, it is in the best interest of the public health, safety, and welfare that this amendment to the utility rates be enacted.

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

SECTION 1
INCORPORATION OF PREMISES

The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

SECTION 2
FINDINGS

After due deliberations the City Council has concluded that the adoption of this Ordinance is in the best interest of the City of Celina, Texas and of the public health, safety and welfare.

SECTION 3 **AMENDMENTS**

3.01 That the City of Celina Code of Ordinances, Appendix A: Fee Schedule; Article A5.000: Utility Rates and Charges; Section A5.002: Water rates, is hereby amended to adopt such rates and charges which are set forth on the attached Exhibit "A" which is incorporated herein for all intents and purposes.

3.02 That the City of Celina Code of Ordinances, Appendix A: Fee Schedule; Article A5.000: Utility Rates and Charges; Section A5.003: Sewer rates, is hereby amended to adopt such rates and charges which are set forth on the attached Exhibit A which is incorporated herein for all intents and purposes.

SECTION 4 **CUMULATIVE REPEALER CLAUSE**

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided however, that any complaint, action, claim or lawsuit which has been initiated or has arisen under or pursuant to such other Ordinances on this date of adoption of this Ordinance shall continue to be governed by the provisions of such Ordinance and for that purpose the Ordinance shall remain in full force and effect.

SECTION 5 **SAVINGS CLAUSE**

All rights and remedies of the City of Celina, Texas are expressly saved as to any and all violations of the provisions of any other ordinance affecting utility rates and fees which have secured at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances same shall not be affected by this Ordinance but may be prosecuted until final disposition by the court.

SECTION 6 **SEVERABILITY**

The provisions of the Ordinance are severable. However, in the event this Ordinance or any procedure provided in this Ordinance becomes unlawful, or is declared or determined by a judicial, administrative or legislative authority exercising its jurisdiction to be excessive, unenforceable, void, illegal or otherwise inapplicable, in whole or in part, the remaining and lawful provisions shall be of full force and effect and the City shall promptly promulgate new revised provisions in compliance with the authority's decisions or enactment.

SECTION 7 **PENALTY**

If the governing body of the City of Celina determines that a violation of this Ordinance has occurred, the City of Celina may bring suit in district court to enjoin the person, firm, partnership, corporation, or association from engaging in the prohibited activity.

Any person, firm or corporation violating any of the provisions or terms of this ordinance or of the Code of Ordinances as amended hereby, shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Celina, and upon conviction shall be punished by a fine not to exceed Five Hundred Dollars (\$500) for each offense, and a separate offense shall be deemed committed upon each day during or on which a violation occurs and continues.

SECTION 8 **PUBLICATION CLAUSE**

The City Secretary of the City of Celina is hereby directed to publish in the Official Newspaper of the City of Celina the Caption, and Effective Date Clause of this Ordinance as required by Section 52.013 of the Local Government Code.

SECTION 9 ENGROSSMENT AND **ENROLLMENT**

The City Secretary is hereby directed to engross and enroll this Ordinance by copying the descriptive Caption in the minutes of the City Council and by filing this Ordinance in the Ordinance records of the City.

SECTION 10 **EFFECTIVE DATE**

This Ordinance shall become effective from and after its date of passage in accordance with law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this ____ day of November, 2018.

Sean Terry, Mayor
City of Celina, Texas

ATTEST:

Vicki Faulkner, City Secretary
City of Celina, Texas

[SEAL]

APPROVED AS TO FORM:

Lance Vanzant, City Attorney
City of Celina, Texas

Exhibit A:

Scenario 1 and Scenario 2

Scenario 1

**CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL**

Current Effective Effective Effective
Jan-19 Jan-20 Jan-21

City Rate Plan -- Three Year Summary
Scen: 2018 11 13 Scenario 1 -- Status Quo

1 Water Monthly Rates and Charges

CITY Water Rate and Charges

W1 Residential

Monthly Minimum Charge

3/4"	\$	23.15	\$	23.84	\$	24.56	\$	25.30
1"		38.93		40.10		41.30		42.54
1 1/2"		77.87		80.21		82.61		85.09
2"		124.59		128.33		132.18		136.14

Volume Rate/1,000 Gal

2,001	10,000	\$	5.06	\$	5.21	\$	5.37	\$	5.53
10,001	20,000		7.66		7.89		8.13		8.37
20,001	30,000		9.02		9.29		9.57		9.86
30,001	Above		13.02		13.41		13.81		14.23

W2 Residential Outside

Monthly Minimum Charge

3/4"	\$	34.72	\$	35.77	\$	36.84	\$	37.94
1"		58.40		58.40		60.15		61.95
1 1/2"		116.81		116.81		120.31		123.92
2"		186.89		186.89		192.49		198.27

Volume Rate/1,000 Gal

2,001	10,000	\$	7.59	\$	7.82	\$	8.05	\$	8.29
10,001	20,000		11.49		11.83		12.19		12.56
20,001	30,000		13.53		13.94		14.35		14.78
30,001	Above		19.53		20.12		20.72		21.34

**CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL**

Current Effective Jan-19 Effective Jan-20 Effective Jan-21

City Rate Plan -- Three Year Summary
Scen: 2018 11 13 Scenario 1 -- Status Quo

W3 CommercialMonthly Minimum Charge

3/4"	\$	27.81	\$	28.64	\$	29.50	\$	30.39
1"		48.67		50.13		51.63		53.18
1 1/2"		97.34		100.26		103.27		106.37
2"		155.74		160.41		165.22		170.18
3"		233.60		240.61		247.83		255.26
4"		389.34		401.02		413.05		425.44

Volume Rate/1,000 Gal

2,001	10,000	\$	5.06	\$	5.21	\$	5.37	\$	5.53
10,001	20,000		7.66		7.89		8.13		8.37
20,001	30,000		9.02		9.29		9.57		9.86
30,001	Above		13.02		13.41		13.81		14.23

W4 Commercial OutsideMonthly Minimum Charge

3/4"	\$	41.72	\$	42.97	\$	44.26	\$	45.58
1"		73.01		75.20		77.45		79.77
1 1/2"		146.01		150.39		154.90		159.55
2"		233.61		240.62		247.84		255.27
3"		350.40		360.91		371.74		382.89
4"		584.01		601.53		619.58		638.16

Volume Rate/1,000 Gal

2,001	10,000	\$	7.59	\$	7.82	\$	8.05	\$	8.29
10,001	20,000		11.49		11.83		12.19		12.56
20,001	30,000		13.53		13.94		14.35		14.78
30,001	Above		19.53		20.12		20.72		21.34

**CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL**

Current Effective Effective Effective
Jan-19 Jan-20 Jan-21

City Rate Plan -- Three Year Summary
Scen: 2018 11 13 Scenario 1 -- Status Quo

2 Wastewater Monthly Rates and Charges

Residential

Monthly Minimum Charge

3/4"	\$	21.50	\$	23.44	\$	25.54	\$	27.84
1"		38.63		42.11		45.90		50.03
1 1/2"		72.10		78.59		85.66		93.37
2"		123.60		134.72		146.85		160.07

Volume Rate/1,000 Gal

2,001	Maximum	5.84	6.37	6.94	7.56
	Maximum Gallons	14,000	13,000	12,000	11,000

Residential Outside

Monthly Minimum Charge

3/4"	32.25	35.15	38.32	41.76
1"	57.95	63.16	68.84	75.04
1 1/2"	108.15	117.88	128.49	140.06
2"	185.40	202.09	220.27	240.10

Volume Rate/1,000 Gal

2,001	Maximum	12.90	14.06	15.33	16.71
	Maximum Gallons	14,000	13,000	12,000	11,000

**CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL**

Current Effective Jan-19 Effective Jan-20 Effective Jan-21

City Rate Plan -- Three Year Summary
Scen: 2018 11 13 Scenario 1 -- Status Quo

Commercial

Monthly Minimum Charge

3/4"	25.75	28.07	30.59	33.35
1"	48.29	52.64	57.37	62.54
1 1/2"	90.13	98.24	107.08	116.72
2"	154.50	168.41	183.56	200.08
4"	386.25	421.01	458.90	500.20

Volume Rate/1,000 Gal

2,001	Above	5.84	6.37	6.94	7.56
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Commercial Outside

Monthly Minimum Charge

3/4"	38.63	42.10	45.89	50.02
1"	72.44	78.95	86.06	93.81
1 1/2"	135.20	147.36	160.63	175.08
2"	231.75	252.61	275.34	300.12
4"	579.38	631.52	688.36	750.31

Volume Rate/1,000 Gal

2,001	Above	12.90	14.06	15.33	16.71
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Scenario 2

**CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL**

Current Effective Jan-19 Effective Jan-20 Effective Jan-21

City Rate Plan -- Three Year Summary

Scen: 2018 09 06 Scenario 2 -- WW Inverted Block

1 Water Monthly Rates and Charges

CITY Water Rate and Charges

W1 Residential

Monthly Minimum Charge

3/4"	\$	23.15	\$	23.84	\$	24.56	\$	25.30
1"		38.93		40.10		41.30		42.54
1 1/2"		77.87		80.21		82.61		85.09
2"		124.59		128.33		132.18		136.14

Volume Rate/1,000 Gal

2,001	10,000	\$	5.06	\$	5.21	\$	5.37	\$	5.53
10,001	20,000		7.66		7.89		8.13		8.37
20,001	30,000		9.02		9.29		9.57		9.86
30,001	Above		13.02		13.41		13.81		14.23

W2 Residential Outside

Monthly Minimum Charge

3/4"	\$	34.72	\$	35.77	\$	36.84	\$	37.94
1"		58.40		58.40		60.15		61.95
1 1/2"		116.81		116.81		120.31		123.92
2"		186.89		186.89		192.49		198.27

Volume Rate/1,000 Gal

2,001	10,000	\$	7.59	\$	7.59	\$	7.82	\$	8.05
10,001	20,000		11.49		11.49		11.83		12.19
20,001	30,000		13.53		13.53		13.94		14.35
30,001	Above		19.53		19.53		20.12		20.72

**CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL**

Current Effective Jan-19 Effective Jan-20 Effective Jan-21

City Rate Plan -- Three Year Summary

Scen: 2018 09 06 Scenario 2 -- WW Inverted Block

W3 CommercialMonthly Minimum Charge

3/4"	\$	27.81	\$	28.64	\$	29.50	\$	30.39
1"		48.67		50.13		51.63		53.18
1 1/2"		97.34		100.26		103.27		106.37
2"		155.74		160.41		165.22		170.18
3"		233.60		240.61		247.83		255.26
4"		389.34		401.02		413.05		425.44

Volume Rate/1,000 Gal

2,001	10,000	\$	5.06	\$	5.21	\$	5.37	\$	5.53
10,001	20,000		7.66		7.89		8.13		8.37
20,001	30,000		9.02		9.29		9.57		9.86
30,001	Above		13.02		13.41		13.81		14.23

W4 Commercial OutsideMonthly Minimum Charge

3/4"	\$	41.72	\$	42.97	\$	44.26	\$	45.58
1"		73.01		75.20		77.45		79.77
1 1/2"		146.01		150.39		154.90		159.55
2"		233.61		240.62		247.84		255.27
3"		350.40		360.91		371.74		382.89
4"		584.01		601.53		619.58		638.16

Volume Rate/1,000 Gal

2,001	10,000	\$	7.59	\$	7.82	\$	8.05	\$	8.29
10,001	20,000		11.49		11.83		12.19		12.56
20,001	30,000		13.53		13.94		14.35		14.78
30,001	Above		19.53		20.12		20.72		21.34

**CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL**

Current Effective Effective Effective
Jan-19 Jan-20 Jan-21

City Rate Plan -- Three Year Summary**Scen: 2018 09 06 Scenario 2 -- WW Inverted Block****2 Wastewater Monthly Rates and Charges****Residential****Monthly Minimum Charge**

3/4"	\$	21.50	\$	23.44	\$	25.54	\$	27.84
1"		38.63		42.11		45.90		50.03
1 1/2"		72.10		78.59		85.66		93.37
2"		123.60		134.72		146.85		160.07

Volume Rate/1,000 Gal

2,001	5,000	5.84	5.84	6.37	6.94
5,001	Maximum	5.84	7.23	7.88	8.59
	Maximum Gallons	14,000	13,000	12,000	11,000

Residential Outside**Monthly Minimum Charge**

3/4"	32.25	35.15	38.32	41.76
1"	57.95	63.16	68.84	75.04
1 1/2"	108.15	117.88	128.49	140.06
2"	185.40	202.09	220.27	240.10

Volume Rate/1,000 Gal

2,001	5,000	12.90	12.90	14.06	15.33
5,001	Maximum	12.90	15.97	17.41	18.97
	Maximum Gallons	14,000	13,000	12,000	11,000

**CITY OF CELINA
WATER/WASTEWATER COST OF SERVICE MODEL**

Current Effective Jan-19 Effective Jan-20 Effective Jan-21

City Rate Plan -- Three Year Summary**Scen: 2018 09 06 Scenario 2 -- WW Inverted Block****Commercial****Monthly Minimum Charge**

3/4"	25.75	28.07	30.59	33.35
1"	48.29	52.64	57.37	62.54
1 1/2"	90.13	98.24	107.08	116.72
2"	154.50	168.41	183.56	200.08
4"	386.25	421.01	458.90	500.20

Volume Rate/1,000 Gal

2,001	Above	5.84	6.37	6.94	7.56
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Commercial Outside**Monthly Minimum Charge**

3/4"	38.63	42.10	45.89	50.02
1"	72.44	78.95	86.06	93.81
1 1/2"	135.20	147.36	160.63	175.08
2"	231.75	252.61	275.34	300.12
4"	579.38	631.52	688.36	750.31

Volume Rate/1,000 Gal

2,001	Above	12.90	14.06	15.33	16.71
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Presentation to Council



City of Celina

2018 Water and Wastewater

Rate Study and Financial Forecast

City Council Meeting



November 2018

Facts about Water and WW Rates in the 21st Century



- Average utility has been increasing rates 5-6% per year; trend expected to continue
- Rate adjustments are primarily due to reasons beyond a utility's control – inflation, system replacement, etc.
- 30-40% of utilities currently charge rates that do not cover their costs
- General rule: a utility can have low rates or high quality service but NOT both!

City of Celina

Current Water Rate Structure



Residential Rates

Minimum Charge by Meter Size 3/4"	\$ 23.15
(Includes 2,000 Gallons in Base 1"	38.93
1 1/2"	77.87
2"	124.59

Volume Rate (per 1,000 Gallons)	
2,001 10,000	\$ 5.06
10,001 20,000	7.66
20,001 30,000	9.02
30,001 Above	13.02

Commercial Rates

Minimum Charge by Meter Size 3/4"	\$ 27.81
(Includes 2,000 Gallons in Base 1"	48.67
1 1/2"	97.34
2"	155.74
3"	233.60
4"	389.34

Volume Rate (per 1,000 Gallons)	
2,001 10,000	\$ 5.06
10,001 20,000	7.66
20,001 30,000	9.02
30,001 Above	13.02

Outside Rates 50-121% higher

Residential Rates

Minimum Charge	3/4"	\$ 21.50
(Includes 2,000 Gallons in Base	1"	38.63
	1 1/2"	72.10
	2"	123.60

Volume Rate (per 1,000 Gallons)	\$ 5.84
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* Volumes are capped at 14,000 monthly water use

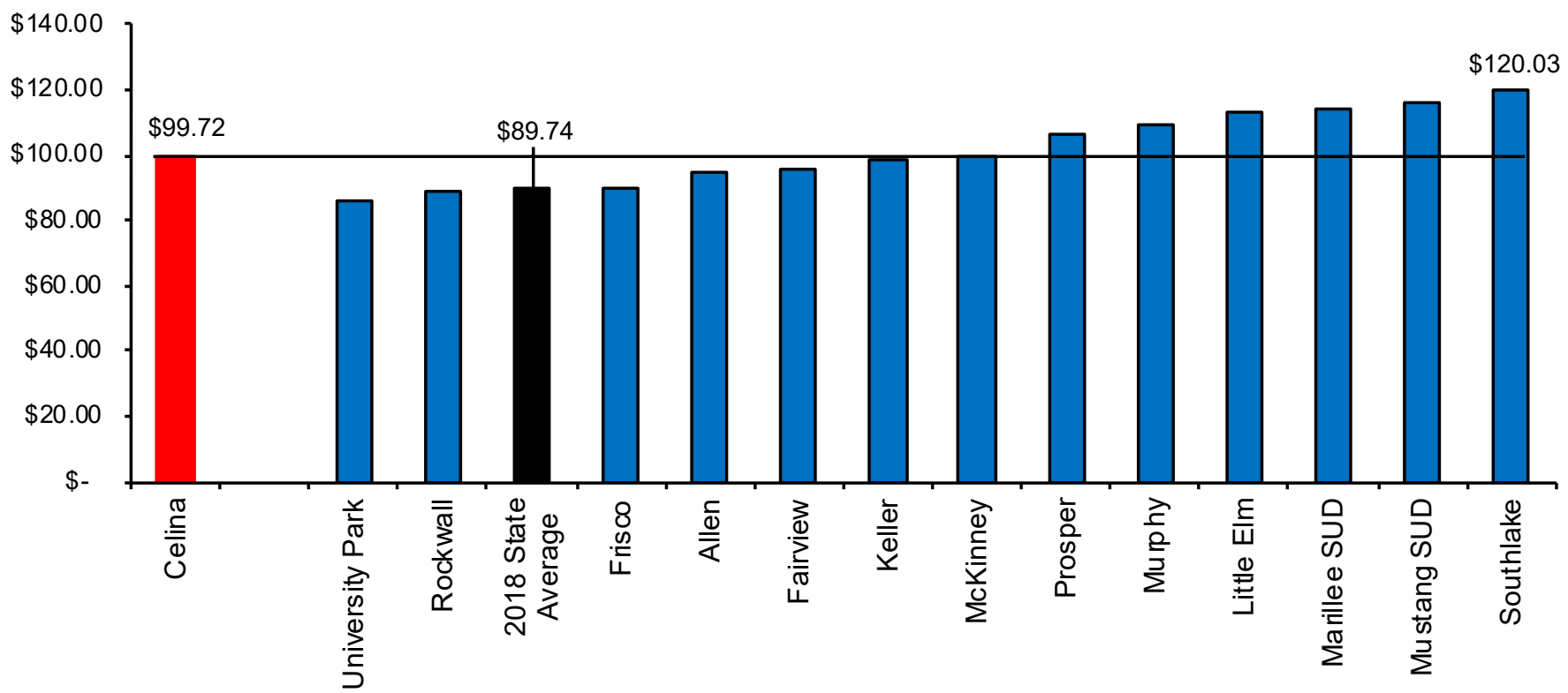
Commercial Rates

Minimum Charge by Meter Size	3/4"	\$ 25.75
(Includes 2,000 Gallons in Base	1"	48.29
	1 1/2"	90.13
	2"	154.50
	4"	386.25

Volume Rate (per 1,000 Gallons)	\$ 5.84
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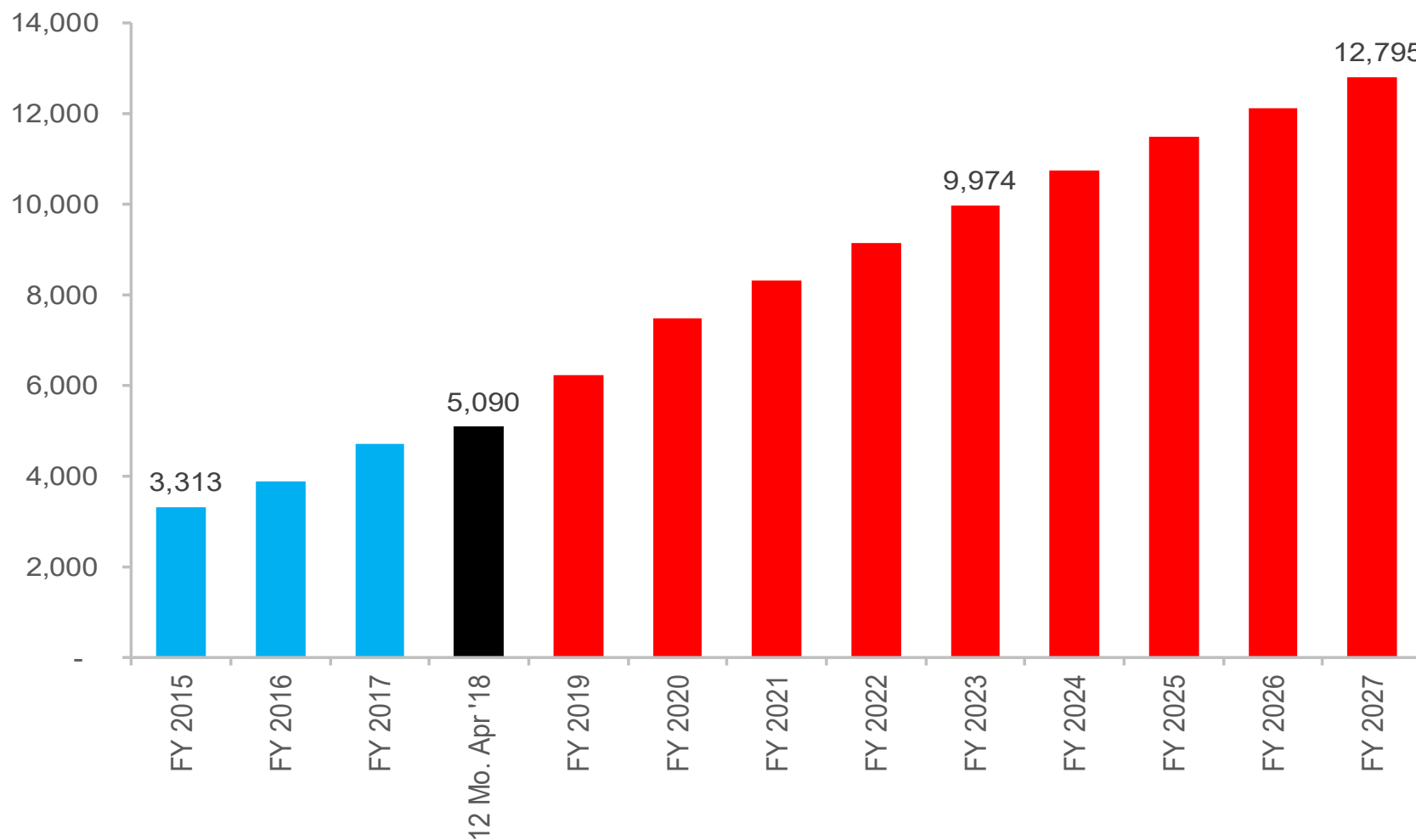


Monthly Residential Charge Comparison 10,000 Gal Water/5,000 Gal WW



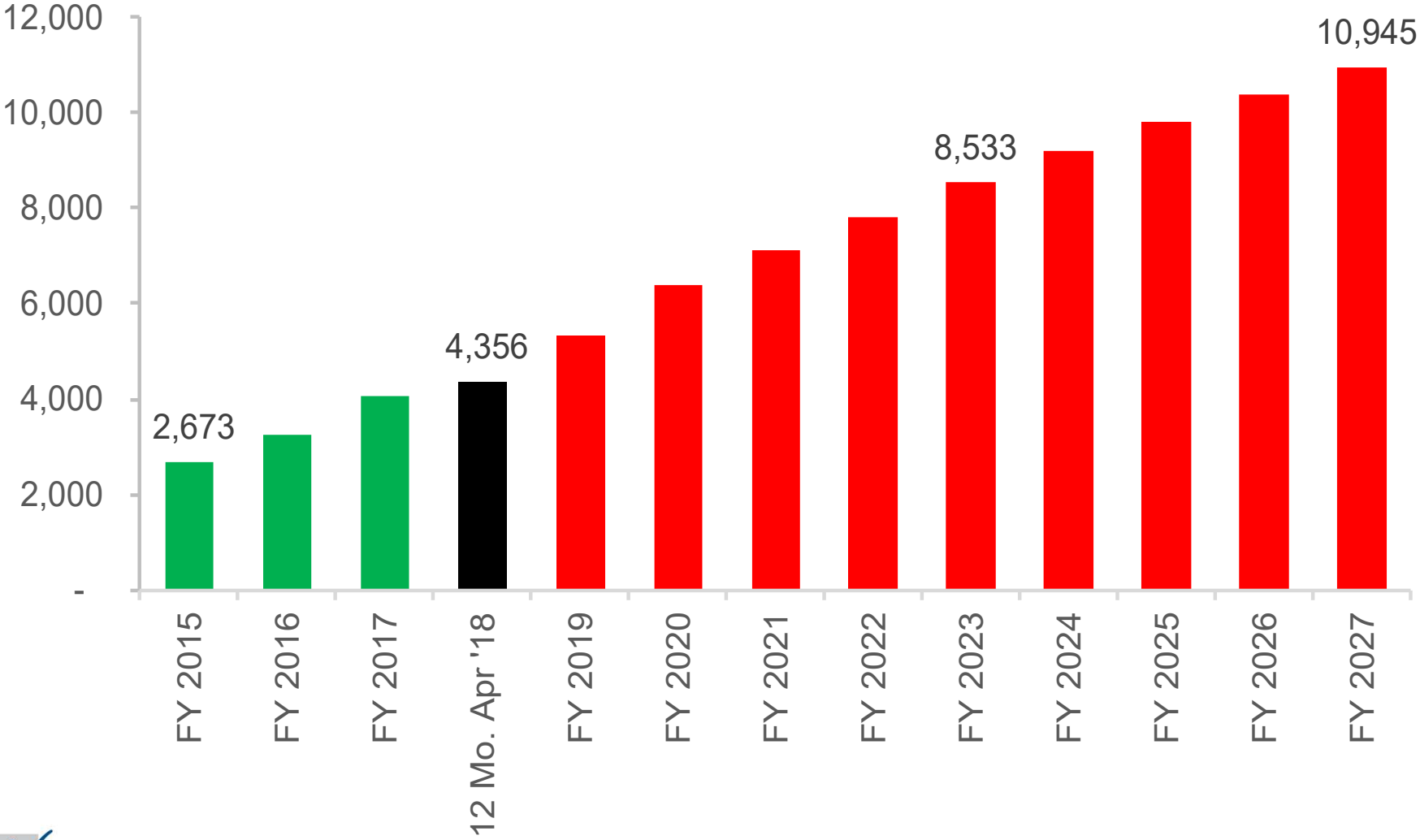


Actual and Forecast Total Water Accounts



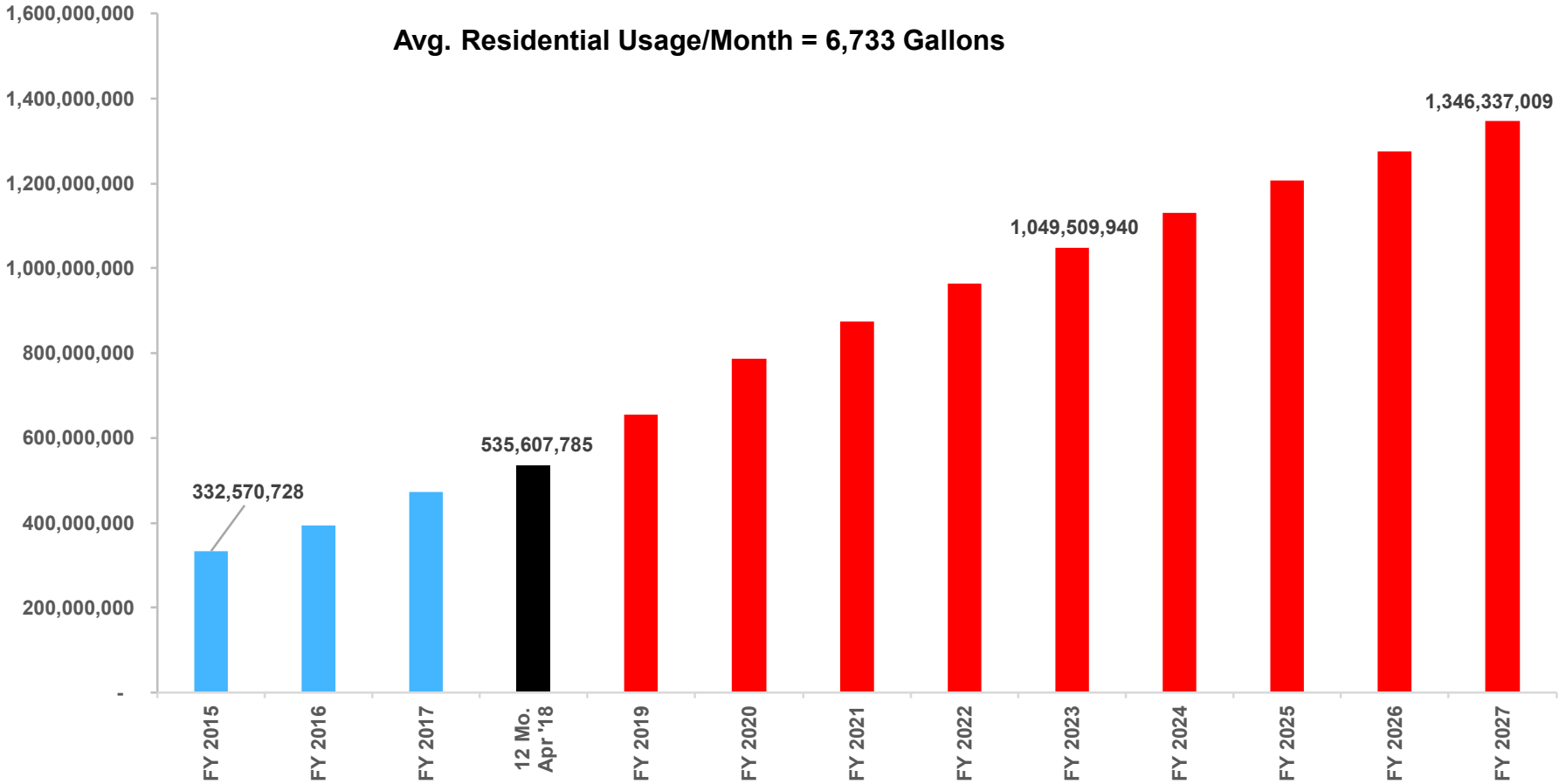


Actual and Forecast Total Wastewater Accounts





Actual and Forecast Water Consumption



Forecast Financial and Rate Plan Key Assumptions



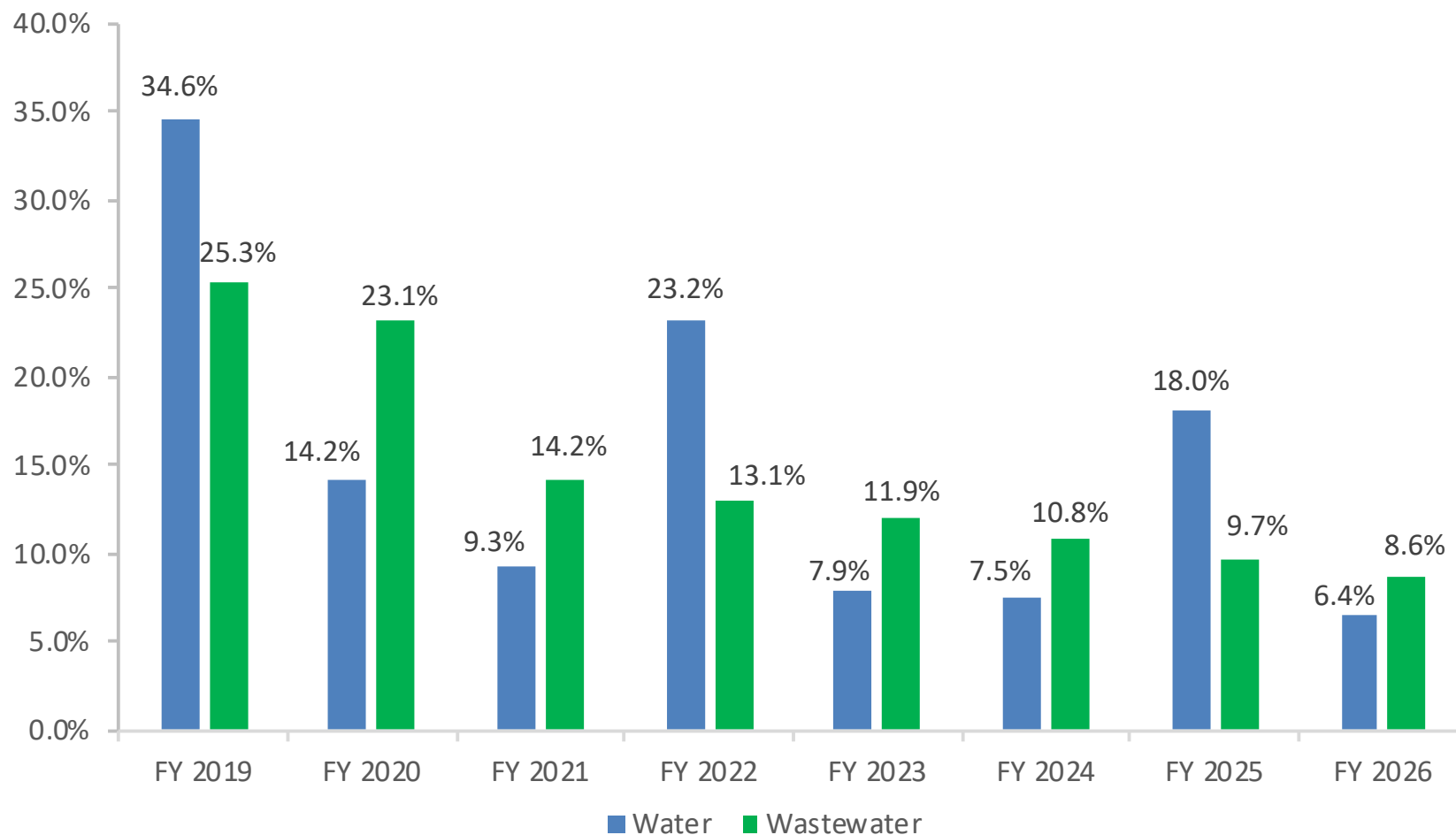
- ◆ Most personnel and operating expenses will increase 3% per year
- ◆ Certain expenses will increase with volume and customer growth (electricity/chemicals/health insurance)
- ◆ Biggest impacts on rate plan:
 - ❖ UTRWD Cost Increases
 - ❖ New Debt required to fund CIP





UTRWD

Forecast Water/WW Cost Increases



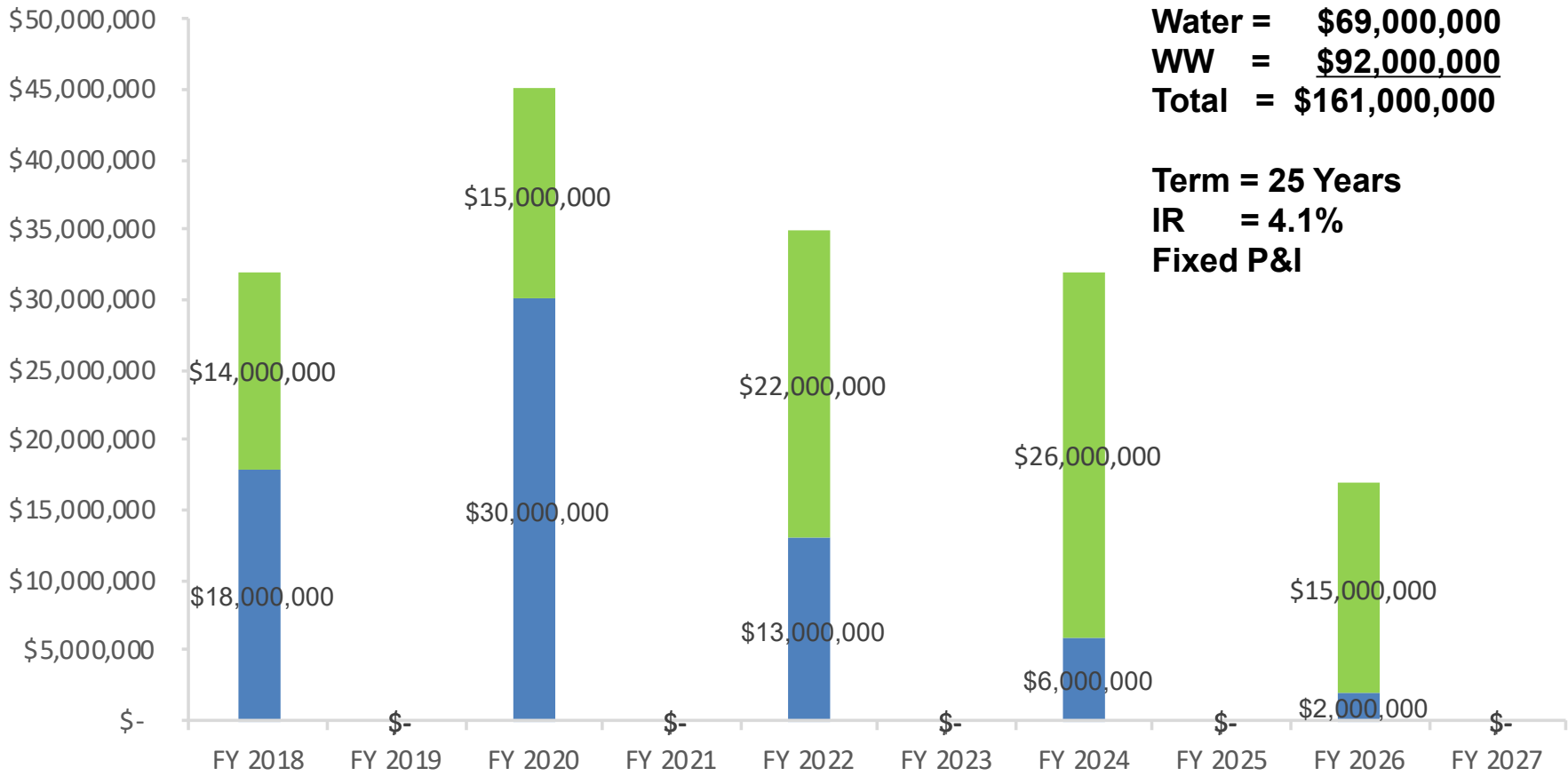
Long-Term Capital/Debt Financing Principal Assumptions



- For high-growth cities like Celina, capital improvement plans are highly volatile and subject to significant and continuous change
- City has provided CIP data for the period through 2027
- Identified capital needs total **\$164,283,000** through 2027
- Rate plan assumes that a significant portion of CIP needs will be funded through bond issues



Long-Term Financing Forecast Bond Issues

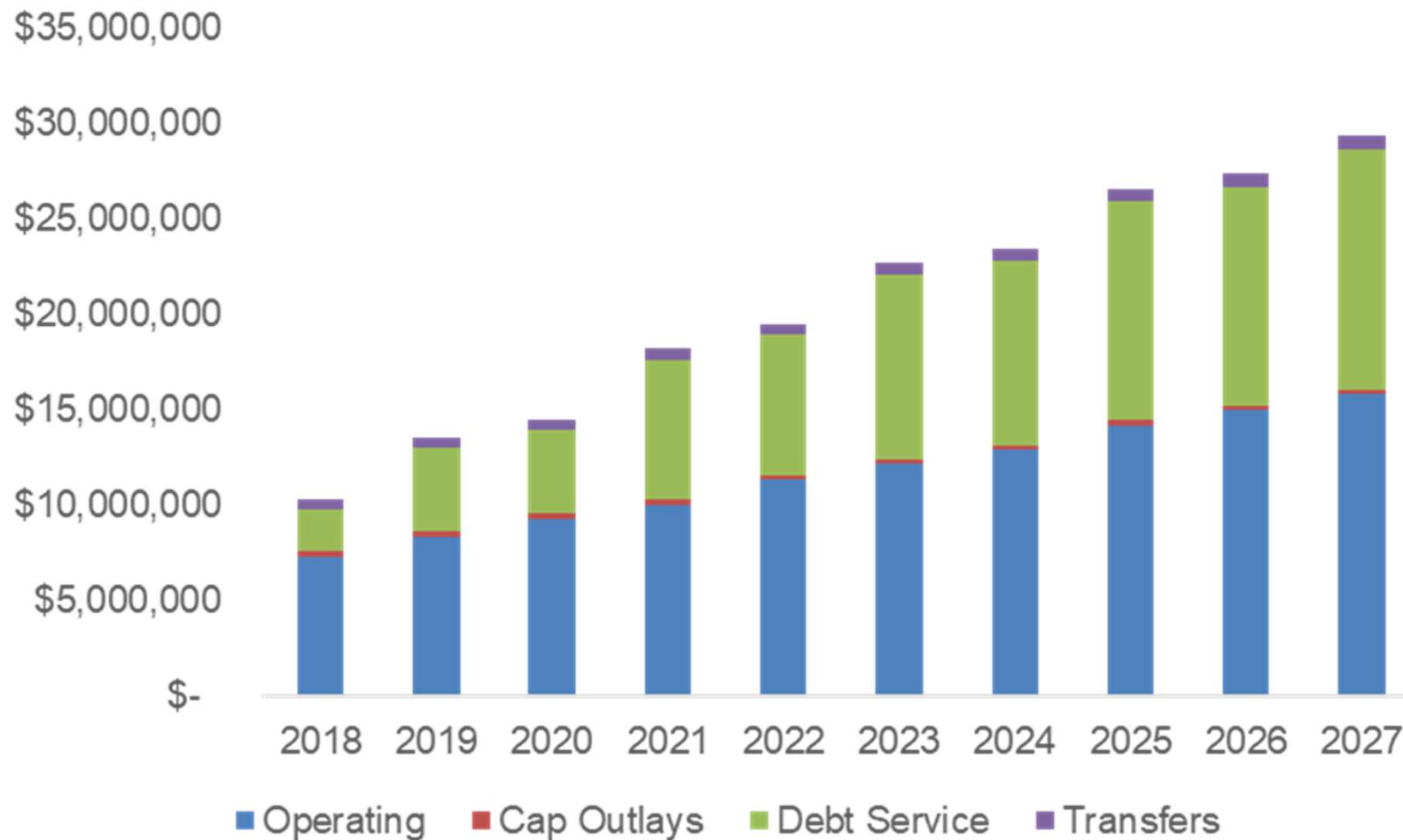


Water = \$69,000,000
WW = \$92,000,000
Total = \$161,000,000

Term = 25 Years
IR = 4.1%
Fixed P&I



Forecast Revenue Requirement



Notes on Rate Proposal



- Many rate scenarios were evaluated by project team and staff prior to proposed plan to be presented today
- Highlights of proposed rate plan:
 - 3 year implementation – annual adjustments
 - Wastewater usage cap reduced by 1,000 gallons in each year – ultimate goal to reach 9,000 gallons by 2023
- Due to high growth and evolving CIP requirements, recommend that rate plan be reviewed each year

Proposed Rate Plan Water Residential



		Effective Jan-18	Proposed Jan-19	Proposed Jan-20	Proposed Jan-21
Water Rates -- Residential					
<u>Minimum Charge -- 1st 2,000 Gal</u>					
3/4"	\$	23.15	\$ 23.84	\$ 24.56	\$ 25.30
1"		38.93	40.10	41.30	42.54
1 1/2"		77.87	80.21	82.61	85.09
2"		124.59	128.33	132.18	136.14
<u>Volume Rate Per 1,000 Gal</u>					
2,001 10,000		5.06	5.21	5.37	5.53
10,001 20,000		7.66	7.89	8.13	8.37
20,001 30,000		9.02	9.29	9.57	9.86
30,001 Above		13.02	13.41	13.81	14.23
Residential Outside					
<u>Minimum Charge -- 1st 2,000 Gal</u>					
3/4"		34.72	35.77	36.84	37.94
1"		58.40	58.40	60.15	61.95
1 1/2"		116.81	116.81	120.31	123.92
2"		186.89	186.89	192.49	198.27
<u>Residential Outside Volume Rate Per 1,000 Gal</u>					
2,001 10,000		7.59	7.82	8.05	8.29
10,001 20,000		11.49	11.83	12.19	12.56
20,001 30,000		13.53	13.94	14.35	14.78
30,001 Above		19.53	20.12	20.72	21.34

Proposed Rate Plan Water Commercial



		Effective Jan-18	Proposed Jan-19	Proposed Jan-20	Proposed Jan-21
Commercial					
<u>Minimum Charge -- 1st 2,000 Gal</u>					
3/4"	\$	27.81	\$ 28.64	\$ 29.50	\$ 30.39
1"		48.67	50.13	51.63	53.18
1 1/2"		97.34	100.26	103.27	106.37
2"		155.74	160.41	165.22	170.18
3"		233.60	240.61	247.83	255.26
4"		389.34	401.02	413.05	425.44
<u>Volume Rate Per 1,000 Gal</u>					
2,001 10,000		5.06	5.21	5.37	5.53
10,001 20,000		7.66	7.89	8.13	8.37
20,001 30,000		9.02	9.29	9.57	9.86
30,001 Above		13.02	13.41	13.81	14.23
Commercial Outside					
<u>Minimum Charge -- 1st 2,000 Gal</u>					
3/4"	\$	41.72	\$ 42.97	\$ 44.26	\$ 45.58
1"		73.01	75.20	77.45	79.77
1 1/2"		146.01	150.39	154.90	159.55
2"		233.61	240.62	247.84	255.27
3"		350.40	360.91	371.74	382.89
4"		584.01	601.53	619.58	638.16
<u>Volume Rate Per 1,000 Gal</u>					
2,001 10,000		7.59	7.82	8.05	8.29
10,001 20,000		11.49	11.83	12.19	12.56
20,001 30,000		13.53	13.94	14.35	14.78
30,001 Above		19.53	20.12	20.72	21.34

Proposed Rate Plan

Wastewater Residential and Commercial



	Effective Jan-18	Proposed Jan-19	Proposed Jan-20	Proposed Jan-21
Wastewater Rates - Residential				
Minimum Charge -- 1st 2,000 Gal				
3/4"	\$ 21.50	\$ 23.44	\$ 25.54	\$ 27.84
1"	38.63	42.11	45.90	50.03
1 1/2"	72.10	78.59	85.66	93.37
2"	123.60	134.72	146.85	160.07
Volume Rate/1,000 Gal (2,001 to 14,000)	5.84	6.37	6.94	7.56
Residential Usage Cap (gallons)	14,000	13,000	12,000	11,000
Commercial				
Minimum Charge -- 1st 2,000 Gal				
3/4"	\$ 25.75	\$ 28.07	\$ 30.59	\$ 33.35
1"	48.29	52.64	57.37	62.54
1 1/2"	90.13	98.24	107.08	116.72
2"	154.50	168.41	183.56	200.08
3"	-	-	-	-
4"	386.25	421.01	458.90	500.20
Volume Rate/1,000 Gal	5.84	6.37	6.94	7.56

Proposed Rate Plan Impact on Residential Ratepayers



		Effective Jan-18	Proposed Jan-19	Proposed Jan-20	Proposed Jan-21
Residential Monthly Charges -- 3/4"					
5,000 Water	5,000 WW	\$ 77.35	\$ 82.01	\$ 87.02	\$ 92.42
	Increase -- \$		4.66	5.01	5.39
	Increase -- %		6.0%	6.1%	6.2%
10,000 Water	10,000 WW	131.85	139.90	148.56	157.88
	Increase -- \$		8.05	8.66	9.32
	Increase -- %		6.1%	6.2%	6.3%
20,000 Water	14,000 WW	231.81	244.26	257.58	271.83
	Increase -- \$		12.45	13.32	14.26
	Increase -- %		5.4%	5.5%	5.5%
Commercial Monthly Charges -- 1 1/2"					
30,000 Water	30,000 WW	\$ 558.27	\$ 590.24	\$ 624.53	\$ 661.35
	Increase -- \$		31.97	34.30	36.82
			5.7%	5.8%	5.9%
60,000 Water	60,000 WW	1,124.07	1,183.52	1,247.08	1,315.06
	Increase -- \$		59.45	63.55	67.98
	Increase -- %		5.3%	5.4%	5.5%

Alternative 2 – WW Inverted Block Wastewater Residential and Commercial



	Effective Jan-18	Proposed Jan-19	Proposed Jan-20	Proposed Jan-21
Wastewater Rates - Residential				
<u>Minimum Charge -- 1st 2,000 Gal</u>				
3/4"	\$ 21.50	\$ 23.44	\$ 25.54	\$ 27.84
1"	38.63	42.11	45.90	50.03
1 1/2"	72.10	78.59	85.66	93.37
2"	123.60	134.72	146.85	160.07
Volume Rate/1,000 Gal (2,001 to 5,000)	5.84	5.84	6.37	6.94
Volume Rate/1,000 Gal (5,001 to 14,000)	5.84	7.23	7.88	8.59
Residential Usage Cap (gallons)	14,000	13,000	12,000	11,000
Commercial				
<u>Minimum Charge -- 1st 2,000 Gal</u>				
3/4"	\$ 25.75	\$ 28.07	\$ 30.59	\$ 33.35
1"	48.29	52.64	57.37	62.54
1 1/2"	90.13	98.24	107.08	116.72
2"	154.50	168.41	183.56	200.08
3"	-	-	-	-
4"	386.25	421.01	458.90	500.20
Volume Rate/1,000 Gal	5.84	6.37	6.94	7.56

Alternative 2 Rate Plan

Impact on Residential Ratepayers



		Effective Jan-18	Proposed Jan-19	Proposed Jan-20	Proposed Jan-21
Residential Monthly Charges -- 3/4"					
5,000 Water	5,000 WW	\$ 77.35	\$ 80.43	\$ 85.31	\$ 90.54
	Increase -- \$		3.08	4.87	5.24
	Increase -- %		4.0%	6.1%	6.1%
10,000 Water	10,000 WW	131.85	142.64	151.55	161.14
	Increase -- \$		10.79	8.91	9.59
	Increase -- %		8.2%	6.2%	6.3%
20,000 Water	14,000 WW	231.81	250.46	264.34	279.20
	Increase -- \$		18.65	13.88	14.86
	Increase -- %		8.0%	5.5%	5.6%
Commercial Monthly Charges -- 1 1/2"					
30,000 Water	30,000 WW	\$ 558.27	\$ 590.24	\$ 624.53	\$ 661.35
	Increase -- \$		31.97	34.30	36.82
			5.7%	5.8%	5.9%
60,000 Water	60,000 WW	1,124.07	1,183.52	1,247.08	1,315.06
	Increase -- \$		59.45	63.55	67.98
	Increase -- %		5.3%	5.4%	5.5%

Presentation Summary

Benefits of Proposed Rate Plan



- Will ensure that utility operates on a stand-alone basis and independent of general fund assistance
- Will cover estimated increased cost of UTRWD purchases
- Will result in financially-healthy utility that has ability to fund operations and capital needs
- Will ensure that ratepayers pay only what it costs to provide service
- Will allow capital investment into system to improve quality of service and provide a well-functioning system for future generations



Questions?